OFFERING MEMORANDUM

CaixaBank, S.A.

(*incorporated with limited liability in Spain*)

U.S.$5,000,000,000 U.S. Medium Term Note Program

CaixaBank, S.A. ("**CaixaBank**," the "**Issuer**," the "**Company**," or the "**Bank**" and, together with its consolidated subsidiaries, "**we**," "**us**," "**our**," "**CaixaBank Group**" and the "**Group**," unless otherwise indicated or the context otherwise requires) may offer from time to time notes (the "**Notes**") with the terms and conditions described in this offering memorandum (together with all documents incorporated herein by reference, the "**Offering Memorandum**"), in one or more Series (each, a "**Series**") under its U.S.$5,000,000,000 Medium Term Note Program (the "**Program**").

This Offering Memorandum does not constitute a prospectus for the purposes of article 6 of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Application may be made to the Irish Stock Exchange plc, trading as Euronext Dublin ("**Euronext Dublin**"), for a period of 12 months from the date of this Offering Memorandum for Notes issued under the Program to be admitted to listing on its official list (the "**Official List**") and trading on the Global Exchange Market of Euronext Dublin. This Offering Memorandum constitutes listing particulars for the purpose of such application and has been approved by Euronext Dublin. The Global Exchange Market is not a regulated market for the purpose of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (as amended, "**MiFID II**"). The Issuer may also issue Notes under the Program that are not listed or admitted to trading.

In respect of each Tranche (as defined in the "**Terms and Conditions of the Notes**") of Notes, the specific terms and conditions of such Notes (including aggregate principal amount of Notes, interest (if any) payable in respect of Notes and the issue price of Notes) will be set forth in a pricing supplement (the "**Pricing Supplement**"), the form of which is set out in this Offering Memorandum under the section entitled "**Form of Pricing Supplement**". The applicable Pricing Supplement in respect of the issue of any Notes will specify whether or not such Notes will be listed and admitted to trading.

The Notes may be (a) senior notes ("**Ordinary Senior Notes**"); (b) senior non-preferred notes ("**Senior Non-Preferred Notes**") or (c) tier 2 subordinated notes ("**Tier 2 Subordinated Notes**") as set out in the applicable Pricing Supplement.

This Offering Memorandum and any supplement hereto that may be published from time to time will be available on the website of Euronext Dublin (www.euronext.com/en/markets/dublin).

Investing in the Notes involves certain risks. See "*Risk Factors*" beginning on page 7 of this Offering Memorandum and any risk factors that may be set forth in any documents incorporated by reference herein and the applicable Pricing Supplement. You should read this Offering Memorandum (including the "Terms and Conditions of the Notes") and the applicable Pricing Supplement carefully before you invest.

The Notes constitute unconditional obligations of the Issuer. None of the Notes are guaranteed by the Federal Deposit Insurance Corporation or Bank Insurance Fund or any other U.S. or Spanish governmental or deposit insurance agency.

Potential investors should note the statements regarding the tax treatment in Spain of income obtained in respect of the Notes and the disclosure requirements imposed by Law 10/2014, of June 26 on the organization, supervision and solvency of credit institutions (*Ley 10/2014, de 26 de junio, de ordenación, supervisión y solvencia de entidades de crédito*), as amended from time to time ("Law 10/2014"), on the Issuer in relation to the Notes beginning on page 179 of this Offering Memorandum. In particular, payments on the Notes may be subject to Spanish withholding tax if certain information relating to the Notes is not received by the Issuer in a timely manner, see "*Taxation—Simplified Information Procedures*". The Issuer will not pay additional amounts in respect of any such withholding tax.

The Notes will be offered in reliance on the exemption from registration provided by Rule 144A ("Rule 144A") under the United States Securities Act of 1933, as amended (the "Securities Act") (the "Rule 144A Notes"), only to qualified institutional buyers ("QIBs") within the meaning of Rule 144A or outside the United States to non-U.S. persons (as such term is defined in Rule 902 under the Securities Act (a "non-U.S. person")) pursuant to Regulation S ("Regulation S") under the Securities Act (the "Regulation S Notes").

For a description of certain restrictions on transfers and resales, see "*Notice to Investors*" and "*Transfer Restrictions*".

Arranger

Barclays

Dealers

Barclays	**BNP PARIBAS**	**BofA Securities**
CaixaBank	**J.P. Morgan**	**Morgan Stanley**

This Offering Memorandum is dated February 28, 2022.

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NOTICE TO INVESTORS

The Notes have not been, and will not be, registered under the Securities Act, or the state securities laws of any state of the United States or the securities laws of any other jurisdiction. The Notes may not be offered or sold except in transactions exempt from the registration requirements of the Securities Act. Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. Prospective investors should thus be aware that they may be required to bear the financial risks of an investment in the Notes for an indefinite period of time. For a description of certain restrictions on transfers and resales, see "*Transfer Restrictions*".

Neither the U.S. Securities and Exchange Commission (the "SEC") nor any state securities commission in the United States has approved or disapproved of the Notes or determined that this Offering Memorandum is truthful or complete. Any representation to the contrary is a criminal offense.

This Offering Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, any Notes offered hereby by any person in any jurisdiction in which it is unlawful for such person to make an offer or solicitation. None of the Issuer, the Dealers (as defined herein) or any of their respective affiliates or representatives is making any representation to any offeree or purchaser of the Notes offered hereby regarding the legality of any investment by such offeree or purchaser under applicable legal, investment or similar laws. Each prospective investor should consult with its own advisors as to legal, tax, business, financial and related aspects of a purchase of the Notes.

The distribution of this Offering Memorandum and the offer and sale of the Notes may, in certain jurisdictions, be restricted by law. Each purchaser of the Notes must comply with all applicable laws and regulations in force in each jurisdiction in which it purchases, offers or sells the Notes or possesses or distributes this Offering Memorandum, and must obtain any consent, approval or permission required for the purchase, offer or sale by it of the Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes purchases, offers or sales. There are restrictions on the offer and sale of the Notes, and the circulation of documents relating thereto, in certain jurisdictions including the United States, Canada, the United Kingdom, the EEA and Spain and to persons connected therewith.

The Issuer has prepared this Offering Memorandum solely for use in connection with the placement and listing of the Notes from time to time under the Program. The Issuer and the Dealers reserve the right to withdraw an offering of the Notes at any time or to reject any offer to purchase, in whole or in part, for any reason, or to sell less than any offered Notes.

This Offering Memorandum is to be read in conjunction with any supplement hereto and all documents that are incorporated herein by reference (see "*Documents Incorporated by Reference*") and, in respect of any Tranche of Notes, the Pricing Supplement in respect of such Tranche of Notes.

This Offering Memorandum contains summaries intended to be accurate with respect to certain terms of the Fiscal Agency Agreement, but you should refer to the Fiscal Agency Agreement, which will be made available for inspection or collection during normal business hours at the specified office of each of the Paying Agents. The Paying Agents shall also provide these documents by email to a Noteholder following their prior written request to any Paying Agent and provision of proof of holding and identity (in a form satisfactory to the relevant Paying Agent).

The Issuer has obtained the market information in this Offering Memorandum from publicly available sources it deems reliable. Notwithstanding any investigation that the Dealers may have conducted with respect to the information contained herein, the Dealers do not accept any liability in relation to the information contained in this Offering Memorandum or its distribution or with regard to any other information supplied by the Issuer or on its behalf.

The Issuer accepts responsibility for the information contained in, or incorporated by reference into, this Offering Memorandum. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained in, or incorporated by reference into, this Offering

Memorandum is in accordance with the facts and does not omit anything to affect the import of such information. The Issuer has not authorized anyone to give prospective purchasers any other information, and the Issuer takes no responsibility for any other information that others may provide. The information contained in this Offering Memorandum is accurate in all material respects only as of the date of this Offering Memorandum, regardless of the time of delivery of this Offering Memorandum or of any sale of the Notes. Neither the delivery of this Offering Memorandum nor any sale made hereunder shall under any circumstances imply that there has been no change in the affairs of the Issuer or the Group or that the information set forth herein is correct in all material respects as of any date subsequent to the date hereof.

Prospective investors hereby acknowledge that (i) they have been afforded an opportunity to request from the Issuer and to review, and have received, all additional information considered by them to be necessary to verify the accuracy of, or to supplement, the information contained herein, (ii) they have had the opportunity to review all of the documents described herein, (iii) they have not relied on the Dealers or any person affiliated with the Dealers in connection with any investigation of the accuracy of such information or their investment decision, and (iv) no person has been authorized to give any information or to make any representation concerning the Issuer or the Notes (other than as contained herein and information given by the Issuer's duly authorized officers and employees, as applicable, in connection with investors' examination of CaixaBank and the terms of the Notes) and, if given or made, any such other information or representation should not be relied upon as having been authorized by the Issuer or the Dealers.

In making an investment decision, prospective investors must rely on their examination of CaixaBank, the Program and the terms of the Notes, including the merits and risks involved.

Certain persons participating in any offering may engage in transactions that stabilize, maintain or otherwise affect the price of the Notes, including stabilizing and syndicate covering transactions. For a description of these activities, see "*Plan of Distribution*."

The Issuer expects that the Dealers for any offering may include one of its broker-dealer or other affiliates. This broker-dealer or other affiliates also expect to offer and sell previously issued Notes as part of their business and may act as a principal in such transactions, although a secondary market for the Notes cannot be assured. The Issuer or its broker-dealer or other affiliates may use this Offering Memorandum and any Pricing Supplement in connection with any of these activities.

The price and principal amount of Notes to be issued under the Program will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

It is not possible to predict whether the Notes will trade in a secondary market or, if they do, whether such market will be liquid or illiquid. A Dealer or one or more of its affiliates, reserves the right to enter, from time to time and at any time, into agreements with one or more holders of Notes to provide a market for the Notes but no Dealer or any of its affiliates is obligated to do so or to make any market for the Notes.

Unless otherwise specified in the applicable Pricing Supplement, Notes will be represented initially by one or more global securities (each a "**Global Note**") registered in the name of a nominee of The Depositary Trust Company ("**DTC**"). Beneficial interests in Global Notes will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its participants. Notes will not be issuable in definitive form, except under the circumstances described under "*Book-Entry Procedures and Settlement*". The Global Notes may take the form of, or be substituted by, obligations under one or more master notes representing one or more Series of Notes, in accordance with the terms of the Fiscal Agency Agreement.

Potential investors should read "*Taxation—Taxation in Spain*" regarding the tax treatment in Spain of income obtained in respect of Notes and the disclosure requirements imposed by Law 10/2014 (as defined below) on the Issuer. In particular, payments on Notes may be subject to Spanish withholding tax if certain information relating to the Notes is not received by the Issuer in a timely manner. The Issuer will not pay additional amounts in respect of any such withholding tax.

This Offering Memorandum does not constitute a prospectus for the purposes of article 6 of the Prospectus Regulation. Application may be made to Euronext Dublin for a period of 12 months from the date of this Offering Memorandum for Notes issued under the Program to be admitted on the Official List and

trading on the Global Exchange Market of Euronext Dublin. This Offering Memorandum constitutes base listing particulars for the purpose of such application and has been approved by Euronext Dublin. The Global Exchange Market is not a regulated market for the purpose of MiFID II. The Issuer may also issue Notes under the Program that are not listed or admitted to trading.

In respect of each Tranche of Notes, the specific terms and conditions of such Notes (including aggregate principal amount of Notes, interest (if any) payable in respect of Notes and the issue price of Notes) will be set forth in the Pricing Supplement, the form of which is set out in this Offering Memorandum under the section entitled "*Form of Pricing Supplement*". The applicable Pricing Supplement in respect of the issue of any Notes will specify whether or not such Notes will be listed and admitted to trading.

Each of Moody's Investors Service España, S.A. ("**Moody's**"), S&P Global Ratings Europe Limited ("**S&P Global**"), Fitch Ratings Ireland Limited ("**Fitch**") and DBRS Ratings GmbH ("**DBRS**") is established in the EU and is registered under the Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). As such each of Moody's, S&P Global, Fitch and DBRS is included in the list of credit rating agencies published by the European Securities and Markets Authority (ESMA) on its website (http://www.esma.europa.eu/page/List-registered-and-certified-CRAs) in accordance with the CRA Regulation. None of Moody's, S&P Global, Fitch or DBRS are established in the United Kingdom, however they are each part of a group in respect of which one of its undertakings is (i) established in the United Kingdom, and (ii) is registered in accordance with the CRA Regulation as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK CRA Regulation**"). The Issuer ratings issued by Moody's, S&P Global, Fitch and DBRS have been endorsed by Moody's Investors Service Limited, S&P Global Ratings UK Limited, Fitch Ratings Limited and DBRS Ratings Limited, respectively, in accordance with the UK CRA Regulation and have not been withdrawn. As such, the ratings issued by Moody's, S&P Global, Fitch and DBRS may be used for regulatory purposes in the United Kingdom in accordance with the UK CRA Regulation.

Notes issued under the Program may be rated or unrated by any one or more of the rating agencies referred to above. Where a Tranche of Notes is rated, such rating will be disclosed in the Pricing Supplement. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

MiFID II PRODUCT GOVERNANCE / TARGET MARKET – The Pricing Supplement in respect of any Notes will include a legend entitled "**MiFID II Product Governance**" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID II Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID II Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID II Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE / TARGET MARKET – The Pricing Supplement in respect of any Notes will include a legend entitled "**UK MiFIR Product Governance**" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes,

but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

PRIIPs/IMPORTANT – EEA RETAIL INVESTORS – If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (the "**PRIIPs Regulation**"). for offering or selling the Notes or otherwise making them available to retail investors in the EEA will be prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PRIIPs/IMPORTANT – UK RETAIL INVESTORS - If the Pricing Supplement in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended ("**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No. 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

UK FINANCIAL PROMOTION ORDER - In addition, in the UK, this Offering Memorandum is only being distributed to and is only directed at persons who are (i) investment professionals falling within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) persons falling within article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Order; or (c) persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, as amended) may otherwise be lawfully communicated (all such persons together being referred to as "**Relevant Persons**"). This Offering Memorandum must not be acted on or relied upon by persons who are not Relevant Persons. Any investment or investment activity to which this Offering Memorandum relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

NOTICE TO CANADIAN INVESTORS - The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Dealers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

The Issuer is not a member institution of the Canada Deposit Insurance Corporation. The liability incurred by the Issuer through the issuance and sale of the Notes is not a deposit. The Issuer is not regulated as a financial institution in Canada.

BENCHMARKS REGULATION – Amounts payable on Floating Rate Notes and Fixed Reset Notes may be calculated by reference to the Secured Overnight Financing Rate (SOFR) which is administered by the Federal Reserve Bank of New York. The Federal Reserve Bank of New York is not included in ESMA's register of administrators and benchmarks under Article 36 of Regulation (EU) No. 2016/1011 (the "**Benchmarks Regulation**"). As far as the Issuer is aware, SOFR does not fall within the scope of the Benchmarks Regulation by virtue of Article 2 of Benchmarks Regulation.

ACKNOWLEDGMENT OF LOSS ABSORBING POWER – Notwithstanding any other term of the Notes or any other agreement, arrangement or understanding between the Issuer and the Noteholders (as defined herein), by its subscription and/or purchase and holding of the Notes, each Noteholder (which for these purposes includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents and agrees:

(a) to be bound by the effect of the exercise of the Loss Absorbing Power (as defined herein) by the Relevant Resolution Authority (as defined herein), which may include and result in any of the following, or some combination thereof:

  (i) the reduction of all, or a portion, of the Amounts Due (as defined herein) on a permanent basis;

  (ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or another person (and the issue to the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes, in which case the Noteholder agrees to accept in lieu of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;

  (iii) the cancellation of the Notes or Amounts Due;

  (iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period;

(b) that the terms of the Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Loss Absorbing Power by the Relevant Resolution Authority; and

(c) that it is deemed to have authorized, directed and requested DTC and any direct participant in DTC or other intermediary through which it holds such Notes to take any and all necessary actions, if required, to implement the exercise of the Loss Absorbing Power by the Relevant Resolution Authority with respect to such Notes as may be imposed, without any further action or direction on the part of such holder of Notes.

By its subscription and/or purchase and holding of the Notes, each Noteholder (which for these purposes includes each holder of a beneficial interest in the Notes) further agrees to be deemed to have authorized, directed and requested the relevant depository (including, if applicable, DTC) and any direct participant therein or other intermediary through which it holds such Notes to take any and all necessary action, if required, to implement the exercise of the Loss Absorbing Power with respect to the Notes as it may be imposed, without any further action or direction on the part of such Noteholder.

Noteholders (which for these purposes includes each holder of a beneficial interest in the Notes) that acquire such Notes in the secondary market or otherwise shall be deemed to acknowledge, agree to be bound by and consent to the same provisions specified herein to the same extent as the Noteholders that acquire such Notes upon their initial issuance, including, without limitation, with respect to the acknowledgement and agreement to be bound by and consent to the terms of the Notes related to the exercise of the Loss Absorbing Power.

The registration status of any administrator under the Benchmarks Regulation is a matter of public record and, save where required by applicable law, the Issuer does not intend to update this Offering Memorandum or any applicable Pricing Supplement to reflect any change in the registration status of the relevant administrator.

FORWARD-LOOKING STATEMENTS

This Offering Memorandum (including any applicable supplement and the documents incorporated by reference herein or therein) contains certain forward-looking statements (as such term is defined in the U.S. Private Securities Litigation Reform Act of 1995) and information that is based on the beliefs of the Issuer's management, as well as assumptions made by and information currently available to its management.

When used in this Offering Memorandum, the words "aim," "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "future," "goal," "intend," "may," "objective," "plan," "possible," "potential," "predict," "probability," "project," "risk," "seeks," "should," "target," "will," "would," the negatives thereof, and similar expressions are intended to identify forward-looking statements.

These statements are based on our current expectations and projections about future events and involve substantial uncertainties. All statements (other than statements of historical fact) included in this Offering Memorandum (including any applicable supplement and the documents incorporated by reference herein or therein) regarding our business strategy, goals, targets, plans and objectives of management for future operations, budgets, future financial position and results of operations, projected revenues and costs or prospects are forward-looking statements. Forward-looking statements are subject to inherent risks and uncertainties, some of which cannot be predicted or quantified. Future events or actual results could differ materially from those set forth in, contemplated by or underlying forward-looking statements. We do not undertake any obligation to publicly update or revise any forward-looking statements, except as may be required by applicable law. For example, forward-looking statements include, without limitation, statements regarding:

- our business strategy, our targets and our objectives for future operations;
- the expected impact of the offering on our cost of funding and our profitability;
- our expectations regarding disposals of certain of our assets;
- our recent acquisitions, divestitures and joint ventures;
- trends affecting the business, results of operations, financial conditions, liquidity or prospects of our Group or any company that we may acquire;
- our asset portfolios;
- our non-performing loans;
- our loan loss reserve;
- our capital spending;
- our capital adequacy ratios;
- our legal proceedings;
- our potential exposure to market risk; and
- the risks set forth in this Offering Memorandum (including any applicable supplement and the documents incorporated by reference herein or therein).

As noted above, forward-looking statements involve risks, uncertainties and assumptions because they relate to events and depend on circumstances that may or may not occur in the future. Actual results may differ materially from those expressed in these forward-looking statements, and prospective investors should not place undue reliance on them. There can be no assurance that actual results of our activities and operations will not differ materially from the projections or expectations set forth in such forward-looking statements. We have identified some of the risks inherent in forward-looking statements under "*Risk Factors*" in this Offering Memorandum. Investors should read "*Risk Factors,*" as well as "*Description of CaixaBank and Our Business,*" for a more complete discussion of the factors that could affect us. Other important factors that could cause actual results to differ materially from those in forward-looking statements include, among others:

- our success in managing unidentified or unanticipated risks;
- our ability to successfully implement our risk culture, policies and procedures;
- our ability to recruit, retain and develop appropriate senior management and skilled personnel;
- changes in Spanish, Portuguese, European and global economic conditions;
- our failure to monitor concentration and spread of risks, including credit risk, actuarial risk and structural rates risk (including changes in interest rates and exchange rates) and market risk;
- our exposure to counterparty risks and risks from interacting with other financial institutions;
- disruptions, dislocations, structural challenges and volatility in financial markets;
- reputational risks;
- operational risk in our business;
- information technology system failures and exposure to cybercrime;
- increased competition in our business lines or in the countries where we operate;
- weaknesses or failures in our internal financial reporting processes;
- our ability to detect or prevent money-laundering and other financial crime activities;
- the extent to which our insurance coverage adequately covers our losses;
- our ability to manage risks associated with acquisitions and divestitures;
- our exposure to the spread of misinformation;
- our financial statements may be based on inaccurate assumptions and estimates;
- our success in implementing our strategy or achieving our targets;
- our continuous demand for liquidity to fund business activities;
- our use of ECB refinancing facilities and other public facilities;
- our ability to comply with evolving liquidity requirements;
- any reduction in the Group's credit ratings;
- our exposure to adverse regulatory developments or changes in government policy;
- effects of potential tax reforms;
- our ability to comply with data-protection and confidentiality obligations;
- our exposure to legal and regulatory claims;
- risks arising from applicable regulatory capital requirements, including requirements related to own funds, eligible liabilities, deferred tax assets and other regulatory reforms affecting capital;
- our ability to effectively manage our capital;
- our exposure to other regulatory reforms in the context of the financial crisis;
- contributions for assisting in the future recovery and resolution of the Spanish banking sector; and
- risks related to the Notes.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "*Risk Factors*." Additional risks that we may currently deem immaterial or that are not presently known to us could cause the forward-looking events discussed in

this Offering Memorandum not to occur. Forward-looking statements speak only as of the date of this Offering Memorandum and we expressly disclaim any obligation or undertaking to release publicly any update of or revisions to any forward-looking statements in this Offering Memorandum to reflect any change in our expectations or any change in events, conditions or circumstances on which these forward-looking statements are based. Given the uncertainties of forward-looking statements, we caution prospective investors not to place undue reliance on these statements.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

We present our consolidated financial information in euro, and references in this Offering Memorandum to "**euro**," "**EUR**" or "**€**" refer to the single currency of the participating Member States in the Third Stage of the European Economic and Monetary Union of the Treaty Establishing the EU.

In this Offering Memorandum, unless otherwise specified or the context otherwise requires, references to "**$**", "**U.S.$**", "**U.S. dollars**" and "**dollars**" are to United States dollars. References to a particular "fiscal" year are to the Issuer's fiscal year ended December 31 of such year. In this Offering Memorandum, references to "**U.S.**" or "**United States**" are to the United States of America, its territories and its possessions. References to "**Spain**" are to the Kingdom of Spain.

The language of this Offering Memorandum is English. However, certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

We have incorporated by reference in this Offering Memorandum (i) the English translation of our audited consolidated financial statements prepared in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the EU ("**IFRS-EU**") (including the independent auditor's report thereon) as of and for each of the years ended December 31, 2021, 2020 and 2019 (the "**2021 Consolidated Financial Statements**", the "**2020 Consolidated Financial Statements**" and the "**2019 Consolidated Financial Statements**", respectively, and collectively the "**Consolidated Financial Statements**") and (ii) the English translation of our consolidated management report for the year ended December 31, 2021 (the "**2021 Management Report**") other than certain specific sections thereof as described below. The Consolidated Financial Statements were audited by PricewaterhouseCoopers Auditores, S.L.

Under Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of July 19, 2002, all companies governed by the law of an EU Member State and whose securities are admitted to trading on a regulated market of any Member State must prepare their consolidated financial statements in conformity with IFRS-EU. In preparing our Consolidated Financial Statements we took into account Bank of Spain Circular 4/2017 of November 27. This circular constitutes the adaptation of IFRS-EU to Spanish credit institutions, and we also took into account subsequent amendments to each in force at the end of each financial period. We have prepared our financial information according to the classification format for Spanish banks established by the Bank of Spain.

We have also included certain non-IFRS financial measures in this Offering Memorandum. See "*—Non-IFRS Financial Measures*" below.

The financial information included in this Offering Memorandum was not prepared in accordance with generally accepted accounting principles in the United States ("**U.S. GAAP**"). There could be significant differences between IFRS-EU, as applied by us, and U.S. GAAP. Accordingly, investors should consider that such information is not available in making their investment decision. Prospective investors are advised to consult their professional advisors for an understanding of: (i) the differences between IFRS-EU and U.S. GAAP and other systems of generally accepted accounting principles and how those differences might affect the financial information included in this Offering Memorandum and (ii) the impact that future additions to, or amendments of, IFRS-EU may have on our results of operations or financial condition, as well as on the comparability of the prior periods.

The financial information included in this Offering Memorandum is not intended to comply with the applicable accounting requirements of the U.S. Securities Act and the related rules and regulations of the SEC that would apply if the Notes were being registered with the SEC. Compliance with such requirements would require the modification, reformulation or exclusion of certain financial measures. In addition, changes would be required in the presentation of certain other information.

Selected Information

For the convenience of the reader, we have also included in this Offering Memorandum certain selected consolidated financial information. See "*Selected Consolidated Financial Information and Other Data.*" This

information is only a summary of the most significant figures and therefore should be read together with the Consolidated Financial Statements and other financial information included elsewhere, or incorporated by reference, in this Offering Memorandum.

Bankia Merger

On September 17, 2020, the respective Boards of Directors of CaixaBank and Bankia, S.A. ("**Bankia**") entered into a shared merger project involving the absorption of Bankia by CaixaBank (the "**Merger**"). We took effective control of Bankia on March 23, 2021, once all conditions precedent to the Merger were met, and the date of the Merger for accounting purposes was March 31, 2021. From that date, the results generated by Bankia have been included in the various line items of our statement of profit or loss, and Bankia's balance sheet has been reflected in our balance sheet.

The Merger, and particularly the inclusion of Bankia's results into our results from March 31, 2021, affects the comparability of our performance in 2021 with prior periods. In addition, our results for 2021 include an extraordinary income related to the Merger.

The Merger involved extraordinary expenses of €2,118 million in 2021, comprising the estimated cost associated with the restructuring process put in place as a result of the Merger (€1,884 million) and other integration expenses (€234 million). In addition, €93 million was charged to provisions to cover asset write-downs, mainly from the plan to restructure the commercial network in 2022. The Merger also generated a gain on disposals of assets and others of €4,464 million as a result of the following: (i) a gain of €4,300 million due to negative consolidation difference; (ii) a gain of €266 million from profits before tax related to the sale of certain lines of business directly pursued by Bankia; (iii) a loss of €105 million due to asset write-downs; and (iv) other gains of €3 million.

In order to facilitate the discussion and analysis of the evolution of our 2021 results compared to 2020, we have included in our 2021 Management Report comparative pro forma statements of profit or loss for the years ended December 31, 2021 and 2020. We have prepared these pro forma statements of profit or loss for the years ended December 31, 2021 and 2020 by adding the results of Bankia prior to the Merger to our results in each of 2021 (with respect to the first quarter of the year) and 2020, without considering any extraordinary impacts related to the Merger. The information described as "pro forma" in this context is provided for convenience only and has not been prepared in accordance with the pro forma standards set out in the Prospectus Regulation or Regulation S-X of the SEC.

Non-IFRS Financial Measures

In addition to the financial information prepared in accordance with IFRS-EU, we also present in this Offering Memorandum certain alternative performance measures ("**APMs**") as defined in the guidelines on Alternative Performance Measures issued by the ESMA on October 5, 2015 (ESMA/2015/1415) (the "**ESMA Guidelines**"). We use certain APMs, which have not been audited, to provide a better understanding of our financial performance. These measures are considered additional disclosures and in no case replace the financial information prepared under IFRS-EU. Moreover, the way we define and calculate these measures may differ from the way similar measures are calculated by other companies. Accordingly, they may not be comparable. Investors are cautioned not to place undue reliance on these APMs.

The ESMA Guidelines define APMs as a financial measure of historical or future performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. See Section 04 *"Glossary and Group Structure—Financial Information—Alternative Performance Measures used by the Group"* in the 2021 Management Report for a description of the APMs we use, along with a reconciliation between certain management indicators and the items presented in the Consolidated Financial Statements prepared under IFRS-EU.

Available Information

We are exempt from the reporting requirements of Section 12(g) of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), pursuant to Rule 12g3-2(b) under the Exchange Act. Pursuant to the terms of such exemption, we publish in English, on our Internet website (www.caixabank.com) and the

website of the *Comisión Nacional del Mercado de Valores* (the "**CNMV**") (www.cnmv.es), certain information in accordance with Rule 12g3-2(b).

If, at any time, the Bank is neither subject to Section 13 or Section 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, it will furnish, upon request, to any holder of Notes (the "**Noteholders**"), the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Pursuant to Spanish law, we are required to file, and make publicly available, with the CNMV: (i) unaudited consolidated quarterly financial data, prepared in accordance with IFRS-EU, within 45 calendar days after the end of the relevant period; (ii) condensed consolidated six-month financial statements, prepared in accordance with IAS 34, within three months after the end of the relevant period; and (iii) audited individual and consolidated financial statements, prepared in accordance with Circular 4/2017 and IFRS-EU within four months after the end of the year and prior to calling the general shareholders' meeting.

CaixaBank, S.A. is a Spanish public limited company registered in the Commercial Register of Valencia, Volume 10370, Folio 1, Sheet V-178351, and in the Special Administrative Register of the Bank of Spain, under number 2100. The Legal Entity Identifier (LEI) of CaixaBank is 7CUNS533WID6K7DGFI87, and its tax ID (NIF) is A08663619. The registered office and tax address of CaixaBank is Calle Pintor Sorolla, 2-4 in Valencia (Spain). The contact number for institutional investors and analysts is +34 934 11 75 03.

Certain Market and Other Statistical Data

Market data used in this Offering Memorandum were obtained from market research, publicly available information sources and industry publications, including, among others, FRS Inmark, *Investigación Cooperativa entre Entidades Aseguradoras y Fondos de Pensiones* ("**ICEA**"), *Asociación de instituciones de inversion colectiva y fondos de pensiones* ("**Inverco**") and the *Instituto Nacional de Estadística* (INE). Such publications generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. Such data, while believed to be reliable and accurately extracted by us for the purposes of this Offering Memorandum, has not been independently verified by us or any other party and you should not place undue reliance on such data included in this Offering Memorandum. As far as we are aware and able to ascertain from the information published by such third-party sources, this information has been accurately reproduced and no facts have been omitted that would render the reproduction of this information inaccurate or misleading.

Certain statistical data included in this Offering Memorandum, including numbers of branches, numbers of customers or clients, numbers of employees, average balances maintained by customers and numbers of ATMs, among other data, are based on our internal records, as well as estimates, judgments and assumptions made by us.

Rounding

Certain numerical figures included in this Offering Memorandum, including financial data presented in millions or thousands and certain percentages, may have been subject to rounding adjustments. Accordingly, the totals of the data in columns or rows or tables in this Offering Memorandum may vary slightly from the actual arithmetic totals of such information. In addition, certain percentages presented in the tables in this Offering Memorandum reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform to the percentages that would be derived if the relevant calculation were based upon the rounded numbers.

DOCUMENTS INCORPORATED BY REFERENCE

Certain information is incorporated by reference in this Offering Memorandum, which means that important information is being disclosed by referring to such information. The information being incorporated by reference is an important part of this document and should be reviewed before deciding whether or not to participate in the offering. The following information and documents, which have previously been published and have been filed with Euronext Dublin, are incorporated by reference in, and shall be treated as forming an integral part of, this Offering Memorandum (the "**Incorporated Documents**"):

(a) The English translation of the 2021 Management Report;

(b) The English translation of the 2021 Consolidated Financial Statements;

(c) The English translation of the 2020 Consolidated Financial Statements;

(d) The English translation of the 2019 Consolidated Financial Statements;

(e) The English translation of any future financial statements and the related business activity and results document published by the Issuer in relation to its annual, half-year or quarterly results;

(f) All other documents published by the Issuer and stated in a supplement in respect of an issuance to be incorporated by reference in this Offering Memorandum.

Documents described as being translations are free English translations of the original which were prepared in Spanish. We have sought to ensure that the translation is an accurate representation of the original. However, in the event of any discrepancy, the Spanish language version of the relevant document prevails.

Notwithstanding the foregoing, the following information contained in the Incorporated Documents shall not be deemed incorporated by reference herein:

- Section 03 "Non-financial information statement" in the 2021 Management Report;
- Section A "Independent Verification Report" in the 2021 Management Report;
- Section B "Annual Report on Governance" in the 2021 Management Report; and
- any quantitative financial projections, targets or objectives.

Other than the Incorporated Documents, no other document or information is incorporated by reference in this Offering Memorandum. This Offering Memorandum (including the Incorporated Documents) refers to certain websites and documents. The contents of such websites and documents are not incorporated by reference in this Offering Memorandum. To the extent that the Incorporated Documents themselves incorporate documents by reference, such additional documents shall not be deemed incorporated by reference herein.

The documents incorporated by reference in this Offering Memorandum may be accessed in English at https://www.caixabank.com/en/shareholders-investors/economic-financial-information.html

Other than the information specifically referred to above, no other documents are incorporated into, or forms any part of, this Offering Memorandum and should be disregarded in connection with decisions in respect of the Notes.

Pursuant to Spanish regulatory requirements, management reports are required to accompany our annual consolidated financial statements, but unless otherwise indicated above, such management reports are not incorporated by reference herein. Any information contained in the 2021 Management Report is deemed to be modified or superseded by any information contained elsewhere in this Offering Memorandum that is subsequent to or inconsistent with it. Furthermore, the 2021 Management Report includes certain forward-looking statements that are subject to inherent uncertainty. See "*Forward-Looking Statements*".

GENERAL DESCRIPTION OF THE PROGRAM

The following general description does not purport to be complete and is taken from, and is qualified in its entirety by the remainder of, this Offering Memorandum and, in relation to the terms and conditions of any Tranche of Notes, by the section "Terms and Conditions of the Notes" and the applicable Pricing Supplement.

Issuer	CaixaBank, S.A.
LEI Code	7CUNS533WID6K7DGFI87
Risk Factors	There are certain factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Program. These are set out under "Risk Factors" below. In addition, there are certain factors which are material for the purpose of assessing the risks associated with Notes issued under the Program. These are set out under "Risk Factors"—*Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Program*" and include certain risks relating to the structure of particular Series of Notes and certain risks relating to any Note issued under the Program.
Description	U.S.$5,000,000,000 U.S. Medium Term Note Program
Arranger	Barclays Capital Inc.
Dealers	Barclays Capital Inc. BNP Paribas Securities Corp. BofA Securities, Inc. CaixaBank, S.A. J.P. Morgan Securities LLC Morgan Stanley & Co. LLC
Fiscal and Paying Agent	The Bank of New York Mellon, London Branch
Calculation Agent	The Bank of New York Mellon
Registrar and Transfer Agent	The Bank of New York Mellon SA/NV, Dublin Branch
Program Size	The Issuer may use this Offering Memorandum to offer up to an aggregate principal amount outstanding at any one time of U.S.$5,000,000,000 of Notes.
Distribution	Each Pricing Supplement will explain the ways in which the Issuer intends to sell a specific issue of Notes, including the names of the relevant dealers and details of the pricing of the issue of Notes.
Currency	The Notes will be denominated in U.S. dollars.
Maturities	Any maturity as indicated in the applicable Pricing Supplement subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer.
Issue Price	Notes may be issued at an issue price which is at par or at a discount to, or premium over, par.

Form of Notes	Notes will be issued in the form of one or more fully registered global securities, without coupons, registered in the name of a nominee of DTC and deposited with the Fiscal and Paying Agent as custodian for DTC. Investors may hold their interests in the Global Notes through DTC, if they are DTC participants, or indirectly through organizations which are participants in DTC. Euroclear Bank SA/NV, as operator of the Euroclear System ("**Euroclear**"), and Clearstream Banking S.A. ("**Clearstream**"), are indirect participants in DTC, and therefore participants in Euroclear and Clearstream will hold beneficial interests in the Global Notes indirectly at DTC. Unless otherwise specified in any supplement to this Offering Memorandum, Notes offered in the United States to QIBs in reliance on Rule 144A will be represented by one or more Rule 144A Global Notes and Notes offered outside the United States in reliance on Regulation S will be represented by one or more Regulation S Global Notes. The Global Notes may take the form of, or be substituted by, obligations under one or more master notes representing one or more Series of Notes, in accordance with the terms of the Fiscal Agency Agreement.
Fixed Rate Notes	Fixed Rate Notes will bear interest at the rate set forth in the applicable Pricing Supplement. Fixed rate interest will be payable in arrears on the date or dates agreed to between the Issuer and the relevant Dealer(s) (as specified in the applicable Pricing Supplement) and on redemption and will be calculated on the basis specified in the Terms and Conditions (as defined herein) of the Notes and agreed to between the Issuer and the relevant Dealer(s) (as specified in the applicable Pricing Supplement).
Fixed Reset Notes	Fixed Reset Notes will bear interest: (i) from (and including) the Interest Commencement Date to (but excluding) the First Reset Date at the Initial Interest Rate; (ii) from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if none, the Maturity Date at the rate per annum equal to the First Reset Rate; and (iii) if applicable, from (and including) the Second Reset Date to (but excluding) the first Subsequent Reset Date or, if none, the Maturity Date, and each successive period from (and including) any Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date or, if none, the Maturity Date (each a Subsequent Reset Period) at the rate per annum equal to the relevant Subsequent Reset Rate. Interest on the Notes will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer(s) (as specified in the applicable Pricing Supplement).
Floating Rate Notes	Floating Rate Notes will bear interest at a rate calculated on the basis of the SOFR Benchmark.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both, as specified in the applicable Pricing Supplement.

The margin, if any, in respect of the floating interest rate will be agreed to between the Issuer and the relevant Dealer(s), as specified in the applicable Pricing Supplement.

Interest on Floating Rate Notes will be payable in arrears and will be calculated as specified in the applicable Pricing Supplement. Interest will be calculated on the basis of the Day Count Fraction agreed to between the Issuer and the relevant Dealer(s) and set forth in the applicable Pricing Supplement.

Redemption

The applicable Pricing Supplement will indicate whether the relevant Notes can be redeemed prior to their stated maturity, if applicable.

If so indicated in the Pricing Supplement, Notes may be redeemed prior to such stated maturity:

- for tax reasons (as set forth in Condition 5.2 (*Redemption for tax reasons*) in the "*Terms and Conditions of the Notes*");
- following an Issuer Call (as set forth in Condition 5.3 (*Redemption at the option of the Issuer (Issuer Call)*) in the "*Terms and Conditions of the Notes*");
- following the occurrence of a Capital Event (as set forth in Condition 5.4 (*Redemption at the option of the Issuer (Capital Event): Tier 2 Subordinated Notes*) in the "*Terms and Conditions of the Notes*");
- following the occurrence of an Eligible Liabilities Event (as set forth in Condition 5.5 (*Redemption at the option of the Issuer (Eligible Liabilities Event): Tier 2 Subordinated Notes or Senior Notes*) in the "*Terms and Conditions of the Notes*"); and/or
- following an Investor Put (as set forth in Condition 5.6 (*Redemption at the option of the Noteholders (Investor Put)*) in the "*Terms and Conditions of the Notes*");

in each case, at the price or prices specified in the Pricing Supplement, and subject to the prior notice and other conditions set forth therein. See Condition 5 (*Redemption and Purchase*) in the "*Terms and Conditions of the Notes*".

The Issuer or any of its subsidiaries may, subject (where applicable) to certain conditions, at any time purchase Notes at any price in the open market or otherwise, in accordance with applicable laws and regulations.

Events of Default

If any order is made by any competent court or resolution passed for the winding-up or liquidation of the Issuer, then any Noteholder of a Series in respect of the Notes of such Series may, by written notice to the Issuer, declare that his Notes or Note (as the case may be) and all interest then accrued but unpaid on such Notes or Note (as the

case may be) shall be forthwith due and payable, whereupon the relevant Note(s) shall, when permitted by applicable Spanish law, become immediately due and payable at their Early Redemption Amount together with all accrued interest thereon to the date of repayment without presentment, demand, protest or other notice of any kind, all of which the Issuer will expressly waive, anything contained in such Notes to the contrary.

Substitution and Variation	If an Alignment Event or circumstance giving rise to the right of the Issuer to redeem the Ordinary Senior Notes eligible to comply with MREL Requirements, Senior Non-Preferred Notes or Tier 2 Subordinated Notes under Condition 5.2 (*Redemption for Tax Reasons*), Condition 5.4 (*Redemption at the Option of the Issuer (Capital Event): Tier 2 Subordinated Notes*) or Condition 5.5 (*Redemption at the Option of the Issuer (Eligible Liabilities Event): Tier 2 Subordinated Notes or Senior Notes*) occurs and is continuing, the Issuer may substitute all (but not some only) of the Notes or vary the terms of all (but not some only) of the Notes, without any requirement for the consent or approval of the Noteholders, so that they are substituted for, or varied to become or remain, Qualifying Notes.
Denomination of Notes	Unless otherwise specified in the applicable Pricing Supplement, the Notes will be issued in minimum denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof.
Taxation	All payments in respect of the Notes by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will, save in certain circumstances or exceptions (please refer to Condition 6 (*Taxation*), pay such additional amounts in respect of interest and, if so specified in the relevant Pricing Supplement, principal (and premium, if any), as shall be necessary in order that the net amounts received by the holders of the Notes, after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in respect of the Notes, in the absence of such withholding or deduction.
Negative Pledge	The terms of Notes will not contain a negative pledge.
Status of the Notes	Notes may be either Senior Notes or Tier 2 Subordinated Notes and, in the case of Senior Notes, Ordinary Senior Notes or Senior Non-Preferred Notes and will rank as described in Condition 2 (*Status of the Senior Notes and Tier 2 Subordinated Notes*).
Rating	Notes issued under the Program may be rated or unrated. Where a Tranche of Notes is rated, such rating will be disclosed in the Pricing Supplement. The credit ratings included or referred to in this Offering Memorandum or in the applicable Pricing Supplement will be treated for the purposes of the CRA Regulation as having been issued by Moody's, S&P Global, Fitch and DBRS upon registration pursuant to the CRA Regulation. Moody's, S&P Global, Fitch and DBRS are established in the EU, are registered under the CRA Regulation and are included in the list of registered credit rating

agencies published on the website of the ESMA (www.esma.europa.eu).

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. Neither the rating agency nor the Issuer is obligated to provide investors with notice of any suspension, change or withdrawal of any rating. The rating agencies have informed us that investors may have access to the latest ratings on their websites (www.moodys.com, www.standardandpoors.com, www.fitchratings.com and www.dbrs.com).

Listing

Application may be made to Euronext Dublin for a period of 12 months from the date of this Offering Memorandum for Notes issued under the Program to be admitted on the Official List and trading on the Global Exchange Market of Euronext Dublin. The Global Exchange Market is not a regulated market for the purpose of MiFID II. The Issuer may also issue Notes under the Program that are not listed or admitted to trading.

The applicable Pricing Supplement in respect of the issue of any Notes will specify whether or not such Notes will be listed and admitted to trading.

Loss Absorbing Power

The Notes are subject to any application of the Loss Absorbing Power by the Relevant Resolution Authority, which may result in the conversion to equity, write-down or cancellation of all or a portion of the Notes, or variation of the terms and conditions of the Notes. See "*Terms and Conditions of the Notes—Condition 16 (Loss Absorbing Power)*" and "*Bank Supervision and Regulation in Spain*".

Governing Law

The status of the Notes (Condition 2 (*Status of the Senior Notes and Tier 2 Subordinated Notes*), the capacity of the Issuer to issue and execute the Notes and enter into the Fiscal Agency Agreement, the relevant corporate resolutions and the provisions relating to the exercise and effect of the Loss Absorbing Power by the Relevant Resolution Authority and the acknowledgment of the same of the Notes (Condition 16 (*Loss Absorbing Power*)) and Section 18 of the Fiscal Agency Agreement are governed by, and shall be construed in accordance with, Spanish law.

The Fiscal Agency Agreement, the Notes (save as provided above) and any non-contractual obligations arising out of or in connection with the Fiscal Agency Agreement and the Notes are governed by, and shall be construed in accordance with, the laws of the State of New York.

No Registration; Transfer Restrictions; Selling Restrictions

The Notes have not been, and will not be, registered under the Securities Act or any state securities laws. Accordingly, the Notes may not be offered or sold except pursuant to an exemption from the registration requirements of the Securities Act and any applicable state securities laws. The Notes will be offered in reliance on Rule 144A and Regulation S. See "*Notice to Investors*" and "*Transfer Restrictions*".

There are restrictions on the offer, sale and transfer of the Notes in the United States, Canada, the United Kingdom, the EEA, Spain, Singapore, Hong Kong, Japan, and such other restrictions as may be required in connection with the offering and sale of a particular Series of Notes. See "*Plan of Distribution—Selling Restrictions*" and "*Transfer Restrictions*".

In addition to the restrictions set forth in this Offering Memorandum, the applicable Pricing Supplement may contain additional restrictions on transfer required by any applicable securities laws.

RISK FACTORS

In purchasing Notes, investors assume the risk that we may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors that individually or together could result in our becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as we may not be aware of all relevant factors, and certain factors that we currently deem not to be material may become material as a result of the occurrence of events outside of our control. We have identified in this Offering Memorandum a number of factors that could materially adversely affect our business and ability to make payments due under the Notes.

Factors that are material for the purpose of assessing the market risks associated with Notes issued under the Program are also described below. Prospective investors should also read the detailed information set out elsewhere in this Offering Memorandum and reach their own views prior to making any investment decision concerning the Notes.

Unless otherwise specified, words and expressions defined in the section "Terms and Conditions of the Notes" have the same meanings in this section. All references made to CaixaBank include all those companies that form part of the Group. All figures as of and for the year ended December 31, 2020 exclude Bankia, as we did not obtain control of Bankia until March 23, 2021 and did not consolidate Bankia for accounting purposes until March 31, 2021

FACTORS THAT MAY AFFECT CAIXABANKS'S ABILITY TO FULFILL ITS OBLIGATIONS UNDER THE NOTES

As part of its overall internal-control framework, CaixaBank has a comprehensive Group-wide risk-management framework that analyzes the economic substance of its risk exposure.

This risk-management framework is based on the following pillars: risk culture, organization and governance, and the implementation of strategic processes for the identification, assessment, definition and monitoring of risks.

Among these strategic risk processes, we include the monitoring and updating of a Corporate Risk Taxonomy (the "**Taxonomy**"), which we use to identify the relevant risk factors that affect our business operations and that we have included in this Offering Memorandum. The Taxonomy consists of a description of the material risks identified mainly through the risk self-assessment process (the "**Risk Assessment**"), which is itself reviewed on at least an annual basis.

The Taxonomy is organized into three risk categories: risks affecting our financial activity, reputational and operational risks and risks related to our business model. The materiality of these risks is partially a function of our exposure to them and how efficiently we are able to control and manage them.

In addition, we are exposed to material events that might result in a significant impact for the Group in the medium term and affect the materiality of several risks identified within the Taxonomy ("**Strategic Events**"). Hence, Strategic Events are risk factors that may in the future have a substantially negative impact on the business, economic results, financial position, image or reputation of the Group. We use the Risk Assessment process to identify these Strategic Events.

On the basis of our Taxonomy, Risk Assessment and Strategic Events, we structure our risks as follows:

1. Risk factors related to the failure to implement a robust risk-management framework.
2. Risk factors corresponding to Strategic Events.
3. Risk factors linked to the main quantitative and qualitative risk indicators of the Taxonomy.
    - 3.1 Risks affecting our financial activity.
    - 3.2 Reputational and operational risks.
    - 3.3 Risks related to our business model.

4. Risk factors related to our credit rating.

Any of the risks outlined above and described below could materially adversely affect our business, operating results, financial condition and prospects, and limit our ability to pay any amount due under the Notes.

1. Risk factors related to the failure to implement a robust risk-management framework

The management of risk is an integral part of our business activity. Our risk-management framework is based on (i) risk culture; (ii) organization and governance; and (iii) strategic risk-management processes.

Failure of our organization to successfully implement our risk culture, policies and procedures may expose us to unidentified or unanticipated risks

Our risk culture depends to a great extent on our employees' conduct and attitude towards risk and risk management, which reflect the Group's shared values, objectives and practices, and is integrated into our policies, communications and staff training.

Our risk culture includes the following main elements: responsibility, communication and training. Failure to successfully spread our risk culture to our management and employees could have a material adverse effect on our business.

Risk governance is based on policies, rules and internal procedures that ensure adequate oversight from governing bodies and senior management committees. Failure to successfully implement and continue to improve our policies, rules and internal procedures could materially and adversely affect our financial condition and results of operations, as well as damage our reputation and expose us to unidentified or unanticipated risks.

While we employ a broad and diversified set of risk-monitoring and risk-mitigation techniques and strategies, such techniques and strategies may not be fully effective in monitoring, mitigating and correctly classifying our risk exposure in all economic market environments or against all types of risk, including risks that we may fail to identify or anticipate.

We rely on recruiting, retaining and developing appropriate senior management and skilled personnel

Attracting and developing talent is one of our strategic objectives. The successful implementation of our strategy and our risk-management framework, as well as the deployment of our risk culture, depends on the availability of skilled senior personnel. If we fail to staff appropriately or lose one or more of our key senior executives or other key employees and fail to replace them in a satisfactory and timely manner, our business, financial condition and results of operations may be adversely affected. In addition, if we fail or are unable to attract and appropriately train, motivate and retain qualified professionals, our business may also be adversely affected.

2. Risk factors corresponding to Strategic Events

Strategic Events are events that have the potential to have a significant impact on the Group in the medium term. A failure to adequately anticipate and react to such Strategic Events could have a material adverse effect on the business, economic results, financial position, image and reputation of the Group. If a Strategic Event were to materialize, it could adversely affect one or more of the risks identified in our Taxonomy.

We have identified the following relevant Strategic Events as the most relevant ones for the Group: (i) shocks derived from the geopolitical and macroeconomic environment; (ii) pandemics and other extreme events; (iii) new competitors and the implementation of new technologies; (iv) cybercrime and data protection; (v) changes to the legal, regulatory or supervisory framework; and (vi) technological and operational integration following the Merger.

We are subject to shocks derived from the geopolitical and macroeconomic environment

Shocks derived from a deterioration in the geopolitical and macroeconomic environment could have a material adverse effect on our business. A strong and persistent deterioration in the macroeconomic outlook and a consequent increase in risk aversion by participants in the financial markets could materially adversely

affect our business. This type of shock could, for example, be the result of global geopolitical events, domestic political factors (such as territorial tensions, populist governments or social protests) or the emergence of geopolitical tensions (such as recent tensions between Russia and Ukraine). The potential consequences of such a scenario include: an increase in the country risk premium (cost of financing), a reduction in business volumes, a worsening of credit quality and deposit outflows.

We are particularly exposed to fluctuations in the macroeconomic situation in the Spanish, Portuguese and other European Union markets, including the impact of a potential rise in inflation and interest rates. Of the total risk in the credit risk portfolio as of December 31, 2021, 81% was related to Spain, 6% was related to Portugal, 8% was related to the rest of Europe and 5% was related to the rest of the world. We are therefore mainly affected by Spanish, Portuguese and European Union ("**EU**") events, measures and regulations.

The SARS-CoV-2 coronavirus ("**COVID-19**") has adversely affected the Spanish economy and the country's sovereign fiscal position. Spanish gross domestic product ("**GDP**") is estimated to have contracted 10.8% in 2020 (*source: Spain National Institute of Statistics (Instituto Nacional de Estadística)*), as the pandemic and the measures adopted to slow its spread resulted in a sharp contraction in GDP (among the most severe contractions within the Eurozone) in the first half of 2020. The sharp decline in economic activity and the proliferation of measures adopted to support the economy in response to the pandemic have given rise to concerns about public debt sustainability in the medium and long term. Further, while various EU-level initiatives are expected to aid the economic recovery, in particular the financial support linked to the Next Generation EU Program ("**NGEU**"), there are risks as to the capacity of the Spanish economy to manage the NGEU funds and translate this support into productive investment. In addition, the Spanish economy is particularly sensitive to economic conditions in the Eurozone, the main export market for Spanish goods and services. While there was some recovery in 2021, with GDP rising 5.0% (*source: Spain National Institute of Statistics (Instituto Nacional de Estadística)*), such recovery may not continue, given the uncertainty around new COVID-19 variants and the reluctance of individuals and companies to engage in business and tourism travel. All these factors could have a material adverse effect on our operating results, financial condition and prospects.

Pandemics and other extreme events could have a material impact on us

We cannot predict the impact of future pandemics or other extreme events of an environmental nature, or the impact of actions to contain or address such pandemics or other extreme events and protect the economies of affected countries. Taking COVID-19 as a reference, any of the foregoing events could result in high volatility in the financial markets, with significant drops in asset values and worsening of macroeconomic conditions, all of which could have a material adverse impact on our business.

Since the onset of COVID-19, CaixaBank has continuously assessed and managed the impact on the Group's financial position and risk profile. Similarly, legislators, regulators and supervisors, at both the national and international levels, have been issuing regulations, statements and guidelines, primarily to ensure that financial institutions focus their efforts on performing critical economic functions to support the economy as a whole and guarantee the consistent application of regulatory frameworks.

Accordingly, in 2020 the Spanish government approved several Royal Decree-Laws on extraordinary urgent measures to address the economic and social impact of COVID-19, particularly the increase in unemployment. These included (i) a legislative moratoria for individuals and professionals which, under certain vulnerability requirements, could temporarily suspend their payment obligations (the "**Legal Moratoria**", as defined in "*Bank Supervision and Regulation in Spain—COVID-19 mitigation measures*"). In addition to the Legal Moratoria, those credit institutions, including CaixaBank, which are members of the Spanish Confederation of Savings Banks agreed to implement a sectorial moratoria in order to extend the scope of the Legal Moratoria (the "**Sectorial Moratoria**", as defined in "*Bank Supervision and Regulation in Spain—COVID-19 mitigation measures*"). The total Sectorial Moratoria outstanding as of December 31, 2021 and December 31, 2020 was €20,687 million and €14,356 million, respectively; and (ii) the extension of credit facility lines partially guaranteed by the Spanish government through the Spanish Official Credit Institute ("**ICO**"), made available to companies facing liquidity constraints (the "**Guaranteed Credit Lines**" as defined in "*Bank Supervision and Regulation in Spain—COVID-19 mitigation measures*"). The total Guaranteed

Credit Lines amounted to €21,762 million as of December 31, 2021 and €13,191 million as of December 31, 2020. In addition, other Royal Decree-Laws were passed to support the tourism, automotive, transport, construction and energy sectors. The Portuguese government also approved similar extraordinary measures to address the economic and social impact of COVID-19 over this period.

Since March 2021, the Spanish government has passed several additional Royal Decree-Laws in the context of COVID-19 that have affected the activity of the entire financial sector. Of particular note are the extraordinary measures enacted to extend support for corporate solvency, which are being channeled through three lines (direct aid, financial debt restructuring and the corporate recapitalization fund).

Regulators have also undertaken initiatives to manage the COVID-19 environment from a prudential perspective, including the CRR quick-fix solution (see "*Bank Supervision and Regulation in Spain—Pillar 2 requirements (P2R) and Pillar 2 Guidance (P2G)*"), which entered into force on June 28, 2020, supporting the European Commission's plan to provide temporary and targeted relief from prudential rules for EU banks.

While credit risk remains one of the risks most impacted by COVID-19, we have stepped up the monitoring of credit risk from multiple perspectives using specific temporary tools to proactively identify the significant increase in credit risk ("**SICR**"), and we have paid special attention to the accounting treatment of these risks and need for provisions, as the case may be. We have added additional criteria to our usual SICR determinations, such as for customers for whom company and family support mechanisms (chiefly general moratoria and state-backed financing) may have affected their classification under general criteria, either due to the lower financial burden borne by the borrowers from the individual sector, or for other reasons (such as the lag between the effect of COVID-19 and the publication of companies' annual accounts). Even though the Group has reinforced the usual criteria for determining any SICRs, we cannot guarantee that credit risk will be adequately managed.

The Group has also analyzed the changes in the macroeconomic forward-looking scenarios used under the accounting standard IFRS 9 - Financial Instruments. This led to the recognition of a post-model adjustment in credit risk provisions of up to €1,395 million as of December 31, 2021. For more information on the impact of COVID-19 on the Group, see Note 3.4.1 (Credit risk—COVID-19 impact) the 2021 Consolidated Financial Statements, which are incorporated by reference in this Offering Memorandum. All of the effects described above could have a material adverse effect on our business, financial condition and results of operations.

The arrival of new competitors could disrupt our industry and affect our financial results

Recently, there has been a trend towards consolidation in the Spanish banking industry, which has created larger and stronger banks with which we must now compete. This increased competition could adversely affect our growth prospects, and therefore our operations and financial results. We also face competition from non-bank competitors, such as brokerage companies, department stores (for some credit products), leasing and factoring companies, mutual fund and pension fund management companies and insurance companies.

In addition, we expect increasing competition from new participants in the market, such as financial technology providers ("fintechs"), including digital banks, large technology companies ("bigtechs") and other players with disruptive proposals or technologies. The emergence and consolidation of such new competitors could lead to the disintegration and division of parts of the value chain, which may have an impact on our margins and cross-selling ability, as we would need to compete with more agile and flexible entities, generally with lower fee proposals. The negative effect of this increased competition could be more significant if the regulatory requirements applicable to these new competitors and services do not match those currently applicable to credit institutions, as is currently the case. If we are unable to successfully compete with current and new competitors, or if we are unable to anticipate and adapt our offerings to changing banking industry trends, our business may be adversely affected.

In addition, the race among competitors to develop and apply new technologies, such as artificial intelligence or blockchain, could put us at a competitive disadvantage in certain circumstances if we lack momentum or adopt technologies too slowly. The widespread adoption of such new technologies could require substantial expenditures for us to modify or adapt our existing products and services.

For example, the potential issuance of a digital euro could lead to the entry into the European banking system of entities other than banks (e.g., payment institutions and e-money institutions) if they are authorized to intermediate the management of digital euro wallets (e-wallets). Also, to the extent that digital euro payment instruments replace current electronic systems, we could lose our competitive advantage of having unique access to our clients' data, with other platforms gaining privileged access to customers based on their end-operator. This privileged access to data can be used to compete with us in adjacent markets and may reduce our revenues and margins in core businesses such as lending or wealth management.

The persistence or acceleration of the shift in demand towards Internet and mobile banking may require us to change our retail distribution strategy. Actions of this type could lead to losses on these assets and increased expenditures to renovate, reconfigure or close a number of our remaining branches or to otherwise reform our retail distribution channel. Furthermore, our failure to swiftly and effectively implement such changes to our distribution strategy could have an adverse effect on our competitive position.

Increasing competition could also require us to increase the rates we offer on deposits or lower the rates we charge on loans, which could also have a material adverse effect on our business, operating results, financial condition and prospects.

Our competitive position depends on our range of products and services

The success of our operations and our profitability depend, in part, on the success of the new products and services we offer our clients, as well as our ability to offer products and services that meet our customers' needs during all stages of life. However, our clients' needs or desires may change over time, and such changes may render our products and services obsolete, outdated or unattractive, and we may not be able to develop new products that meet our clients' changing needs. Our success is also dependent on our ability to anticipate and leverage new and existing technologies that may have an impact on products and services in the banking industry. Technological changes may further intensify and complicate the competitive landscape and influence client behavior. If we cannot respond in a timely fashion to the changing needs of our clients, we may lose clients, which could in turn materially adversely affect our business.

In addition, the cost of developing products may have a significant effect on our results of operations.

As we expand the range of our products and services, some of which may be at an early stage of development, we may be exposed to new and potentially increasingly complex risks, such as the conduct risk in the relationship with customers. Our employees and risk-management systems, as well as our experience and that of our partners may not be sufficient to enable us to properly manage these risks. Any or all of these factors, individually or collectively, could have a material adverse effect on us.

While we have successfully increased our customer service levels in recent years, should these levels ever be perceived by the market to be materially below those of our competitors, we could lose existing and potential business. If we are not successful in retaining and strengthening customer relationships, we may lose market share, incur losses on some or all of our activities or fail to attract new deposits or retain existing deposits, which could have a material adverse effect on our operating results, financial condition and prospects.

We face the risk of cybercrime and data theft

Cybercrime and criminal schemes seeking to profit from attacks on information technology systems and their users are becoming more prevalent and sophisticated. Like all entities in the financial system, we are subject to periodic cyberattacks. The spread of new technologies and services that we make available to our customers online could facilitate cybercrime and contribute to the increasing sophistication of these criminal operations. The constant evolution of criminal actors and techniques places pressure on the Group to constantly re-evaluate its model for preventing, managing and responding to cyberattacks and fraud in order to respond effectively to emerging risks.

In recent years, we have seen computer systems of companies and organizations being increasingly targeted, and the techniques used to obtain unauthorized, improper or illegal access to information technology systems have become increasingly complex and sophisticated. Furthermore, such techniques change frequently and are often not recognized or detected until after they have been launched. They also can originate

from a wide variety of sources, including not only cybercriminals and computer hackers, but also activists and rogue states. As an organization, we have been and continue to be subject to a range of cyberattacks, such as denial of service, viruses, malware and phishing. Our customers and our vendors are also targeted. Cyberattacks could give rise to the loss of significant amounts of customer data and other sensitive information, as well as significant levels of liquid assets (including cash). In addition, cyberattacks could disrupt our electronic systems used to service our customers. As attempted attacks continue to evolve in scope and sophistication, we may incur significant costs in order to modify or enhance our protective measures against such attacks, or to investigate or remediate any vulnerability or resulting breach, or in communicating cyberattacks to our customers or other affected individuals. If we fail to effectively manage our cybersecurity risk, including by failing to update our systems and processes in response to new threats, this could harm our reputation and adversely affect our operating results, financial condition and prospects, including through the payment of customer compensation or other damages, litigation expenses, regulatory penalties and fines and/or through the loss of assets.

The accelerated deployment of remote working to maintain productivity during COVID-19, coupled with increased "phishing" attempts (efforts to impersonate representatives of various companies and government agencies in order to gain access to accounts or sensitive information), has enabled cybercriminals to attack many organizations with otherwise seemingly robust cyber-protection systems. As a result, regulators and supervisors in the financial sector have prioritized increasing protections in this area. Given the existing threats to cybersecurity and the recent attacks on banks and corporate entities, the occurrence of such incidents could have a severe impact on the Group, including massive data corruption, the unavailability of critical services (e.g., when subject to ransomware attacks), the leaking of confidential information or fraud in digital channels, and result in a material adverse effect on our business, operating results, financial condition and prospects. The materialization of any such cybercrime could potentially result in significant sanctions by the competent authorities and potential reputational harm for the Group.

Changes in our legal, regulatory or supervisory framework could materially affect our business and benchmark reforms could have a negative effect on our business

Increased pressure from the legal, regulatory or supervisory environment could have a material adverse effect on our business in the short to medium term. We must constantly monitor new regulatory proposals and their implementation, given the magnitude of legislative and regulatory activity in the financial sector. For example, financial regulators globally have in recent years promoted the gradual abandonment of Interbank Offered Rates ("**IBORs**") as benchmark indices and their replacement with new risk-free indices, leading to the need for a transition from the old IBORs to the new indices recommended by the working groups established in the different jurisdictions.

This transition has been accelerated by the announcement of the termination of some London Interbank Offered Rate ("**LIBOR**") indices at the end of 2021. Market participants must therefore start using new risk-free indices and remediate contracts affected by the cessation of index publication.

Since the first decisions by regulators, CaixaBank has taken a proactive stance both externally, participating in the working group on Euro risk-free rates ("**RFR**"), and internally, where we have established an index-transition project with a robust governance structure, to address the regulatory, financial, commercial and technical needs arising from the index transition.

The index-transition project has an internal working group to manage the various risks to which we are potentially exposed as a result of the index transition:

- litigation risk over products, services and contracts referenced to rates that will disappear;
- operational risks arising from the need for changes in technology, processes and operational controls;
- legal risks in the remediation of existing contracts or other documentation;
- financial and accounting risks due to the use and change to new indices in accounting and valuation instruments and methodologies; and

- reputational risks and their impact on stakeholders and in particular, customers.

The Group has a high exposure to the Euro Interbank Offered Rate ("**EURIBOR**") index which is not affected by the transition as this index, following a reform of its methodology carried out during a phase-in in the last two quarters of 2019, has been endorsed by supervisors and regulators and is fully compliant with the Benchmarks Regulation. The Group uses EURIBOR in mortgages, loans, deposits and debt issues, as well as in a wide range of derivative instruments. However, both the Eurozone working group and the European authorities recommend that all EURIBOR-linked contracts include replacement clauses that are based on the new RFR indices for the Euro (i.e., on Euro short-term rate ("**€STR**") structures in the event of a future cessation of EURIBOR). We are therefore incorporating such replacement clauses in all EURIBOR-linked contracts.

The Group has used the Euro Overnight Index Average ("**EONIA**") in current account contracts, which have been transitioned to €STR since April 2020, and in derivatives settled through Central Clearing Houses (CCPs), whose migration to €STR has been effective since October 2021. The only other types of contracts that used EONIA were those referring to the remuneration of collateral in various master agreements for financial transactions, and which were transitioned to €STR at the end of 2021. In this context, it is worth noting that even in cases where contractual amendments have not been possible, the European Commission has defined €STR +8.5bp as the statutory fallback for EONIA by means of Commission Implementing Regulation (EU) 2021/1848. Furthermore, the ISDA protocol on the remuneration of derivative master agreements also sets the €STR +8.5bp as a substitute for the EONIA.

Lastly, the Group's exposure to LIBOR indices was less significant, given the small volume of assets and liabilities tied to these indices, with USD LIBOR being the most representative in terms of exposure. As of December 31, 2021, we had €10,229 million of loans using a LIBOR reference rate, of which most (€8,242 million) were referenced to USD LIBOR.The cessation of GBP LIBOR, CHF, JPY and EUR LIBOR was effective December 31, 2021. The one-week and two-month maturities for USD LIBOR also ceased on that date. For the remaining USD LIBOR maturities, the scheduled cessation date is June 2023. As of the date of this Offering Memorandum, the new indexed production in GBP, JPY and CHF is linked to the different structures of the respective RFRs of each currency (the Sterling Over Night Indexed Average (SONIA), the Tokyo Overnight Average Rate (TONA) and the Swiss Average Rate Overnight (SARON)). For more information on the exposure to these indices, see Note 3.4.4. (Structural rate risk—Ibor reform) to the 2021 Consolidated Financial Statements, which are incorporated by reference in this Offering Memorandum.

Any of the benchmark reforms that have been proposed or implemented, or the general increased regulatory scrutiny of benchmarks, could also increase the costs and risks of administering or otherwise participating in the setting of benchmarks and complying with regulations or requirements relating to benchmarks. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain benchmarks, trigger changes in the rules or methodologies used in certain benchmarks or lead to the disappearance of certain benchmarks.

These new rates may not be accepted or widely used by market participants, and the characteristics of any of these new rates may not be similar to, or produce the economic equivalent of, the benchmarks that they seek to replace. In addition, the transition of a particular benchmark to a replacement rate could affect hedge accounting relationships between financial instruments linked to that benchmark and any related derivatives, which could adversely affect CaixaBank's results.

Any of these developments, and any future initiatives to regulate, reform or change the administration of benchmarks, could materially adversely affect the return on, value of and market for loans, mortgages, securities, derivatives and other financial instruments whose returns are linked to any such benchmark, including those issued, funded or held by CaixaBank, all of which could, in turn, limit our ability to pay any amounts due under the Notes.

The Merger poses technological and operational challenges

On September 18, 2020, CaixaBank announced that its Board of Directors had approved the joint merger plan for the merger of Bankia, as absorbed company, into CaixaBank, as absorbing company. The Merger was

approved at the shareholders' meetings of CaixaBank and Bankia held on December 3, 2020 and December 1, 2020, respectively, and, after obtaining the required authorizations, the Merger was registered with the Commercial Registry of Valencia on March 26, 2021, becoming effective as of such date. On November 14, 2021, CaixaBank completed the technological integration of Bankia.

The Merger involves the integration of two companies that had previously competed and operated independently. CaixaBank and Bankia entered into the Merger with the expectation that, among other things, the Merger would enable us to achieve expected cost and income synergies from having one rather than two public companies as well as the closure of bank branches. Achieving the benefits of the Merger will depend in part upon meeting the challenges inherent in the successful combination and integration of business enterprises of the size and scope of CaixaBank and Bankia and the potential diversion of management attention for an extended period of time. There can be no assurance that we will meet these challenges and that such diversion will not negatively affect our operations. In addition, delays encountered in the transition process could have a material adverse effect on our revenues, expenses, operating results and financial condition. There can be no assurance that we will actually achieve anticipated synergies or other benefits from the Merger.

In connection with the Merger, we have closed and sold certain branches and restructured our remaining branches and workforce. The physical network restructuring is expected to affect approximately 1,500 branches. On July 1, 2021, we reached an agreement with union representatives representing a broad majority of employees to execute a restructuring process affecting 6,452 employees. We depend on our employees and on our physical network to serve our customers and to carry out our operations effectively. If the reduction in employee numbers and in our physical branch network harms employee morale, our effectiveness or our reputation for customer services, our business, financial conditions and results of operations could be materially affected.

3. Risk factors linked to the main quantitative and qualitative risk indicators of the Taxonomy

3.1 Risks affecting our financial activity

This category includes the following risks: credit risk, actuarial risk, structural rates risk and market risk.

We are subject to credit risk as the main source of risk inherent to our business

Risks arising from changes in credit quality and recoverability of loans and amounts due from counterparties are inherent in a wide range of our businesses (Credit risk)

We define credit risk as a decrease in the value of the Group's assets due to uncertainty about a customer's or counterparty's ability to meet its obligations to the Group. It also encompasses the risk of a reduction in the value of the Group's equity holdings and non-financial assets (mainly tangible assets such as real estate, intangible assets and tax assets) and climate risk. We define the latter as the deterioration in the repayment capacity of the Group's debtors as a consequence of the real or expected materialization of physical risks of gradual or abrupt climate events (on assets, supply chains, etc.) or of the losses that could result from the transition to a low carbon economy (e.g., regulatory changes, technological changes and new customer preferences). Therefore, credit risk is the most significant risk for the Group's balance sheet, which is exposed to the credit solvency of its clients and counterparties. We may experience losses in the event of total or partial non-payment of our clients' credit obligations as a result of a decrease in client creditworthiness and the recoverability of assets, which could negatively affect our results of operations.

Gross loans and advances to customers stood at €352,951 million as of December 31, 2021 (€243,924 million as of December 31, 2020 and €227,406 million as of December 31, 2019). The Group's non-performing loans ("**NPLs**") as of December 31, 2021 amounted to €13,634 million (€8,601 million on December 31, 2020 and €8,794 million on December 31, 2019), resulting in a NPL ratio of 3.6% as of December 31, 2021 (4.2% in loans to individuals, 3.5% in loans to businesses (of which 3.3% to non-real estate developers and 6.3% to real estate developers) and 0.3% in the public sector). As of December 31, 2020, the NPL ratio stood at 3.3% (4.5% in loans to individuals, 2.7% in loans to businesses (of which 2.4% to non-real estate developers and 6.7% to real estate developers) and 0.1% public sector). Failure to effectively implement, consistently monitor or continuously refine our credit-risk-management system may result in an

increase in the level of NPLs and a higher risk exposure for us, which could have a material adverse effect on our results of operations.

The provisions for insolvency risk as of December 31, 2021 stood at €8,625 million. As of December 31, 2020 and 2019, these provisions were €5,755 million and €4,863 million, respectively. As of December 31, 2021, the NPL coverage ratio given this stock of provisions was 63% (67% and 55% as of December 31, 2020 and 2019, respectively).

The gross (non-performing assets "**NPA**") balance, which encompasses non-performing loans and foreclosed assets available for sale and rent, was €19,384 million as of December 31, 2021 compared to €12,571 million as of December 31, 2020 and €13,127 million as of December 31, 2019.

In terms of sovereign risk, the Group's exposure to Spanish and Portuguese sovereign debt securities and loans totaled €78,523 million as of December 31, 2021 (€50,563 million as of December 31, 2020 and €35,024 million as of December 31, 2019). The Group's exposure to Italian sovereign securities stood at €3,183 million as of December 31, 2021 (€2,642 million as of December 31, 2020 and €3,065 million as of December 31, 2019).

The risk related to the equity portfolio in the banking book comes from the possibility of incurring losses due to fluctuations in market prices, disputes among shareholders and/or default on the positions making up our equity portfolio with a medium to long time horizon (for example the Group's stakes in Telefónica, S.A. ("**Telefónica**") and Banco de Fomento de Angola, S.A. The Group faces risks derived from any potential acquisitions and divestments as well as the inherent risks to which any investees are exposed, for instance, in their management, business sector, geography and regulatory framework. The exposure and the capital requirements of the equity portfolio totaled €7,558 million and €1,818 million, respectively, as of December 31, 2021 (€6,717 million and €1,338 million, respectively as of December 31, 2020 and €8,057 million and €1,465 million as of December 31, 2019, respectively), representing 1.2% of total credit risk exposure and 11.6% of total credit capital requirements (1.7% and 13.0%, respectively, as of December 31, 2020 and 2.7% and 13.8%, respectively, as of December 31, 2019). Both exposure and capital requirements of the equity portfolio include those of the Group's insurance subsidiary, VidaCaixa, S.A.U. de Seguros y Reaseguros ("**VidaCaixa**"), given that the insurance business is consolidated by the equity method in the prudential balance sheet according to capital regulations.

Financial problems faced by customers

Market turmoil and economic recession, as well as a rising interest rate environment, could materially and adversely affect the liquidity, credit ratings, businesses and/or financial conditions of our borrowers, which could in turn increase our NPL ratio, impair our loan and other financial assets and result in decreased demand for borrowings in general. In addition, our customers may further significantly decrease their risk tolerance to non-deposit investments such as stocks, bonds and mutual funds, which would adversely affect our fee and commission income. Any of the conditions described above could have a material adverse effect on our business, financial condition and results of operations.

Value of the collateral securing loans may be insufficient

The value of the collateral securing our loan portfolio may fluctuate or decline due to factors beyond our control, including as a result of COVID-19 and macroeconomic factors affecting Spain, Portugal and the EU. The value of the collateral securing our loan portfolio may be adversely affected by force majeure events, such as natural disasters, particularly in locations where a significant portion of our loan portfolio is composed of real estate loans. We may also not have sufficiently up-to-date information on the value of collateral, which may result in an inaccurate assessment for impairment losses of our loans secured by such collateral. If any of the above were to occur, we may need to make additional provisions to cover actual impairment losses of our loans, which may materially and adversely affect our results of operations and financial condition.

Of our total exposures as of December 31, 2021, exposures secured by collateral represented 29% and 55% in the case of loans. As of the same date, 52% of our loans and advances to customers had property collateral while 3% had other types of collateral (securities, pledges and others). As for the exposures in default, those guaranteed with collateral represented 3% of the total as of December 31, 2021.

We are subject to counterparty risk in our banking business

In our Banking business, we are exposed to counterparty risk in addition to credit risks associated with lending activities. Counterparty risk can be generated by transactions involving derivatives, repurchase agreements, securities lending and deferred settlement. Counterparty risk, being part of credit risk, quantifies the losses derived from the counterparty's potential default before the cash flows are definitively settled. This could arise from, for example, investing in securities of third parties, entering into derivative contracts under which counterparties have obligations to make payments to us or executing securities, futures, currency or commodity trades from proprietary trading activities that fail to settle at the required time due to non-delivery by the counterparty or systems failure by clearing agents, clearing houses or other financial intermediaries.

We routinely transact with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks, mutual funds, hedge funds and other institutional clients. Defaults by, and even rumors or questions about the solvency of, certain financial institutions and the financial services industry generally have led to market-wide liquidity problems and could lead to losses or defaults by other institutions. Many of the routine transactions we enter into expose us to significant credit risk in the event of default by one of our significant counterparties. Any such events could have a material adverse effect on our revenues, expenses, operating results and financial condition.

Goodwill impairments may be required in relation to acquired businesses

We have made business acquisitions and participated in mergers in recent years, in particular and most recently, the Merger, and we may make further acquisitions in the future. Goodwill that has been attributed, or may be attributed, to these businesses may have to be written down if our valuation assumptions are required to be reassessed as a result of any deterioration in their underlying profitability, asset quality and other relevant matters. The Group carries out, at least annually, a verification of the recoverable amount of the fixed assets assigned to the cash-generating unit of the banking and insurance business by updating the projected cash flows and carrying out a sensitivity analysis on the most significant variables. The projections are determined using assumptions made on the basis of macroeconomic data applicable to the Group's activity, compared against viable external sources. For further information on the assumptions and ranges used in these calculations, see Note 19 (Intangible Assets) to the 2021 Consolidated Financial Statements incorporated by reference herein. As of December 31, 2021, we did not record any goodwill impairment. There were no impairments made for 2019 or 2020 either. There can be no assurance that we will not have to write down the value attributed to goodwill in the future, which would adversely affect our results and net assets and, in turn, limit our ability to pay any amounts due under the Notes.

Climate change can create transition risks, physical risks and other risks that could adversely affect us

Climate change and environmental matters may generate three primary drivers of credit risk that could adversely affect us:

- Transition risks associated with the move to a low-carbon economy, both at individual and systemic levels, such as through policy, regulatory and technological changes.
- Physical risks related to extreme weather impacts and longer-term trends, which could result in losses that could impair asset values (our own as well as those of our customers) and the creditworthiness of our customers.
- Liability risks derived from parties who may suffer losses from the effects of climate change and may seek compensation from those they hold responsible such as state entities, regulators, investors and lenders.

Although climate change primarily affects credit risk, it could also have an impact on various other risks identified in the Taxonomy, such as market risk, operational and regulatory risk and reputational risk.

- Market risks: Market changes in the most carbon-intensive sectors could affect energy and commodity prices, corporate bonds, equities and certain derivatives contracts. Increased frequency

of extreme weather events could affect macroeconomic conditions, undermining fundamental factors such as economic growth, employment and inflation.

- Operational and regulatory risks: Severe weather events could directly affect business continuity and operations for us and our customers. There is increased regulation around climate change, environmental, social and governance ("**ESG**") objectives and sustainability, and several new regulatory initiatives, such as Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**EU Taxonomy**") and the EU Taxonomy Climate Delegated Act adopted by the EU Commission on April 21, 2021 (together, the "**EU Taxonomy Regulation**"), are currently being developed and are only now taking shape. Therefore, the impact of these regulations, including the changes we would need to make to comply with them, are still unknown and could entail incurring in greater costs to comply with these new regulations.
- Reputational risk: Our response to climate change may be subject to evolving customer opinions and increased scrutiny from other stakeholders (investors, regulators, etc.).

Any of the conditions described above could have a material adverse effect on our business, financial condition and results of operations.

We are subject to actuarial risk in our insurance business

We are subject to actuarial risk, which, based on the Solvency II Directive (as defined in "*Bank Supervision and Regulation in Spain—Solvency*"), is the risk of loss or adverse change in the value of liabilities undertaken through insurance or pension contracts with customers or employees resulting from a divergence between actuarial variables used for pricing and reserves, and actual developments.

The CaixaBank insurance group, headed by VidaCaixa (the "**VidaCaixa Group**"), is integrated for the purpose of our regulatory capital requirements under prudential banking supervision within credit risk as an investee portfolio. The insurance business is also subject to sectorial supervision by the Spanish Directorate General of Insurance and Pension Funds ("**DGSFP**"). As of December 31, 2021, the VidaCaixa Group had a Solvency Capital Requirement (SCR) coverage ratio of 176%, 4 percentage points higher than at the end of 2020. Since the Merger, BankiaVida, Sociedad Anonima de Seguros y Reaseguros ("**BankiaVida**"), the insurance subsidiary of Bankia, has also been integrated into the Group and is currently separate from VidaCaixa. CaixaBank intends to sell Bankia Vida to VidaCaixa in the first quarter of 2022, with a full merger envisaged in 2022.

Actuarial risk management is based on the regulatory framework set out at European level (Solvency II and the European Insurance and Occupational Pensions Authority (EIOPA)) and the DGSFP. Applying the regulatory framework, we establish policies and monitor procedures to oversee the technical evolution of marketed insurance products. Insurance products are affected by the following variables, which may differ from our estimates: mortality, longevity, disability, expense and lapse risk in underwriting life insurance contracts, as well as lapse, expense and claims ratio in the lines of business for non-life and health insurance obligations.

Thus, for each line of business, both underwriting and reinsurance policies identify different risk parameters for approval, management, measurement, rate-setting and, lastly, to calculate and set the liabilities covering the underwritten contracts. Additionally, general operating procedures are set to control the underwriting process. However, variations between our estimates and calculations and actual outcomes could result in payment obligations higher than we expected, which may have a material adverse effect on our business, financial condition and results of operations.

Out of the €2,359 million net profit attributable to the Group excluding extraordinary impacts related to the Merger in the year ended December 31, 2021, €794 million (34% thereof) derived from the insurance business. Out of the €1,381 million net profit attributable to the Group in 2020, €888 million (64% thereof) derived from the insurance business.

We are exposed to structural rates risk

Changes in interest rates may negatively affect the Group's business (structural interest rate risk)

Changes in interest rates can have a negative impact on our income and the economic value of the items on our balance sheet or those off-balance-sheet items not recognized in the trading book. The assets and liabilities subject to structural interest rate risk are all those positions that are sensitive to interest rates in the balance sheet, excluding the calculation of positions of the trading book.

Possible sources of interest-rate risk in the banking book are gap risk, basis risk and optionality risk:

- Gap risk refers to the potential adverse effect from differences between the timing or regularity in reviewing the instruments sensitive to interest rates, together with parallel movements (parallel risk) or different movements per tranches (non-parallel risk) in the interest rate curve.
- Basis risk occurs where there is an imperfect correlation in the evolution of interest risks underlying the different assets and liabilities of the Group's balance sheet, even in those cases where the assets and liabilities have similar characteristics in terms of repricing or maturity. Basis risk is composed of a structural part (between market rates and administrative rates) and a non-structural part (as a result of the divergent movement between the different reference benchmarks on the market).
- Optionality risk derives from the contractual rights available to clients and to us to modify the original cash flows of a certain asset, liability or off-balance-sheet transaction and may arise as a result of the conduct of the client (whether due to interest rate levels or other factors, such as the degree of leverage or offers of competitors) or may be activated automatically (in case of the occurrence of certain interest rate events).

No regulatory capital requirements are defined for this risk. As of December 31, 2021, the net interest income sensitivity of the Group for the interest rate-sensitive balance sheet under an immediate +/- 100 basis point change in interest rates was +12.78%/-4.28%, respectively. As such same date, the economic value sensitivity of the Group for the interest rate-sensitive balance sheet as a percentage of the Tier 1 capital under an immediate +/-100 basis point change in interest rates was +4.44%/-10.58%, respectively.

Changes in exchange rates may negatively affect the Group's business (structural exchange rate risk)

We are exposed to structural exchange-rate risk, which is the potential change in market value of items on the balance sheet due to adverse movements in exchange rates, negatively impacting our financial condition. The Group has foreign-currency assets and liabilities on its balance sheet because of its commercial activity and shareholdings, in addition to the foreign-currency assets and liabilities deriving from the Group's measures to mitigate exchange-rate risk.

The equivalent Euro value of all foreign currency assets and liabilities on our balance sheet as of December 31, 2021 was €25,279 million and €15,692 million, respectively, and €15,018 million and €8,485 million, respectively, as of December 31, 2020. Fluctuations in the exchange rates used to value these assets and liabilities could materially and adversely affect our business, financial condition and results of operations.

For further information on foreign-currency positions of the Group, as well as the main balance sheet items by currency, see Note 3.4.5 (Structural exchange-rate risk) to the 2021 Consolidated Financial Statements.

Market risk

Fluctuations in bond and equity prices and other market factors are inherent in our business, and protracted market declines can reduce liquidity in the markets, making it harder to sell assets which may lead to material losses

Market risk refers to the loss of value of a portfolio (set of assets and liabilities) due to unfavorable movements in prices or market rates, including fluctuations in interest rates, exchange rates, credit spreads, external factors or prices on the markets where these assets or liabilities are traded. Market risk can negatively affect our results of operations and solvency.

When quantifying market risk, in order to standardize risk measurement across the entire trading portfolio, and to produce certain assumptions regarding the extent of changes in market risk factors, we use Value-at-Risk methodology ("**VaR**": statistical estimate of potential losses from historical data on price fluctuations) with a one-day time horizon and a statistical confidence interval of 99% (i.e., under normal

market conditions 99 times out of 100 the actual daily losses will be less than the losses estimated using the VaR model).

The consumption of the average one-day VaR at 99% attributable to the various risk factors stood at €2.0 million for the year ended December 31, 2021 (€2.4 million) for the year ended December 31, 2020). We consider the main risk factors to be corporate debt spread, interest rates (including sovereign debt credit spread) and share price volatility.

Moreover, market volatility may have an impact on the income statement ("Gains/losses on financial assets and liabilities held for trading, net") due to changes to the Credit Valuation Adjustments ("**CVA**"), Debit Valuation Adjustments ("**DVA**") and Funding Valuation Adjustments ("**FVA**"). CVA and DVA are added to the valuation of over-the-counter (OTC) derivatives (both for hedge accounting and held for trading) due to the risk associated with the counterparty's and our own credit risk exposure, respectively. FVA is an additional valuation adjustment of derivatives of customer transactions that are not perfectly collateralized that includes the funding costs related to the liquidity necessary to perform the transaction.

3.2. Reputational and operational risks

Within the risks set out in the Group's Corporate Risk Taxonomy, the second risk category in terms of materiality comprises reputational risk and operational risks.

Reputational risks

We are subject to the risk of reputational damage, which could lead to loss of trust of some of our stakeholders (reputational risk)

Maintaining a positive reputation is critical to protecting our brand, attracting and retaining customers, investors and employees, and conducting business transactions with counterparties. We define reputational risk as the possibility that our competitive position could be eroded by loss of trust of some of our stakeholders, based on their assessment of actions or omissions, whether real or purported, of the Group, our senior management or governing bodies, or because of our provision of financial support beyond our contractual obligations to related unconsolidated financial institutions facing stress or becoming insolvent (step-in risk).

Harm to our reputation can arise from numerous sources, including, among others, employee misconduct, including the possibility of fraud perpetrated by our employees, litigation or regulatory enforcement, failure to deliver minimum standards of service and quality, dealing with sectors that are not well perceived by the public (e.g., weapons industries or embargoed countries), dealing with customers on sanctions lists, ratings downgrades, significant variations in our share price throughout the year, compliance failures, unethical behavior, and the activities of customers and counterparties, including activities that negatively affect the environment. Certain legal proceedings may harm our reputation, such as the claim brought against CaixaBank for an alleged breach of anti-money-laundering regulations and the criminal investigation into alleged acts of bribery and wrongful disclosure of secrets (please see "*Description of CaixaBank and our Business—Litigation*"). Another reputational risk we face could come from negative publicity, which could arise not only from any of the factors above being negatively reported in the press but also due to disinformation in the traditional media and through less formal online channels. Any such negative publicity could harm our business and prospects. We monitor this risk using selected internal and external reputational indicators of stakeholder expectations and perception analysis from various sources.

Throughout 2019, 2020 and 2021, the measures related to the management of ESG risks, defined as the risk of a potential reputational or economic loss resulting from failure to integrate ESG aspects in the Group's strategy, have included integrating ESG aspects into our business (financing, investment and products) and the introduction of support programs for clients in difficulties (such as mortgage debtors or socially excluded groups, among others) or clients that contribute to activating the economy, especially in times of crisis (such as entrepreneurs). It also includes potential reputational or economic loss resulting from non-transparent tax structures, the perception of non-payment of taxes or the use of tax havens or low-tax jurisdictions (either by the Group or on behalf of its clients).

We could suffer significant reputational harm if we fail to identify and manage potential conflicts of interest properly. The failure, or perceived failure, to adequately address conflicts of interest could affect the willingness of clients to deal with us or give rise to litigation or enforcement actions against us.

We may be the subject of misinformation or disinformation deliberately propagated to harm our reputation or for other deceitful purposes, such as by profiteering short sellers seeking to gain an illegal market advantage by spreading false information about us. There can be no assurance that we will effectively contain and neutralize false information regarding the Group, which could have an adverse effect on our operating results, financial condition and prospects.

Operational risk is inherent in the Group's business

We define operational risk as the possibility of incurring losses due to inadequacy or failure of internal processes, personnel and internal systems or from unforeseen external events.

We identify the following risks within the operational risk category: (i) conduct and compliance risk; (ii) legal/regulatory risk; (iii) information technology ("**IT**") risk; (iv) information-reliability risk; (v) model risk; and (vi) other operational risks.

The Group is exposed to conduct and compliance risk

Conduct and compliance risk arises from the application of conduct criteria contrary to the interests of our customers and stakeholders or CaixaBank and its employees, or from acts or omissions that are not compliant with the legal or regulatory framework, or with internal policies, codes and rules, or with codes of conduct and ethical and good practice standards, such as our Code of Business Conduct and Ethics. Although we monitor our activity to promote compliance and proper conduct, we cannot assure you that violations will not occur.

This risk is particularly relevant in the context of increasingly complex and detailed laws and regulations, the implementation of which requires a substantial and sophisticated improvement of technical and human resources, such as those related to anti-money laundering and data protection. We try to assure compliance through our internal-control systems, but such systems are subject to flaws that we may not be able to detect or remedy in a timely manner. Any of the foregoing, could have a material adverse effect on our business or result in claims, sanctions, fines and an adverse effect on reputation.

We may not be able to detect or prevent money laundering and other financial-crime activities fully or on a timely basis, which could expose us to additional liability and could have a material adverse effect on our business

We are required to comply with applicable anti-money-laundering ("**AML**"), counter-terrorism, anti-bribery and corruption, sanctions and other laws and regulations applicable to us. These laws and regulations require us, among other things, to conduct full customer due diligence (including sanctions and politically-exposed-person screening), to keep our customer, account and transaction information up to date and to implement financial-crime policies and procedures. We are also required to conduct AML training for our employees and to report suspicious transactions and activity to appropriate law enforcement following full investigation by our AML team. Internal AML rules and procedures conform to EU Directives and the relevant local law and comprise on-boarding (due diligence measures application and customer following up), transactions monitoring (detection and investigation), suspicious transaction reporting (to the Executive Service of the Commission for the Prevention of Money Laundering and Monetary Offences ("*Servicio Ejecutivo de la Comisión de Prevención del Blanqueo de Capitales e Infracciones Monetarias*" the "**SEPBLAC**")), recordkeeping and training.

Financial crime has become the subject of enhanced scrutiny and supervision by regulators globally. AML, anti-bribery and corruption and sanctions laws and regulations are increasingly complex, and we must comply with applicable regulations in the jurisdictions where we do business. Although the vast majority of our operations are in Spain and Portugal, we have an indirect presence in Angola, through our stake in Banco Portugués de Investimento ("**BPI**"), which in turn, has a stake in Banco de Fomento de Angola, S.A. The Basel Committee on Banking Supervision is now introducing guidelines to strengthen the interaction and cooperation between prudential and AML/counter-terrorism supervisors (SEPBLAC and Bank of Spain).

Compliance with these laws and regulations requires automated systems, sophisticated monitoring and skilled compliance personnel.

We maintain updated policies and procedures aimed at detecting and preventing the use of our banking network for money laundering and other financial-crime-related activities. However, emerging technologies, such as cryptocurrencies and blockchain, could limit our ability to track the movement of funds. Our ability to comply with the legal requirements depends on our ability to improve detection and reporting capabilities and reduce variation in control processes and oversight accountability. These require implementation and embedding within our business effective controls and monitoring, which in turn requires ongoing changes to systems and operational activities. Financial crime is continually evolving and is subject to increasingly stringent regulatory oversight and focus. This requires proactive and adaptable responses from us so that we are able to deter threats and criminality effectively. Even known threats can never be fully eliminated, and there will be instances where we may be used by other parties to engage in money laundering and other illegal or improper activities. In addition, we rely heavily on our employees to assist us by identifying such activities and reporting them, and our employees have varying degrees of experience in recognizing criminal tactics and understanding the level of sophistication of criminal organizations. Where we outsource any of our customer due diligence, customer screening or anti-financial-crime operations, we remain responsible and accountable for full compliance and any breaches. If we are unable to apply the necessary scrutiny and oversight of third parties to whom we outsource certain tasks and processes, there remains a risk of regulatory breach.

If we are unable to fully comply with applicable laws, regulations and expectations, our regulators and relevant law enforcement agencies may impose significant fines and other penalties on us, including requiring a complete review of our business systems, day-to-day supervision by external consultants and ultimately the revocation of our banking license.

The reputational damage to our business and global brand would be severe if we were found to have breached AML, anti-bribery and corruption or sanctions requirements. Our reputation could also suffer if we are unable to protect our customers' bank products and services from being used by criminals for illegal or improper purposes.

In addition, while we review our relevant counterparties' internal policies and procedures with respect to such matters, we, to a large degree, rely upon our relevant counterparties to maintain and properly apply their own appropriate compliance procedures and internal policies.

Such measures, procedures and internal policies may not be completely effective in preventing third parties from using our (and our relevant counterparties') services as a conduit for illicit purposes (including illegal cash operations) without our (and our relevant counterparties') knowledge. Any current or future association with, or even accusations of association with, breaches of AML, anti-terrorism or sanctions requirements could damage our reputation, and could cause us to become subject to fines, sanctions and/or legal enforcement (including being added to "black lists" that would prohibit certain parties from engaging in transactions with us), any one of which could have a material adverse effect on our operating results, financial condition and prospects. We are currently the subject to a claim for an alleged breach of anti-money-laundering regulations, as described under "*Description of CaixaBank and our Business—Litigation—Anti-money laundering investigation*").

We are subject to substantial regulation, as well as regulatory and governmental oversight. Adverse regulatory developments or changes in government policy could have a material adverse effect on our business, results of operations and financial condition

The financial-services industry is among the most highly regulated industries in the world. In response to the global financial crisis and the European sovereign-debt crisis, governments, regulatory authorities and others have made and continue to make proposals to reform the regulatory framework for the financial services industry to enhance its resilience against future crises. The Group's operations are subject to ongoing regulation and associated regulatory risks, including the effects of changes in laws, regulations, policies and interpretations, in Spain, the EU and the other markets in which we operate. This is particularly the case in the current market environment, which is witnessing increased levels of government and regulatory intervention

in the banking sector, which is expected to continue for the foreseeable future. This creates significant uncertainty for us and the financial industry as a whole.

The regulations that most significantly affect the Group are those related to prudential supervision, bank recovery and resolution, and capital and liquidity requirements, which have become increasingly stringent in the past few years (see "*Risk factors related to our business model—Increasingly onerous capital requirements constitute one of our main regulatory challenges (solvency risk)*" and "*Risk factors related to our business model—We have a continuous need for liquidity to fund our business activities and during periods of market-wide or firm-specific liquidity constraints, liquidity may not be available to us*").

Regulation has also considerably increased in the realm of customer and investor protection, digital and technological matters, taxation and anti-money laundering, among others.

The specific effects of a number of new laws and regulations remain uncertain because the drafting and implementation of these laws and regulations are still ongoing and some of them have been recently adopted. As a result, the Group may be subject to an increasing incidence or amount of liability or regulatory sanctions and may be required to make greater expenditures and devote additional resources to address potential liability. This could lead to additional changes in the near future and also require the payment of levies, taxes, charges and compliance with other additional regulatory requirements.

Implementation of the relevant procedures, monitoring and other technical and human requirements in relation to recent laws and regulations, such as those related to data protection and anti-money laundering have had, and could further have, an impact on the Group's business by increasing its operational and compliance costs. If these requirements are not interpreted or implemented correctly, or if the relevant procedures are breached, we may become subject to legal and regulatory claims and sanctions (see "*Reputational and Operational Risks —We are exposed to risk of loss from legal and regulatory claims*" below).

Any legislative or regulatory actions and any required changes to the business operations of the Group resulting from such legislation and regulations, as well as any deficiencies in the Group's compliance with such legislation and regulation, could result in significant loss of revenue, leading to a decrease in the profitability of the Group, and could limit our ability to pursue business opportunities and provide certain products and services, affect the value of assets that we hold, require us to increase our prices and therefore reduce demand for our products, impose additional compliance and other costs on us or otherwise adversely affect our businesses.

We are exposed to risk of loss from legal and regulatory proceedings

We are currently and, in the future, may be, involved in various claims, disputes, legal proceedings and governmental investigations in the jurisdictions where we operate.

We are party to certain legal proceedings arising from the normal course of our business, including claims in connection with lending activities, relationships with employees, certain criminal investigations and proceedings and other commercial or tax matters. The outcome of court proceedings is inherently uncertain, but a negative outcome of such proceedings or any regulatory investigations could subject us to monetary judgements, regulatory enforcement actions, fines and penalties. We maintain provisions on our balance sheet under the heading "*Pending legal issues and tax litigation*" that we consider reasonable to cover the obligations that may arise from ongoing lawsuits based on available information. These provisions amounted to €774 million as of December 31, 2021 (€332 million as of December 31, 2020 and €394 million as of December 31, 2019). In addition, we maintain provisions under the heading "*Other Provisions*", which amounted to €649 million as of December 31, 2021 (€468 million as of December 31, 2020 and €497 million as of December 31, 2019) in order to cover, among others, the losses from agreements not formalized and other risks such as those related to the class action brought by the Association of Banking and Insurance Consumers ("**ADICAE**") due to the application of floor clauses in certain mortgage loans. See "*Description of CaixaBank and our Business—Litigation*" for information on our material current litigation.

Given the nature of these obligations, the expected timing of these payments, if any, is uncertain. However, in view of the inherent difficulty of predicting the outcome of legal matters, particularly where the claimants seek very large or indeterminate damages, or where the cases present novel legal theories, involve

a large number of parties or are in the early stages of investigation or discovery, the provisions we made or our estimate for maximum risk could prove to be inadequate, and may have to be increased to cover the impact of the different proceedings or to cover additional liabilities, which could lead to higher costs for us. This could have a material adverse effect on our results and financial situation.

We are subject to potential action by any of our regulators or supervisors, particularly in response to customer complaints

Our business and operations are subject to increasingly significant rules and regulations that are required to conduct banking and financial services business. These apply to business operations, affect financial returns, include reserve and reporting requirements, and prudential and conduct of business regulations. These requirements are set by the relevant central banks and regulatory authorities that authorize, regulate and supervise us in the jurisdictions in which we operate.

In their supervisory roles, regulators seek to maintain the safety and soundness of financial institutions with the aim of strengthening the protection of customers and the financial system. The supervisors' continuing supervision of financial institutions is conducted through a variety of regulatory tools, including the collection of information by way of prudential returns, reports obtained from skilled persons, visits to firms and regular meetings with management to discuss issues such as performance, risk management and strategy. In general, these regulators have a more outcome-focused regulatory approach that involves more proactive enforcement and more punitive penalties for infringement. As a result, we face increased supervisory scrutiny (resulting in increasing internal compliance costs and supervision fees), and in the event of a breach of our regulatory obligations we are likely to face more stringent regulatory fines. Certain regulators are focusing intently on consumer protection and on conduct risk and will continue to do so. This has included a focus on the design and operation of products, the behavior of customers and the operation of markets. Such a focus could result, for example, in usury regulation that could restrict our ability to charge certain levels of interest in credit transactions or in regulation that would prevent us from bundling products that we offer to our customers. Some of the laws in the relevant jurisdictions in which we operate, give the regulators the power to make temporary product intervention rules either to improve a firm's systems and controls in relation to product design, product management and implementation, or to address problems identified with financial products. These problems may potentially cause significant detriment to consumers because of certain product features or governance flaws or distribution strategies. Such rules may prevent institutions from entering into product agreements with customers until such problems have been solved. Some of the regulatory regimes in the relevant jurisdictions in which we operate, require us to be in compliance across all aspects of our business, including the training, authorization and supervision of personnel, systems, processes and documentation. If we fail to comply with applicable regulations, there will be a risk of an adverse impact on our business from sanctions, fines or other actions imposed by regulatory authorities. Customers of financial services institutions, including our customers, may seek redress if they consider that they have suffered loss as a result of the mis-selling of a particular product, or through the incorrect application of the terms and conditions of a particular product. Given the inherent unpredictability of litigation and the evolution of judgements by relevant authorities, an adverse outcome in some matters could harm our reputation or have a material adverse effect on our operating results, financial condition and prospects arising from any penalties imposed or compensation awarded, together with the costs of defending such an action, thereby reducing our profitability.

Our tax filings are subject to review by tax authorities, and an incorrect interpretation by us of tax laws and regulations may have a material adverse effect on our business.

The preparation of our tax returns requires the use of estimates and interpretations of complex tax laws and regulations and is subject to review by tax authorities. We are subject to the income tax laws of Spain and the other jurisdictions in which we operate. These tax laws are complex and subject to different interpretations by the taxpayer and relevant governmental tax authorities, which are sometimes subject to prolonged evaluation periods until a final resolution is reached. In establishing a provision for income tax expense and filing returns, we must make judgements and interpretations about the application of these inherently complex tax laws. If the judgement, estimates and assumptions we use in preparing our tax returns are subsequently found to be incorrect, there could be a material adverse effect on our results of operations.

We are subject to changes in taxes and other assessments

The legislatures and tax authorities in the tax jurisdictions in which we operate regularly enact reforms to the tax and other assessment regimes to which we and our customers are subject. Such reforms include changes in tax rates and, occasionally, enactment of temporary taxes, the proceeds of which are earmarked for specific governmental purposes.

The effects of these changes and any other changes that result from the enactment of additional tax reforms cannot be quantified and there can be no assurance that any such reforms would not have a material adverse effect on our business.

IT risk

We define IT risk as the risk of losses due to the inadequacy or failures of technological infrastructure (hardware or software) due to cyberattacks (see "*Risk factors corresponding to Strategic Events—We face the risk of cybercrime and data theft"*) or other circumstances that may compromise the availability, integrity, accessibility and security of infrastructure and data. The risk is broken down into five sub-categories that affect IT: (i) availability; (ii) information security; (iii) operation and management of change; (iv) data integrity; and (v) governance and strategy.

Any failure to effectively improve or upgrade our information-technology infrastructure and information-management systems in a timely manner or any failure to successfully implement new cybersecurity and data-privacy regulations could have a material adverse effect on our business

Our ability to remain competitive depends in part on our ability to upgrade our IT infrastructure on a timely and cost-effective basis. We must continuously make significant investments in, and improvements to, our IT infrastructure in order to meet the needs of our customers. We cannot assure that in the future we will be able to maintain the level of capital expenditures necessary to support the continuous improvement and upgrading of our IT infrastructure. To the extent we are dependent on any particular technology or technological solution, we may be harmed if such technology or technological solution becomes non-compliant with existing industry standards or applicable regulations, fails to meet or exceed the capabilities of our competitors' equivalent technologies or technological solutions, becomes increasingly expensive to service, retain and update, becomes subject to third-party claims of intellectual-property infringement, misappropriation or other violation, or malfunctions or functions in a way we did not anticipate. Additionally, new technologies and technological solutions are continually being released. As such, it is difficult to predict the problems we may encounter in improving our technologies' functionality. There is no assurance that we will be able to successfully adopt new technology as critical systems and applications become obsolete and improved ones become available. Any failure to effectively improve or upgrade our IT infrastructure and information-management systems in a timely and cost-efficient manner could have a material adverse effect on our business.

In addition, several new and proposed laws, directives and regulations are defining how to manage cybersecurity and data-protection risks, including with respect to the data-breach reporting requirements and supervisory processes, among others. These regulations are quite fragmented in terms of definitions, scope and applicability. A failure to successfully implement all or some of these new local, state, national and international regulations, which in some cases entail severe sanctions regimes, could have a material adverse effect on us.

Risks relating to data collection, processing and storage systems and security are inherent in our business

Like other financial institutions, we receive, manage, process, hold and transmit proprietary and sensitive or confidential information, including personal information of customers and employees in the conduct of our banking operations, as well as a large number of assets. Accordingly, our business depends on our ability to process a large number of transactions efficiently and accurately, and on our ability to rely on our digital technologies, computer and email services, software and networks, as well as on the secure processing, storage and transmission of confidential or sensitive personal data and other information using our computer systems and networks or those of our third-party vendors. The proper and secure functioning of our financial controls, accounting and other data collection and processing systems is critical to our business and to our ability to

compete effectively. Cybersecurity incidents and data losses can result from inadequate personnel, inadequate or failed internal-control processes and systems, or from external events or actors that interrupt normal business operations. We also face the risk that the design of our cybersecurity controls and procedures prove to be inadequate such that our data and/or client records are incomplete, not recoverable or not securely stored. Any material disruption or slowdown of our systems could cause information, including data related to customer requests, to be lost or to be delivered to our clients with delays or errors, which could reduce demand for our services and products, could produce customer claims and could materially and adversely affect us.

Although we work with our clients, vendors, service providers, counterparties and other third parties to develop secure data and information processing, storage and transmission capabilities to prevent against information security risk, we routinely manage personal, confidential and proprietary information by electronic means, and we have been, and may be, the target of various information-security incidents or breaches. If we cannot maintain effective and secure electronic data and information, management and processing systems or if we fail to maintain complete physical and electronic records, this could result in disruptions to our operations, claims from customers, regulators, employees and other parties, violations of applicable privacy and other laws, regulatory sanctions and serious reputational and financial harm to us.]

We take protective measures and continuously monitor and develop our systems to protect our technology infrastructure, data and information from misappropriation or corruption, but our systems, software and networks, as well as those of our third-party vendors, nevertheless may be vulnerable to disruptions and failures caused by unauthorized access or misuse or denial-of-service attacks, fire, power loss, telecommunications failures, employee misconduct, human error and other events that could have a security impact on us. An interception, loss, misuse or mishandling of personal, confidential or proprietary information sent to or received from a client, employee, vendor, service provider, counterparty or other third party could result in legal liability, regulatory action, reputational harm and financial loss. We may suffer material losses from operational risks in the future, including those relating to any security breaches.

The procedures and controls we have in place to safeguard personal and other confidential or sensitive information in our possession may not prevent unauthorized access or disclosures. Any of the foregoing could subject us to legal actions and administrative sanctions, as well as damages and reputational harm that could materially and adversely affect our operating results, financial condition and prospects. We have in the past been subject to fines for infractions of the EU General Data Protection Regulation ("**GDPR**"), though none in a material amount. Further, our business is exposed to risk from employees' potential non-compliance with policies, misconduct, negligence or fraud, which could result in regulatory sanctions and serious reputational and financial harm. It is not always possible to deter or prevent employee misconduct, and the precautions we take to detect and prevent this activity may not always be effective. In addition, we may be required to report events related to information security issues, events where customer information may be compromised, unauthorized access to our systems and other security breaches, to the relevant regulatory authorities.

Information-reliability risk

Information-reliability risk is defined as the risk stemming from deficiencies in the accuracy, integrity and criteria of the process used when preparing the data and information necessary to evaluate the financial and equity position of the Group, as well as the information disclosed to the market and stakeholders that offers a holistic view of its position in terms of sustainability with the environment and that is directly related to our ESG principles.

The preparation of financial statements in accordance with IFRS requires the use of estimates. It also requires management to exercise judgement in applying relevant accounting policies. The key areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the consolidated and individual financial statements, include impairment of certain financial assets, the assumptions used to quantify certain provisions and for the actuarial calculation of post-employment benefit liabilities and commitments, the useful life and impairment losses of tangible and intangible assets, the valuation of goodwill and purchase price allocation of business combinations, the fair value of certain unlisted financial assets and liabilities, the recoverability of deferred tax assets and the exchange rate and the inflation rate of countries in which certain subsidiaries operate. If the judgment exercised or the estimates or assumptions used in the

preparation of our consolidated or individual financial statements subsequently turn out to be incorrect, the Group could suffer significant losses, which could have a material adverse effect on our business, financial condition and results of operations.

Observable market prices are not available for many of the financial assets and liabilities that we hold at fair value, and therefore we use a variety of techniques to estimate such fair value. If the valuation of such financial assets or liabilities became observable, for example as a result of sales or trading in comparable assets or liabilities by third parties, this could result in a materially different valuation to the current carrying value of such assets and liabilities in the Group's financial statements.

The further development of standards and interpretations under IFRS could also significantly affect the results of operations, financial condition and prospects of the Group.

Model risk

We define model risk as potential adverse consequences for the Group that may arise from decisions based on internal models, due to errors in the construction, application or use of such models.

In particular, we have identified the following subtypes of model risk:

- Quality risk: the potential detrimental impact on our business, financial condition and results of operations due to unpredictable models, either due to defects in the way the models have been built or failure to update the model over time.
- Governance risk: the potential detrimental impact on our business, financial condition and results of operations due to an inadequate governance of model risk (e.g., models not approved by committees, failure to comply with the procedures to ensure the correct development, implementation and use of the relevant model, or incorrectly inventoried models, among others).
- Control environment risk: the potential detrimental impact on our business, financial condition and results of operations due to weaknesses in the control environment of models (e.g., models with expired recommendations and breached mitigation plans, among others).

Failures in our models could have a material adverse effect on our results of operations, financial condition and prospects.

Other operational risks - We rely on third parties and affiliates for important products and services

"Other operational risks" includes losses or damages caused by (i) errors or faults in processes, (ii) external events, or (iii) actions of third parties outside of the Group, whether accidental or intentional. It includes, among others, risks related to outsourcing, the custody of securities or external fraud. Third-party vendors and certain affiliated companies provide key components of our business infrastructure such as loan and deposit servicing systems, back office and business process support, IT production and support, Internet connection and network access.

Relying on these third parties and affiliated companies can be a source of operational and regulatory risk to us, including with respect to security breaches affecting such parties. We are also subject to risk with respect to security breaches affecting the vendors and other parties that interact with these service providers. As our interconnectivity with these third parties and affiliated companies increases, we increasingly face the risk of operational failure with respect to their systems. We may be required to take steps to protect the integrity of our operational systems, thereby increasing our operational costs and potentially decreasing customer satisfaction. In addition, any problems caused by these third parties or affiliated companies, including as a result of them not providing us their services for any reason, or performing their services poorly, could adversely affect our ability to deliver products and services to customers and otherwise conduct our business, which could lead to reputational damage and regulatory investigations and intervention. Replacing these third-party vendors could also result in significant delays and expenses. Further, the operational risk we face as a result of these arrangements may increase if we restructure such arrangements, which could result in significant expense to us and significant delivery and execution risk, all of which could have a material adverse effect on our business, operations and financial condition.

3.3 Risks related to our business model

We have identified the following risks related to our business model: business risk, solvency risk and liquidity risk.

Business profitability, growth prospects and other targets may be adversely affected by factors beyond our control (business risk)

We are exposed to business profitability risk resulting from obtaining results that are below market expectations or below our internal targets, preventing us from reaching a level of sustainable returns higher than the cost of equity. If this were to occur, our cost of raising funding (especially equity) could increase and our ability to achieve regulatory capital requirements could be adversely affected.

In the year ended December 31, 2021, our average profitability (measured as the return on tangible equity ("**ROTE**")) was 7.6% excluding extraordinary impacts linked to the Merger (6.1% in 2020).

We depend in part upon dividends and other funds from our subsidiaries

Some of our operations are conducted through our subsidiaries. As a result, our ability to pay dividends, to the extent we decide to do so, depends in part on the ability of our subsidiaries to generate earnings and to pay dividends to us. Payment of dividends, distributions and advances by our subsidiaries will be contingent upon their earnings and business considerations and is or may be limited by legal, regulatory and contractual restrictions. In 2021, dividend income from our subsidiaries represented 1% of total CaixaBank income.

Additionally, our right to receive any assets of any of our subsidiaries as an equity holder of such subsidiaries upon their liquidation or reorganization will be effectively subordinated to the claims of our subsidiaries' creditors, including trade creditors. The subsidiaries that have to comply with capital requirements, in case of failure to adequately do so, could be subject to restrictions or prohibitions on discretionary payments including the payment of dividends and other distributions to us. Our competent authorities may also impose additional limitations on capital distributions. Any such restrictions or prohibitions on discretionary payments applied to some of our subsidiaries, could have a material adverse effect on our business, financial condition and results of operations. See "*Increasingly onerous capital requirements constitute one or our main regulatory challenges (solvency risk)*" below.

If we are unable to manage the growth of our operations or to integrate successfully our acquisitions, this could have an adverse impact on our profitability

We allocate management and planning resources to develop strategic plans for organic growth, which is our primary focus, but from time to time, we also seek to identify and evaluate possible acquisitions and disposals, partnership opportunities and areas for restructuring our businesses at times when inorganic growth fits with our strategic growth objectives. However, we may not be able to identify suitable acquisition or partnership candidates, and our ability to benefit from any such acquisitions and partnerships will depend in part on our successful integration of those businesses. Any such integration entails significant risks such as unforeseen difficulties in integrating operations and systems, unexpected liabilities or contingencies relating to the acquired businesses, including legal claims and delivery and execution risks. We can give no assurance that our expectations with regards to integration and synergies in respect of potential acquisitions will materialize. We also cannot provide assurance that we will, in all cases, be able to manage our growth effectively or deliver our strategic growth objectives. Challenges that may result from our strategic growth decisions include our ability to:

- manage efficiently the operations and employees of expanding businesses;
- maintain or grow our existing customer base;
- assess the value, strengths and weaknesses of investment or acquisition candidates, including local regulation that can reduce or eliminate expected synergies;
- finance strategic investments or acquisitions;
- align our current information technology systems adequately with those of an enlarged group;

- apply our risk-management policy effectively to an enlarged group; and
- manage a growing number of entities without over-committing management or losing key personnel.

Any failure to manage growth effectively could have a material adverse effect on our operating results, financial condition and prospects.

In addition, any acquisition or venture could result in the loss of key employees and inconsistencies in standards, controls, procedures and policies.

Moreover, the success of the acquisition or venture will at least in part be subject to a number of political, economic and other factors that are beyond our control. Any of these factors, individually or collectively, could have a material adverse effect on our business. See also "*The Merger poses technological and operational challenges*".

Increasingly onerous capital requirements constitute one of our main regulatory challenges (solvency risk)

Solvency risk corresponds to our potential inability to adapt our amount of regulatory own funds to capital requirements or to a change to our risk profile.

The management of our own funds is largely determined by the prevailing legislative framework, the evolution of which is uncertain and may affect the effective management of resources and generation capacity of CaixaBank. See "*Bank Supervision and Regulation in Spain*" for further details on applicable legislation as of the date of this Offering Memorandum.

On June 22, 2021, CaixaBank was informed about the amendments to the latest Supervisory Review and Evaluation Process ("**SREP**") due to the Merger. This amendment replaced the requirements of the 2019 SREP decision, applicable until then, increasing the P2R (as defined in "*Bank Supervision and Regulation in Spain—Pillar 2 requirements (P2R) and Pillar 2 Guidance (P2G)*") by 15 basis points, setting the requirement at 1.65%.

Additionally, according to the Bank of Spain's communication in July 2021 (after being updated due to the merger with Bankia) as of January 1, 2022, the O-SII buffer requirement will increase from 0.25% in 2021 up to 0.50%[1] beginning January 1, 2023, applying an intermediate phase in of 0.375% in 2022.

As a result, the minimum Common Equity Tier 1 ("**CET1**") requirements for us, as a result of the Merger, stood at 8.31% (8.19% in 2021) of the total amount of risk weighted assets ("**RWAs**"), including Pillar 1 regulatory minimum (4.5% of RWA), the P2R (0.93% of RWA), the capital conservation buffer (2.5% of RWA), the Other Systemically Important Institution ("**O-SII**") buffer (0.375% of RWA, 0.25% in 2021)[2] and the countercyclical buffer (0.01% of RWA based on the geographical composition of the portfolio as of December 31, 2021 (updated quarterly)). In addition, based on the minimum Pillar 1 requirements applicable to Tier 1 capital (6%) and Total Capital (8%), the requirements as of the date of this Offering Memorandum stand at 10.12% (9.99% in 2021) and 12.53% (12.41% in 2021), respectively, and at 1.24% and 1.65% of the P2R, also respectively.

As a result, the CET1 threshold which would force the Group to limit the 2021 distributions in the form of dividend payments, variable remuneration and interests to holders of Additional Tier 1 instruments, commonly referred to as the activation level of the maximum distributable amount (or MDA trigger), is set at 8.19% in terms of CET1. Potential shortfalls of Additional Tier 1 or Tier 2 for the purpose of complying with the applicable minimum capital requirements, 1.81% and 2.41%, respectively, would increase the amount of CET1 required to comply with the MDA trigger. As of December 31, 2021 there were no shortfalls to add.

As of December 31, 2021, CaixaBank reached a CET1 of 13.1% of RWAs, which totaled €215,500 million. The internal CET1 solvency target approved by the Board of Directors is set between 11% and 11.5%

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[1] This decision has to be confirmed by the Bank of Spain in the 2022 review process.

[2] It does not apply at an individual level.

(without considering IFRS 9 transitional adjustments) and a buffer of between 250 and 300 basis points on the SREP regulatory requirement. The Tier 1 ratio as of December 31, 2021 stood at 15.5%, covering the entire Additional Tier 1 bucket, both in terms of Pillar 1 requirements (1.5%) and the corresponding part of the P2R (0.31%). The Total Capital ratio stood at 17.9% as of December 31, 2021.

The leverage ratio stood at 5.3% of the regulatory exposure as of December 31, 2021.

On February 22, 2022, we received the formal communication from the Bank of Spain regarding the minimum requirements of elibigle liabilities ("**MREL requirements**") as determined by the Single Resolution Board ("**SRB**"), based on the information as of March 31, 2021, after the integration with Bankia. As set out in the notification, CaixaBank, on a consolidated basis, must comply by January 1, 2024 with a minimum amount of own funds and eligible liabilities of 20.92% of RWAs, which would be equal to 23.93% when including the "combined buffer requirement" ("**CBR**")[3] expected on that date. As for the intermediate requirement, the SRB decided that, since January 1, 2022, CaixaBank must comply with a total MREL requirement ("the "**Total MREL Requirement**") of 19.33% of RWAs, which would be equal to 22.21% when including the current CBR.

With regard to the requirement for a minimum amount of own funds and subordinated eligible liabilities (the "**Subordinated MREL Requirement**"), the SRB decided that CaixaBank, on a consolidated basis, must comply by January 1, 2024 with a Subordinated MREL Requirement of 15.69% of RWAs, which would be equal to 18.70% when including the CBR expected on that date. As for the intermediate requirement, the SRB decided that, by January 1, 2022, CaixaBank must comply with a Subordinated MREL Requirement of 13.50% of RWAs, which would be equal to 16.38% when including the current CBR.

Furthermore, CaixaBank, on a consolidated basis, must comply by January 1, 2024 with a Total and Subordinated MREL Requirement of 6.19% of Leverage Ratio Exposure ("**LRE**"). As for the intermediate requirement, the SRB has decided that, by January 1, 2022, CaixaBank must comply with a Total and Subordinated MREL Requirement of 6.09% of LRE.

As of December 31, 2021, CaixaBank reached a MREL ratio[4] of 26.2% of RWAs and 8.9% in terms of LRE at consolidated level. At a subordinated level, primarily including senior non-preferred debt, the MREL ratio of subordinated instruments reached 22.8% of RWAs and 7.8% in terms of LRE.

If we are unable to satisfy these capital requirements, including MREL requirements, this could have a material adverse effect on our business, financial condition and results of operations.

We have a continuous need for liquidity to fund our business activities, and during periods of market-wide or firm-specific liquidity constraints, liquidity may not be available to us

Liquidity and funding risk measures the Group's capacity to meet the acquired payment obligations and to finance our investment activity. This could occur due to the insufficiency of liquid assets or limited access to financial markets to meet contractual maturities of liabilities, regulatory requirements, or the investment needs of the Group. This risk is inherent in any retail and commercial banking business and can be heightened by a number of enterprise specific factors, including over-reliance on a particular source of funding, changes in credit ratings or market-wide phenomena such as market dislocation, including as a result of COVID-19. The Group's goal is to maintain a stable and balanced funding structure at levels that ensure payment obligations can be met comfortably on time, predominantly consisting of customer deposits with a limited reliance on wholesale markets, in line with the Group's funding strategy.

While we have in place a liquidity-risk-management policy to seek to manage, mitigate and control these risks, unforeseen systemic market factors make it difficult to completely eliminate these risks. Constraints in the supply of liquidity, including in inter-bank lending, could materially and adversely affect the cost of

[3] Combined Buffer Requirements (CBR) includes a phase-in of the O-SII buffer, according to the Bank of Spain communication received on July 28, 2021 (0.375% in 2022 and 0.5% as of 2023 (the latter to be confirmed in the Bank of Spain's review in 2022)). CBR 2.76% in 2021, 2.88% in 2022 and 3.01% as of 2023.

[4] These figures include €1,000 million of senior preferred notes issued in January 2022.

funding of our business, and extreme liquidity constraints may affect our current operations and our ability to fulfil regulatory liquidity requirements, as well as limit growth possibilities. Additionally, our activities could be adversely affected by liquidity tensions arising from generalized drawdowns of committed credit lines to our customers.

Since we primarily rely on retail deposits, there is a risk that ongoing availability of this type of funding is sensitive to a variety of factors beyond our control, such as general economic conditions and the confidence of retail depositors in the economy and in the financial services industry, and the availability and extent of deposit guarantees, as well as competition for deposits between banks or with other products, such as mutual funds. Any of these factors could significantly increase the amount of retail deposit withdrawals in a short period of time, thereby reducing our ability to access retail deposit funding on appropriate terms, or at all, in the future. If these circumstances were to arise, this could have a material adverse effect on our operating results, financial condition and prospects.

Our cost of obtaining funding is directly related to prevailing interest rates and to our credit spreads. Increases in interest rates and/or in our credit spreads can significantly increase the cost of our funding. Credit spreads variations are market-driven and may be influenced by market perceptions of our creditworthiness. Changes to interest rates and our credit spreads occur continuously and may be unpredictable and highly volatile.

Central banks have taken extraordinary measures to increase liquidity in the financial markets as a response to the financial crisis and COVID-19. If current facilities were rapidly removed or significantly reduced, this could have an adverse effect on our ability to access liquidity and on our funding costs.

The financing obtained from the European Central Bank ("**ECB**") as of December 31, 2021 amounted to €80,752 million, corresponding to "**TLTRO III**" (Targeted Longer-Term Refinancing Operations III). In 2021, there was an increase of €31,027 million related to TLTRO III due to new disposals and of €25,099 million as a result of the Merger. The Group also maintains issuance programs to facilitate the issuance of short-term and medium-term securities to the market, as well as access to interbank and repo funding and central counterparty clearing houses.

As of December 31, 2021, the Group's total liquid assets (calculated as the sum of High Quality Liquidity Asset ("**HQLAs**") plus the undrawn committed facilities granted by the ECB non-eligible as HQLA) stood at €168,349 million, €167,290 million of which were HQLA. The corresponding figures as of December 31, 2020 were €114,451 million and €95,367 million, respectively (€89,427 million and €55,017 million, respectively, as of December 31, 2019).

The implementation of internationally accepted liquidity ratios might require changes in business practices that affect our profitability. The Liquidity Coverage Ratio ("**LCR**") is a liquidity standard that measures whether banks have sufficient high-quality liquid assets to cover expected net cash outflows over a 30-day liquidity stress period. Our average (last 12 months) LCR, which is a regulatory quantitative liquidity standard to ensure that banks have sufficient high-quality liquid assets to cover expected net cash outflows over a 30-day liquidity stress period, as of December 31, 2021 was 320% (248% as of December 31, 2020 and 186% as of December 31, 2019), above the 100% minimum regulatory threshold. The Net Stable Funding Ratio ("**NSFR**"), which is a regulatory ratio which measures the relationship between the amount of stable funding available (defined as the amount of own and third-party funding expected to be reliable for a one-year period) and the amount of stable funding required (given the liquidity characteristics and residual maturities of its assets and balance sheet exposures) was 154% as of December 31, 2021 (145% as of December 31, 2020 and 129% as of December 31, 2019) with a regulatory minimum level of 100% from June 2021.

We cannot assure that in the event of a sudden or unexpected shortage of funds in the banking system, we will be able to maintain levels of funding without incurring high funding costs, a reduction in the term of funding instruments or the liquidation of certain assets. If this were to happen, we could be materially adversely affected.

4. Risk factors related to our credit rating

The risks we are exposed to may have an adverse effect on our credit ratings. Moreover, any reduction in our credit rating for any reason could increase our cost of funding, limit our access to capital markets and could adversely affect our ability to sell or market some of our products or engage in business transactions (particularly longer-term) and derivatives transactions. This, in turn, could reduce our liquidity and have a material adverse effect on our net results and financial condition.

As of the date of this Offering Memorandum CaixaBank has been assigned the following credit ratings:

	Long Term Rating	**Short Term Rating**	**Outlook**	**Review Date**
Moody's	Baa1	P-2	Stable	22/09/2020
S&P Global	A-	A-2	Stable	16/12/2021
Fitch	BBB+	F2	Stable	02/09/2021
DBRS	A	R-1 (low)	Stable	29/03/2021

FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAM

Risks related to the structure of a particular issue of Notes

A range of Notes may be issued under the Program. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features including factors which may occur in relation to any Notes:

The Notes may be redeemed prior to maturity at our option for taxation reasons or upon the occurrence of a Capital Event or an Eligible Liabilities Event, subject to certain conditions. If we have the right to redeem any Notes at our option, this may limit the market value of the Notes concerned and you may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return

In the event that we would be obliged to pay additional amounts as provided in the Conditions in respect of any Notes due to any withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of Spain or any political subdivision or any authority thereof or therein having power to tax (a "**Tax Jurisdiction**"), we may, at our option, redeem all outstanding Notes in whole, but not in part, in accordance with the Conditions of the Notes. The Notes may be also redeemed for taxation reasons if (i) we 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 Notes on the next payment due under the Notes or the value of such deduction to the Issuer would be materially reduced or (ii) if the applicable tax treatment of the Notes is materially affected. In each case, we may only redeem such Notes if such obligation to pay additional amounts or inability to claim a tax deduction (as applicable) occurs or the applicable tax treatment of the Notes is materially affected as a result of any change in, or amendment to, the laws or regulations of any Tax Jurisdiction, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes of the relevant Series and, in the case of Ordinary Senior Notes eligible to comply with MREL Requirements, Senior Non-Preferred Notes and Tier 2 Subordinated Notes only if so permitted by the Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) then in force and subject to the permission of the Regulator and/or the Relevant Resolution Authority if and as required therefor under Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations), as further described in Condition 5.2 (*Redemption for tax reasons*).

Furthermore, when provided for in the applicable Pricing Supplement of a Series of Tier 2 Subordinated Notes, if a Capital 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, or any change in the official application or interpretation thereof becoming effective on or after the Issue Date of the first Tranche of Notes of the relevant Series, we may redeem all, and not some only, of any of the Tier 2 Subordinated Notes of such Series subject to such redemption being permitted by the Applicable Banking Regulations then in force and subject to the permission of the Regulator if and as required therefor under Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations), as further described in Condition 5.4 (*Redemption at the option of the Issuer (Capital Event): Tier 2 Subordinated Notes*).

If an Eligible Liabilities Event occurs as a result of a change (or any pending change which the competent authority considers sufficiently certain) in Spanish law or Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) or any change in the official application or interpretation thereof becoming effective on or after the Issue Date of the first Tranche of Notes of the relevant Series, Ordinary Senior Notes where the Eligible Liabilities Event has been specified as applicable in the applicable Pricing Supplement, Senior Non-Preferred Notes and Tier 2 Subordinated Notes may be redeemed at our option in whole, but not in part, subject to such redemption being permitted by the Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) then in force, and subject to the prior permission of the Regulator and/or the Relevant Resolution Authority if and as required therefor under Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations), as further described in Condition 5.5 (*Redemption at the option of the Issuer (Eligible Liabilities Event): Tier 2 Subordinated Notes or Senior Notes*). Tier 2 Subordinated Notes where the Eligible Liabilities Event has been specified as applicable in the applicable Pricing Supplement may be redeemed pursuant to an Eligible Liabilities Event only after five years from their date of issuance or such other minimum period permitted under Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations).

The EU Banking Reforms provide that the redemption of eligible liabilities instruments prior to the date of their contractual maturity is subject to the prior permission of the resolution authority. According to the EU Banking Reforms, such permission will be given only if one of the following conditions is met:

(a) before or at the same time of such redemption, the institution replaces the eligible liabilities instruments with own funds or eligible liabilities instruments of equal or higher quality at terms that are sustainable for the income capacity of the institution; or

(b) the institution has demonstrated to the satisfaction of the resolution authority that the own funds and eligible liabilities of the institution would, following such redemption, exceed the requirements laid down in the CRR, the CRD IV and the BRRD by a margin that the resolution authority in agreement with the competent authority considers necessary; or

(c) the institution has demonstrated to the satisfaction of the resolution authority that the partial or full replacement of eligible liabilities with own funds instruments is necessary to ensure compliance with the own funds requirements laid down in CRR and in CRD IV for continuing authorization.

Likewise, the EU Banking Reforms provide that the redemption of Tier 2 instruments is subject to the prior permission of the competent authority. According to the EU Banking Reforms, such permission will be given only if, either of the following conditions is met:

(a) before or at the same time of such redemption the institution replaces the Tier 2 instruments with own funds instruments of an equal or higher quality at terms that are sustainable for the income capacity of the institution; or

(b) the institution has demonstrated to the satisfaction of the competent authority that the own funds and eligible liabilities of the institution would, following such redemption, exceed the requirements laid down in the CRR, CRD IV and the BRRD by a margin that the competent authority may consider necessary.

In addition, pursuant to article 78.4 of CRR, for the redemption of Tier 2 instruments during the five years following their date of issuance the permission of the competent authority may be given only if, besides the above-mentioned conditions, one of the following is met:

(a) in the case of redemption due to the occurrence of a Capital Event, (i) the competent authority considers the change that would cause such Capital Event to be sufficiently certain and (ii) the institution demonstrates to the satisfaction of the competent authority that the Capital Event was not reasonably foreseeable at the time of the issuance of the relevant Tier 2 instruments; or

(b) in the case of redemption for tax reasons, the institution demonstrates to the satisfaction of the competent authority that the change is material and was not reasonably foreseeable at the time of issuance of the relevant Tier 2 instruments; or

(c) before or at the same time of such redemption, the institution replaces the relevant Tier 2 instruments with own funds instruments of equal or higher quality at terms that are sustainable for its income capacity and the competent authority has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances.

We cannot assure you that the requirements applicable to the redemption of eligible liabilities instruments and Tier 2 instruments will not change in the future.

It is not possible to predict whether or not any further change in the laws or regulations of Spain or the application or interpretation thereof, or any of the other events referred to above, will occur and so lead to the circumstances in which we are able to elect to redeem the Notes, and if so whether or not we will elect to exercise such option to redeem the Notes or, in the case where any prior permission of the Regulator and/or the Relevant Resolution Authority for such redemption is required, whether such permission will be given. There can be no assurances that, in the event of any such early redemption, Noteholders will be able to reinvest the proceeds at a rate that is equal to the return on the Notes.

Early redemption features are also likely to limit the market value of the Notes. During any period when we can redeem the Notes, or during which there is an actual or perceived increased likelihood that we may elect to redeem the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period if the market believes that the Notes may become eligible for redemption in the near term.

When redemption is permitted, we may be more likely to redeem Notes when our cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. You should consider reinvestment risk in light of other investments available at that time.

The qualification of Senior Non-Preferred Notes and certain Ordinary Senior Notes as Eligible Liabilities and the full qualification to comply with MREL Requirements of the Tier 2 Subordinated Notes is subject to uncertainty

Senior Non-Preferred Notes and certain Ordinary Senior Notes may be intended to be Eligible Liabilities (as defined in the Conditions) under the Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations). Likewise, Tier 2 Subordinated Notes may be intended to fully qualify to comply with MREL Requirements (as defined in the Conditions).

The EU Banking Reforms include directives and regulations intended to clarify the requirements for MREL eligibility. The CRD V Directive and BRRD II have been implemented into Spanish law through Royal Decree-Law 7/2021, of April 27, ("**RDL 7/2021**") which has amended, among others, Law 10/2014 and Law 11/2015. Despite the fact that RDL 7/2021 is generally enforceable since April 29, 2021, the Spanish

Parliament decided on May 19, 2021 to process it as a Law and so RDL 7/2021 provisions may be subject to changes. Furthermore, Royal Decree 970/2021, of November 8 amended Royal Decree 84/2015 and Circular 5/2021 of the Bank of Spain (which partially implemented the CRD V Directive although full implementation of CRD V Directive still requires approval of some other relevant amendments to other secondary Spanish regulation (i.e., Bank of Spain Circulars)) and Royal Decree 1041/2021 amended Royal Decree 1012/2015 and completed the implementation of BRRD II into Spanish law. There is uncertainty around how such amendments will affect us or the Noteholders and, given the recent implementation, it is uncertain how the EU Banking Reforms will be applied by the relevant authorities and we cannot provide any assurance that Tier 2 Subordinated Notes, Senior Non-Preferred Notes and Ordinary Senior Notes intended to be eligible to comply with MREL Requirements will or may be (or thereafter remain) Eligible Liabilities nor that the Tier 2 Subordinated Notes will fully qualify or may fully qualify (or thereafter remain fully qualifying) to comply with MREL Requirements. See "*Bank Supervision and Regulation in Spain—Capital requirements*".

If for any reason Senior Non-Preferred Notes and Ordinary Senior Notes where the Eligible Liabilities Event has been specified as applicable in the applicable Pricing Supplement are not Eligible Liabilities or, in the case of Tier 2 Subordinated Notes, do not fully qualify to comply with MREL Requirements, or if they initially are Eligible Liabilities or fully comply with the MREL Requirements, as applicable, and subsequently become ineligible or do not fully comply with the MREL Requirements, as applicable, in each case as a result of a change (or any pending change which the competent authority considers sufficiently certain) in Spanish law or Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) or of any change in the official application or interpretation thereof becoming effective on or after the Issue Date of the first Tranche of the Notes of the relevant Series, then an Eligible Liabilities Event (as defined in the Conditions) will occur with the consequences indicated in the Conditions (see "*The Notes may be redeemed prior to maturity at our option for taxation reasons or upon the occurrence of a Capital Event or an Eligible Liabilities Event, subject to certain conditions. If we have the right to redeem any Notes at our option, this may limit the market value of the Notes concerned and you may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return*" and "*The Conditions of the Notes contain provisions that may permit their modification and/or substitution without the consent of all or any Noteholders*"). Please see Condition 5.5 for further details of the circumstances leading to an Eligible Liabilities Event.

The Notes provide for limited events of default

The Conditions of the Notes do not provide for any events of default, except in the case that an order is made by any competent court or resolution passed for our winding-up or liquidation. Accordingly, in the event that any payment on the Notes is not made when due, each Noteholder will have a claim only for amounts then due and payable on their Notes but will have no right to accelerate such Notes unless proceedings for our winding-up or liquidation have been instigated.

There is a limitation on the gross-up obligation under Tier 2 Subordinated Notes and Senior Non-Preferred Notes and, if specified in the applicable Pricing Supplement, Ordinary Senior Notes

Our obligation to pay additional amounts in respect of any withholding or deduction in respect of taxes under the terms of Tier 2 Subordinated Notes and Senior Non-Preferred Notes applies only to payments of interest due and paid under such Notes and not to payments of principal. Additionally, if specified in the applicable Pricing Supplement, an equivalent limitation on our obligation to pay additional amounts with respect of principal may also apply to Ordinary Senior Notes. As such, we would not be required to pay any additional amounts under the terms of such Notes to the extent that any withholding or deduction applied to payments of principal. Accordingly, if any such withholding or deduction were to apply to payments of principal under such Notes, Noteholders may receive less than the full amount due under the relevant Notes, and the market value of the relevant Notes may be adversely affected. Noteholders should note that principal for these purposes will include any payments of premium.

Conversion of the interest rate on any Notes from a fixed rate to a floating rate, or vice versa, may affect the secondary market and the market value of the Notes concerned

Fixed to floating rate notes are Notes which may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest rate, and the

conversion of the interest basis, may affect the secondary market in, and the market value of, such Notes as the change of interest basis may result in a lower interest return for Noteholders. Where the Notes convert from a fixed rate to a floating rate, the spread on such Notes may be less favorable than then prevailing spreads on comparable floating rate notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other notes. Where the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing market rates on similar notes and could affect the market value of an investment in the relevant Notes.

The interest rate on Fixed Reset Notes will reset on each Reset Date, which can be expected to affect interest payments on an investment in Fixed Reset Notes and could affect the market value of Fixed Reset Notes

Fixed Reset Notes will initially bear interest at the Initial Interest Rate until (but excluding) the First Reset Date. On the First Reset Date, the Second Reset Date (if applicable) and each Subsequent Reset Date (if any) thereafter, the interest rate will be reset to the sum of the applicable Reset Reference Rate and the Reset Margin as determined by the Calculation Agent on the relevant Reset Determination Date. The First Reset Rate or any Subsequent Reset Rate for any Reset Period could be less than the Initial Interest Rate or the Reset Rate for prior Reset Periods and could affect the market value of an investment in the Fixed Reset Notes.

The application of the net proceeds of Green Notes, Social Notes or Sustainability Notes as described in "Use of Proceeds" may not meet your expectations or be suitable for your investment criteria

The Pricing Supplement relating to any specific Tranche of Notes may provide that it will be our intention to apply an amount equal to the whole or a part of the net proceeds of the issue of those Notes (as of the date of issuance of such Notes) to Eligible Green Projects and/or Eligible Social Projects (such Notes being Green, Social or Sustainability Notes), as described in our Sustainable Development Goals Framework, published on our website (see "*Use of Proceeds*"). In case of asset divestment or if a project no longer meets the Eligibility Criteria, we intend to use the net proceeds to finance other Eligible Green Projects and/or Eligible Social Projects which are compliant with the Eligibility Criteria of our Sustainable Development Goals Framework. We intend to invest the balance of net proceeds from the Green, Social, or Sustainability Notes issued unallocated to eligible projects according to our general liquidity guidelines for short-term investments.

You should have regard to the information set out in our Sustainable Development Goals Framework and in the applicable Pricing Supplement regarding the use of the net proceeds of those Green, Social or Sustainability Notes and must determine for themselves the relevance of such information for the purpose of any investment in such Green, Social or Sustainability Notes together with any other investigation such investor deems necessary. In particular no assurance is given by us or the Dealers that the use of such proceeds for any eligible projects will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply (including, among others, the EU Taxonomy and the EU Taxonomy Regulation).

Furthermore, it should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green", "social" or "sustainable" or an equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as "green", "social" or "sustainable" or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time or that any prevailing market consensus will not significantly change. The EU Taxonomy Regulation establishes a basis for the determination of such a definition in the EU. However, the EU Taxonomy remains subject to the implementation of delegated regulations by the European Commission on technical screening criteria for the environmental objectives set out in the EU Taxonomy Regulation. Therefore, no assurance is or can be given to investors that any projects or uses the subject of, or related to, any eligible projects will meet any or all investor expectations regarding such "green", "social" or "sustainable" or other equivalently-labelled performance objectives or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any eligible projects.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any report, assessment, opinion or certification of any third party (whether or not solicited by us) which may

or may not be made available in connection with the issue of any Green, Social or Sustainability Notes and in particular with any eligible projects to fulfil any environmental, social, sustainability and/or other criteria. Any such report, assessment, opinion or certification is not, nor shall be deemed to be, incorporated in and/or form part of this Offering Memorandum. Any such report, assessment, opinion or certification is not, nor should be deemed to be, a recommendation by us, the Dealers or any other person to buy, sell or hold any such Green, Social or Sustainability Notes.

In the event that any Green, Social or Sustainability Notes are listed or admitted to trading on any dedicated "green", "environmental", "social" or "sustainable" or other equivalently labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by us, the Dealers or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply. Furthermore, the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. While it is our intention to apply the net proceeds of any Green, Social or Sustainability Notes and obtain and publish the relevant reports, assessments, opinions and certifications, there can be no assurance that we will be able to do this. Nor can there be any assurance that any eligible projects will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by us.

Any such event or failure to apply the net proceeds of any issue of Green, Social or Sustainability Notes for any eligible projects or to obtain and publish any such reports, assessments, opinions and certifications or the fact that the maturity of an eligible green or social asset or project may not match the minimum duration of any Green, Social or Sustainability Notes, will not (i) constitute an event of default under the relevant Green, Social or Sustainability Notes, or (ii) give rise to any other claim or right (including, for the avoidance of doubt, the right to accelerate the Notes) of a holder of such Green, Social or Sustainability Notes against us, or (iii) lead to an obligation of us to redeem such Notes or be a relevant factor for us in determining whether or not to exercise any optional redemption rights in respect of any Notes, or (iv) affect the regulatory treatment of such Notes as Tier 2 capital or eligible liabilities for the purposes of MREL (as applicable), if such Notes are also Tier 2 Subordinated Notes, Senior Non-Preferred Notes or Ordinary Senior Notes eligible to comply with MREL Requirements. For the avoidance of doubt, payments of principal and interest (as the case may be) on the relevant Green, Social or Sustainability Notes shall not depend on the performance of the relevant project nor have any preferred right against such assets. Finally, as further explained in the section headed "*Bank Supervision and Regulation in Spain*", Green, Social or Sustainability Notes will be subject to the bail-in tool and to write down and conversion powers, and in general to the powers that may be exercised by the Relevant Resolution Authority, to the same extent and with the same ranking as any other Note which is not a Green, Social or Sustainability Note (see "*Risks Related to Early Intervention and Resolution—The Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Resolution Authority. Other powers contained in Law 11/2015 and the SRM Regulation could materially affect the rights of the Noteholders under, and the value of, any Notes*").

Likewise, Green, Social and Sustainability Notes, as any other Notes, will be fully subject to the application of CRR eligibility criteria and BRRD requirements for own funds and eligible liabilities instruments and, as such, proceeds from Green, Social or Sustainability Notes qualifying as own funds or eligible liabilities should cover all losses in our balance sheet regardless of their "green", "social" or "sustainable" label. Additionally, their labeling as Green, Social or Sustainability Notes (i) will not affect the regulatory treatment of such Notes as Tier 2 capital or eligible liabilities for the purposes of MREL (as applicable), if such Notes are also Tier 2 Subordinated Notes, Senior Non-Preferred Notes or Ordinary Senior Notes eligible to comply with MREL Requirements; and (ii) will not have any impact on their status as indicated in Condition 2.

The withdrawal of any report, assessment, opinion or certification as described above, or any such report, assessment, opinion or certification attesting that we are not complying in whole or in part with any matters for which such report, assessment, opinion or certification is reporting, assessing, opining or certifying on, and/or any such Green, Social or Sustainability Notes no longer being listed or admitted to trading on any

stock exchange or securities market, as aforesaid, may have a material adverse effect on the value of such Green, Social or Sustainability Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

The Dealers have not undertaken, nor are responsible for, any assessment of the Eligibility Criteria, any verification of whether the Green, Social or Sustainability Notes meet the Eligibility Criteria, or the monitoring of the use of proceeds of the Green, Social or Sustainability Notes.

Conflicts of interest between the Calculation Agent and Noteholders

Potential conflicts of interest may exist between the Calculation Agent (if any) and Noteholders (including a Dealer acting as a Calculation Agent), including with respect to certain determinations and judgments that such Calculation Agent may make pursuant to the Conditions of the Notes which may influence the amounts that can be received by the Noteholders during the term of the Notes and upon their redemption.

Risks relating to Floating Rate Notes

Floating Rate Notes bear interest at a floating rate composed of (i) a reference rate (SOFR) and (ii) a margin added to or subtracted from, as the case may be, such reference rate. Typically, the relevant margin will not change throughout the life of the Notes, but there will be a periodic adjustment (as specified in the applicable Pricing Supplement) to the reference rate (e.g., every three months or six months) which itself will change in accordance with general market conditions. Accordingly, the market value of Floating Rate Notes may be volatile if changes, particularly short-term changes, to market interest rates evidenced by the relevant reference rate can only be reflected in the interest rate of these Notes upon the next periodic adjustment of the relevant reference rate. Should the reference rate be at any time negative, it would, notwithstanding the existence of the relevant margin, result in the actual floating rate being lower than the relevant margin.

Fallback arrangements in respect of the Mid-Swap Rate may have a material adverse effect on the value and liquidity of, and return on, affected Notes

You should be aware that in the case of Fixed Reset Notes, Conditions of the Notes provide for certain fallback arrangements in the event that a Mid-Swap Rate Event occurs. These fallback arrangements include the possibility that the Rate of Interest could be determined by us and an Independent Adviser (acting in good faith and in a commercially reasonable manner), without any separate consent or approval of the Noteholders, by reference to a Successor Rate or an Alternative Rate and that an Adjustment Spread may be applied to such Successor Rate or Alternative Rate, together with the making of certain Benchmark Amendments to the Conditions of such Notes. In certain circumstances, the Adjustment Spread is the spread, quantum, formula or methodology which (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Mid-Swap Rate with the Successor Rate by any Relevant Nominating Body; or (ii) we determine is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital market transactions to produce an industry-accepted replacement rate for the Mid-Swap Rate; or (iii) we determine is recognized or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Mid-Swap Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or (iv) we determine to be appropriate, to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to the Noteholders as a result of the replacement of the Mid-Swap Rate with the Successor Rate or the Alternative Rate (as the case may be). However, such Adjustment Spread may not be effective to reduce or eliminate economic prejudice to Noteholders. The use of a Successor Rate or an Alternative Rate may result in interest payments that are lower than, or otherwise do not correlate over time with, the payments that could have been made on the Notes if the Mid-Swap Rate continued to be available in its current form.

Further, no Successor Rate, Alternative Rate or Adjustment Spread may be adopted, nor any other amendment to the Conditions of any Series of Notes may be made to effect any Benchmark Amendments, if and to the extent that, in our determination, the same could reasonably be expected to prejudice the treatment of any relevant Series of Notes as Tier 2 capital or eligible liabilities for the purposes of MREL, with respect to us or the Group or could reasonably result in the Relevant Resolution Authority treating any future Interest Payment Date as the effective maturity of the Notes, rather than the relevant Maturity Date.

In certain circumstances the ultimate fallback for the purposes of calculation of interest for a particular Interest Period or Reset Period (as the case may be) may result in the use of the Rate of Interest for the last preceding Interest Period or Reset Period. This may result in the application of the Reset Rate for a preceding Reset Period or the initial Rate of Interest applicable to such Notes on the Interest Commencement Date. In addition, due to the uncertainty concerning the availability of any Successor Rate or Alternative Rate, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value or liquidity of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect our ability to meet our obligations under the Fixed Reset Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under the Fixed Reset Notes. Investors should consider these matters when making their investment decision with respect to the relevant Fixed Reset Notes.

SOFR has a limited history, the administrator of SOFR may make changes that could change the value of SOFR or discontinue SOFR, the market continues to develop in relation to SOFR as a reference rate for floating rate notes, you may not be able to estimate reliably the amount of interest which will be payable on the relevant Notes and any failure of SOFR to gain market acceptance could adversely affect Noteholders

Where the applicable Pricing Supplement for a Series of Floating Rate Notes provides that the Rate of Interest for such Notes will be determined by reference to SOFR, the Rate of Interest will be determined by reference to the Compounded SOFR Index Rate. Such rate may differ from IBORs in a number of material respects. In particular, SOFR is an overnight rate, with the interest rate for a relevant period calculated on a backward-looking (compounded) basis, rather than on the basis of a forward-looking term. As such, investors should be aware that SOFR may behave materially differently from LIBOR, EURIBOR and other IBORs as the interest reference rate for Notes issued under the Program.

The market continues to develop in relation to SOFR as a reference rate in the capital markets and its adoption as alternative to the relevant interbank offered rates. In addition, market participants and relevant working groups are exploring alternative reference rates based on SOFR, including term SOFR reference rates (which seek to measure the market's forward expectation of an average SOFR rate over a designated term). The development of SOFR as an interest reference rate in the capital markets, as well as continued development of SOFR based rates for such market and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of the Notes.

The use of SOFR as reference rate continues to develop both in terms of the substance of the calculation and in the development and adoption of market infrastructure for the issuance and trading of bonds referencing SOFR. Publication of such reference rate has a limited history. The future performance of SOFR may therefore be difficult to predict based on the limited historical performance. The level of SOFR during the term of the Notes may bear little or no relation to the historical level of SOFR. Prior observed patterns, if any, in the behavior of market variables and their relation to SOFR such as correlations, may change in the future.

The market or a significant part thereof may adopt an application of SOFR that differs significantly from that set out in the Conditions as applicable to the Notes. Furthermore, we may, in future, issue notes referencing SOFR that differ materially in terms of interest determination when compared with the Notes. In addition, the manner of adoption or application of SOFR reference rates in one market may differ materially compared with the application and adoption of SOFR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of SOFR reference rates across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing any such rate.

Furthermore, the Rate of Interest is only capable of being determined immediately prior to the relevant Interest Determination Date. It may be difficult for investors to estimate reliably the amount of interest which will be payable on the Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which factors could adversely impact the liquidity of the Notes.

To the extent the SOFR rate is not published, the applicable rate to be used to calculate the Rate of Interest on Notes referencing SOFR will be determined using the fallback provisions set out in the Conditions which apply specifically to Notes referencing SOFR and are distinct to those applying to other types of Notes. Any of these fallback provisions may result in interest payments that are lower than, or do not otherwise correlate over time with, the payments that would have been made on the Notes if the relevant SOFR rate had been so published in its current form. In addition, use of the fallback provisions may result in the effective application of a fixed rate of interest to the Notes.

The Federal Reserve Bank of New York (or a successor), as administrator of SOFR, may make methodological or other changes that could change the value of SOFR, including changes related to the method by which SOFR is calculated, eligibility criteria applicable to the transactions used to calculate SOFR, or timing related to the publication of SOFR. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SOFR (in which case a fallback method of determining the interest rate on the Notes will apply). The administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing SOFR.

Holders of the Notes that pay a floating rate of interest that references SOFR are exposed to the risk that such rate may not be widely accepted in the market. As a rate based on transactions secured by U.S. Treasury securities, it does not measure bank-specific credit risk and, as a result, is less likely to correlate with the unsecured short-term funding costs of banks. This may mean that market participants would not consider SOFR to be a suitable substitute or successor for all of the purposes for which LIBOR historically has been used (including, without limitation, as a representation of the unsecured short-term funding costs of banks), which may, in turn, lessen its market acceptance. Any failure of SOFR to gain or maintain market acceptance could adversely affect the return on, value of and market for Notes that pay a floating rate of interest referencing SOFR.

Risks Related to Early Intervention and Resolution

The Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Resolution Authority. Other powers contained in Law 11/2015 and the SRM Regulation could materially affect the rights of the Noteholders under, and the value of, any Notes

As further explained in the section headed "*Bank Supervision and Regulation in Spain*", the Notes may be subject to the Spanish Bail-in Power (as defined therein) and, in the case of the Tier 2 Subordinated Notes, also to the Non-Viability Loss Absorption (also as defined therein, and together with the Spanish Bail-in Power, the "**Loss Absorbing Power**") and in general to the powers that may be exercised by the Relevant Resolution Authority (as defined therein) under Law 11/2015 and the Regulation (EU) No 806/2014, of July 15, establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (the "**SRM Regulation**").

To the extent that any resulting treatment of Noteholders pursuant to the exercise of the Spanish Bail-in Power is less favorable than would have been the case under such hierarchy in a normal insolvency proceeding, a Noteholder may have a right to compensation under the BRRD and the SRM Regulation based on an independent valuation of the institution, in accordance with Article 10 of RD 1012/2015 and the SRM Regulation. However, such compensation, together with any other compensation provided by any applicable banking regulations (including, among other things, such compensation in accordance with Article 36.5 of Law 11/2015) is unlikely to compensate Noteholders for the losses actually incurred and there is likely to be a considerable delay in the recovery of such compensation. Compensation payments (if any) are also likely to be made considerably later than when amounts may otherwise have been due under the Notes.

The powers set out in the BRRD as implemented through Law 11/2015, RD 1012/2015 and the SRM Regulation will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. Pursuant to Law 11/2015, Noteholders may be subject to, among other things, on any application of the Spanish Bail-in Power, a write-down (including to zero) or conversion into equity or other securities or obligations of amounts due under such Notes and, in the case of the Tier 2 Subordinated Notes, also any Non-Viability Loss Absorption. The exercise of any such powers may result in

such Noteholders losing some or all of their investment or otherwise having their rights under such Notes adversely affected. For example, the Spanish Bail-in Power may be exercised in such a manner as to result in Noteholders receiving a different security, which may be worth significantly less than the Notes. Moreover, the exercise of the Spanish Bail-in Power with respect to the Notes or the taking by an authority of any other action, or any suggestion that the exercise or taking of any such action may happen, could materially adversely affect the rights of Noteholders, the market price or value or trading behavior of any Notes and/or our ability to satisfy our obligations under any Notes. Furthermore, the exercise of the Loss Absorbing Power with respect to the Notes (including any Non-Viability Loss Absorption by the Relevant Resolution Authority with respect to the Tier 2 Subordinated Notes) is likely to be inherently unpredictable and may depend on a number of factors which may also be outside of our control. In addition, as the Relevant Resolution Authority will retain an element of discretion, Noteholders may not be able to refer to publicly available criteria in order to anticipate any potential exercise of any such Loss Absorbing Power (including any Non-Viability Loss Absorption). Because of this inherent uncertainty, it will be difficult to predict when, if at all, the exercise of any such powers by the Relevant Resolution Authority may occur.

This uncertainty may adversely affect the value of the Notes. The price and trading behavior of the Notes may be affected by the threat of a possible exercise of any power under Law 11/2015 (including any early intervention measure before any resolution) or any suggestion of such exercise, even if the likelihood of such exercise is remote. Moreover, the Relevant Resolution Authority may exercise any such power without providing any advance notice to the Noteholders.

Noteholders will not be able to exercise their rights upon an Event of Default in the event of the adoption of any early intervention, restructuring or resolution measure under Law 11/2015 and the SRM Regulation

We may be subject to a procedure of early intervention, restructuring or resolution pursuant to the BRRD as implemented through Law 11/2015 and RD 1012/2015, and the SRM Regulation if we or our group of consolidated credit entities is in breach (or due, among other things, to a rapidly deteriorating financial condition, it is likely in the near future to be in breach) of applicable regulatory requirements relating to solvency, liquidity, internal structure or internal controls or if the conditions for resolution referred to above are met (see "*Risks Related to Early Intervention and Resolution—The Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Resolution Authority. Other powers contained in Law 11/2015 and the SRM Regulation could materially affect the rights of the Noteholders under, and the value of, any Notes*").

Pursuant to Law 11/2015 the adoption of any early intervention, restructuring or resolution procedure shall not itself constitute an event of default or entitle any counterparty of us to exercise any rights it may otherwise have in respect thereof. Any provision providing for such rights shall further be deemed not to apply, although this does not limit the ability of a counterparty to declare any event of default and exercise its rights accordingly where an event of default arises either before or after the exercise of any such procedure and does not necessarily relate to the exercise of any relevant measure or power which has been applied pursuant to Law 11/2015.

Any enforcement by a Noteholder of its rights under the Notes upon the occurrence of an Event of Default following the adoption of any early intervention or any resolution procedure will, therefore, be subject to the relevant provisions of the BRRD, Law 11/2015, RD 1012/2015 and the SRM Regulation in relation to the exercise of the relevant measures and powers pursuant to such procedure, including the resolution tools and powers referred to above (see "*Risks Related to Early Intervention and Resolution—The Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Resolution Authority. Other powers contained in Law 11/2015 and the SRM Regulation could materially affect the rights of the Noteholders under, and the value of, any Notes*"). Any claims on the occurrence of an Event of Default will consequently be limited by the application of any measures pursuant to the provisions of Law 11/2015, RD 1012/2015 and the SRM Regulation. There can be no assurance that the taking of any such action would not adversely affect the rights of Noteholders, the price or value of their investment in the Notes and/or our ability to satisfy our obligations under the Notes and the enforcement by a holder of any rights it may otherwise have on the occurrence of any Event of Default may be limited in these circumstances.

Risks applicable to Senior Notes

Claims of Noteholders under Senior Notes are effectively junior to those of certain other creditors and claims of Noteholders under Senior Non-Preferred Notes are further junior to those of other senior creditors

Senior Notes are unsecured and unsubordinated obligations of the Issuer. Upon our insolvency (*concurso*), in accordance with the Insolvency Law and Additional Provision 14.2 of Law 11/2015 (but subject to any other ranking that may apply as a result of any mandatory provision of law (or otherwise)), our payment obligations under the Senior Notes in respect of principal (and unless they qualify as subordinated claims (*créditos subordinados*) pursuant to Article 281 of the Insolvency Law), will rank: (a) in the case of Ordinary Senior Notes: (i) senior to (A) any Senior Non-Preferred Obligations (as defined in the Conditions of the Notes) and (B) any claims against us qualifying as subordinated claims (*créditos subordinados*) under Article 281 of the Insolvency Law (or equivalent legal provision which replaces it in the future); and (ii) *pari passu* among themselves and with any other Senior Preferred Obligations (as defined in the Conditions of the Notes); and (b) in the case of Senior Non-Preferred Notes: (i) senior to any claims against us qualifying as subordinated claims (*créditos subordinados*) under Article 281 of the Insolvency Law (or equivalent legal provision which replaces it in the future); (ii) *pari passu* among themselves and with any other Senior Non-Preferred Obligations and (iii) junior to any Senior Preferred Obligations.

Senior Notes rank below claims against the insolvency estate (*créditos contra la masa*) and privileged claims (*créditos privilegiados*) (including, without limitation, any deposits for the purposes of Additional Provision 14.1 of Law 11/2015) which shall be paid in full before unsubordinated claims (*créditos ordinarios*). In addition, Senior Non-Preferred Notes rank behind any other unsubordinated claims (*créditos ordinarios*) against us, including without limitation, our Senior Preferred Obligations.

In addition, our payment obligations in respect of interest accrued but unpaid under the Senior Notes as of the commencement of any insolvency procedure in respect of the Issuer will constitute subordinated claims (*créditos subordinados*) ranking in accordance with the provisions of Article 281.1.3º of the Insolvency Law and no further interest shall accrue from the date of the declaration of our insolvency.

Therefore, the Senior Notes will be effectively subordinated to all of our secured indebtedness, to the extent of the value of the assets securing such indebtedness, and other obligations that rank senior under the Spanish Law.

The Senior Notes are also structurally subordinated to all indebtedness of our subsidiaries insofar as any right of the Issuer to receive any assets of such companies upon their winding-up will be effectively subordinated to the claims of the creditors of those companies in the winding-up.

Risks applicable to Tier 2 Subordinated Notes

When investing in Tier 2 Subordinated Notes, you assume an enhanced risk of loss in the event of our insolvency or resolution

Our obligations under Tier 2 Subordinated Notes will be unsecured and subordinated obligations (*créditos subordinados*) of the Issuer and will rank junior to all unsubordinated claims (*créditos ordinarios*) of the Issuer (including any Senior Non-Preferred Obligations (as defined in the Conditions)). Although Tier 2 Subordinated Notes may pay a higher rate of interest than comparable Notes which are not subordinated, there is an enhanced risk that an investor in Tier 2 Subordinated Notes will lose all or some of his investment should we become (i) subject to resolution under the BRRD (as implemented through Law 11/2015 and RD 1012/2015) and the SRM Regulation and the Tier 2 Subordinated Notes become subject to the application of any Loss Absorbing Power (including application of the Non-Viability Loss Absorption) or (ii) insolvent.

In the case of any exercise of the Spanish Bail-in Power by the Relevant Resolution Authority, the sequence of any resulting write-down or conversion of bail-inable instruments under Article 48 of the BRRD and Article 48 of Law 11/2015 provides for the principal amount of Tier 2 instruments (such as the Tier 2 Subordinated Notes if they qualify totally or partially as Tier 2 Instruments) to be written-down or converted into equity or other securities or obligations after CET1 items and the principal amount of Additional Tier 1

instruments but prior to the principal amount of subordinated debt that does not constitute Additional Tier 1 or Tier 2 instruments and for the latter to be written-down or converted into equity or other securities or obligations prior to any write-down or conversion of the principal amount or outstanding amount of any other bail-inable liabilities (such as the Ordinary Senior Notes and Senior Non-Preferred Notes), in accordance with the hierarchy of claims provided in the Insolvency Law. Tier 2 Subordinated Notes which constitute Tier 2 instruments may be subject to Non-Viability Loss Absorption, which may be imposed prior to or in combination with any exercise of the bail-in tool under the Spanish Bail-in Power (see "*Risks Related to Early Intervention and Resolution—The Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Resolution Authority. Other powers contained in Law 11/2015 and the SRM Regulation could materially affect the rights of the Noteholders under, and the value of, any Notes*").

In the event of insolvency, after payment in full of unsubordinated and unsecured claims (*créditos ordinarios*) (including any senior non-preferred claims (*créditos ordinarios no preferentes*)), but before distributions to shareholders, under Article 281.1 of the Insolvency Law read in conjunction with Additional Provision 14.3 of Law 11/2015, we will meet subordinated claims in the following order and pro-rata within each class: (i) late or incorrect claims; (ii) contractually subordinated liabilities that do not constitute Additional Tier 1 or Tier 2 instruments under Additional Provision 14.3.1º of Law 11/2015; (iii) interest; (iv) fines; (v) claims of creditors which are specially related to the Issuer (if applicable) as provided for under the Insolvency Law; (vi) detrimental claims against the Issuer where a Spanish Court has determined that the relevant creditor has acted in bad faith (*rescisión concursal*); (vii) claims arising from contracts with reciprocal obligations as referred to in Articles 158 and 160 to 167 of the Insolvency Law, wherever the court rules, after the insolvency administrator (*administración concursal*) has issued a report on that matter, that the creditor repeatedly impedes the fulfilment of the contract against the interest of the insolvency; (viii) contractually subordinated liabilities in respect of Tier 2 instruments under Additional Provision 14.3.2º of Law 11/2015, which is expected to be the case of Tier 2 Subordinated Notes; and (ix) contractually subordinated liabilities in respect of Additional Tier 1 instruments under Additional Provision 14.3.3º of Law 11/2015.

In addition, the second paragraph of Article 48.7 of BRRD, as implemented in Spain through Additional Provision 14.3 of Law 11/2015, clarified that if an instrument is only partly recognized as an own funds instrument, the whole instrument shall be treated in insolvency as a claim resulting from an own funds instrument and shall rank lower than any claim that does not result from an own funds instrument. Therefore, instruments being fully disqualified as own funds instruments in the future could cease to be treated as claims resulting from own funds instruments in insolvency and could, consequently, improve their ranking vis-à-vis any claim that results from an own funds instrument.

Risks Relating to the Insolvency Law

The Insolvency Law provides, among other things, that: (i) any claim may become subordinated if it is not reported to the insolvency administrators (*administradores concursales*) within one month from the last official publication of the court order declaring the insolvency (if the insolvency proceeding is declared as abridged, the term to report may be reduced to fifteen days), (ii) provisions in a contract granting one party the right to terminate by reason only of the other's insolvency may not be enforceable, and (iii) accrual of unsecured interest (whether ordinary or default interest) shall be suspended from the date of the declaration of insolvency and any amount of interest accrued up to such date shall become subordinated. In the case of secured ordinary interests, (i) these shall be deemed as specially privileged, and (ii) interests shall keep accruing after the declaration of insolvency up to the limit of the secured amount, and only if a contingent credit for secured ordinary interests that may accrue after the declaration of insolvency is included in the statement of claim to be sent to the insolvency administrator (as per the Supreme Court judgment dated February 20, 2019). In the case of secured default interests, (i) these shall be deemed as specially privileged, and (ii) these shall not accrue after the declaration of insolvency, in accordance with the Spanish Supreme Court judgment dated April 11, 2019. Any payments of interest in respect of debt securities will be subject to the subordination provisions of Article 281.1 of the Insolvency Law.

The Insolvency Law, in certain instances, also has the effect of modifying or impairing creditors' rights even if the creditor, either secured or unsecured, does not consent to the amendment. Secured and unsecured dissenting creditors may be written down not only once the insolvency has been declared by the judge as a

result of the approval of a creditors' agreement (*convenio concursal*), but also as a result of an out-of-court restructuring agreement (*acuerdo de refinanciación pre-concursal*) without insolvency proceedings having been previously opened (e.g., refinancing agreements which satisfy certain requirements and are validated by the judge), in both scenarios (i) to the extent that certain qualified majorities are achieved and (ii) unless some exceptions in relation to the kind of claim or creditor apply (which would not be the case for the Notes).

In no case shall subordinated creditors be entitled to vote upon a creditors' agreement during the insolvency proceedings, and accordingly, shall always be subject to the measures contained therein, if passed. Additionally, liabilities from those creditors considered specially related persons for the purpose of Article 282 of the Insolvency Law would not be taken into account for the purposes of calculating the majorities required for the out-of-court restructuring agreement (*acuerdo de refinanciación pre-concursal*).

Risks related to Notes generally

The value of the Notes could be adversely affected by a change in law or administrative practice

The Conditions of the Notes are governed by New York law, except for the status of the Notes and the provisions relating to the exercise and effect of the Loss Absorbing Power by the Relevant Resolution Authority and the acknowledgment of the same, which are subject to Spanish law. Changes in New York, European or Spanish laws or their official interpretation by regulatory authorities after the date hereof may affect the rights and effective remedies of Noteholders as well as the market value of the Notes. Such changes in law or official interpretation of such laws may include changes in statutory, tax and regulatory regimes during the life of the Notes, which may have an adverse effect on an investment in the Notes and, in the case of certain changes in the tax regime, could result in us having the option to redeem the Notes for taxation reasons pursuant to Condition 5.2. No assurance can be given as to the impact of any possible judicial decision or change to such laws or official interpretation of such laws or administrative practices after the date of this Offering Memorandum.

Furthermore, any change in the laws or regulations of Spain, Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) or the application or interpretation thereof may in certain circumstances result in us having the option to redeem, substitute or vary the terms of the Notes (see "*—Risks Related to the Structure of a Particular Series of Notes—The Notes may be redeemed prior to maturity at our option for taxation reasons or upon the occurrence of a Capital Event or an Eligible Liabilities Event, subject to certain conditions. If we have the right to redeem any Notes at our option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return*" and "*—The Conditions of the Notes contain provisions which may permit their modification and/or substitution without the consent of all or any investors*"), each of which actions could materially and adversely affect investors and frustrate investment strategies and goals.

Legislative and regulatory uncertainty could affect an investor's ability to value the relevant Notes accurately and therefore affect the market price of the Notes given the extent and impact on the Notes of one or more regulatory or legislative changes.

Risks relating to the Spanish withholding tax regime

Article 44 of Royal Decree 1065/2007 sets out the reporting obligations applicable to preference shares and debt instruments issued under Law 10/2014 (the "**Simplified Information Procedures**"), which are described under "*Taxation—Simplified Information Procedures*". The procedures apply to interest deriving from preferred securities (*participaciones preferentes*) and debt instruments to which Law 10/2014 refers, including debt instruments issued at a discount for a period equal to or less than twelve months.

According to the literal wording of Article 44.5 of Royal Decree 1065/2007, income derived from securities originally registered with the entities that manage clearing systems located outside Spain, and are recognized by Spanish law or by the law of another OECD country (such as DTC, Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream, Luxembourg**")), will be paid free of Spanish withholding tax provided that the Paying Agent appointed by us submits a statement to us, the form of which is included in the Fiscal Agency Agreement.

In accordance with Article 44 of Royal Decree 1065/2007, the relevant Paying Agent should provide us with the statement on the business day immediately prior to each interest payment date. The statement must reflect the situation at the close of business of that same day. In the event that on such date, the entity(ies) obliged to provide the declaration fail to do so, we or the Paying Agent on our behalf will make a withholding at the general rate (currently 19%) on the total amount of the return on the relevant Notes otherwise payable to such entity.

We consider that, according to Royal Decree 1065/2007, any payments under the Notes will be made by us free of Spanish withholding tax, provided that the Simplified Information Procedures described above (which do not require identification of the Noteholders) are complied with by the Paying Agent.

In the case of Notes held by Spanish resident individuals and deposited with a Spanish resident entity acting as depositary or custodian, payments in respect of such Notes may be subject to withholding by such depositary or custodian at the current rate of 19%.

Noteholders must seek their own advice to ensure that they comply with all procedures to ensure the correct tax treatment of their Notes. None of the Issuer, the Dealers, the Paying Agent or any clearing system (including DTC, Euroclear and Clearstream, Luxembourg) assume any responsibility therefor.

The procedure described in this Offering Memorandum for the provision of information required by Spanish laws and regulations is a summary only and neither of the Issuer or the Dealers, assumes any responsibility therefor. In the event that the currently applicable procedures are modified, amended or supplemented by, among other things, any Spanish law, regulation, interpretation or ruling of the Spanish tax authorities, we will notify the holders of such information procedures and their implications, as we may be required to apply withholding tax on distributions in respect of the relevant securities if the holders do not comply with such information procedures.

The Conditions of the Notes contain provisions which may permit their modification and/or substitution without the consent of all or any Noteholders

The Conditions of the Notes contain provisions for calling meetings of Noteholders to consider and vote upon matters affecting their interests generally, or to pass resolutions in writing or through the use of electronic consents. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the written resolution or give their consent electronically, and including those Noteholders who voted in a manner contrary to the majority.

In addition, subject as provided herein, in particular to the provisions of Condition 17 (*Substitution and Variation*) if a Capital Event, an Eligible Liabilities Event, an Alignment Event or a circumstance giving rise to the right to early redeem Ordinary Senior Notes eligible to comply with MREL Requirements, Tier 2 Subordinated Notes or Senior Non-Preferred Notes for taxation reasons occurs we may, at our option, and without the consent or approval of the Noteholders, elect either (i) to substitute all (but not some only) of the Notes or (ii) to vary the terms of all (but not some only) of the Notes (including, changing the governing law of such Notes from New York law to Spanish law), in each case so that they are substituted for, or varied to, become or remain Qualifying Notes. While Qualifying Notes must contain terms that are materially no less favorable to Noteholders as the original terms of the relevant Notes, there can be no assurance that the terms of any Qualifying Notes will be viewed by the market as equally favorable, or that the Qualifying Notes will trade at prices that are equal to the prices at which the Notes would have traded on the basis of their original terms. Any change in the governing law of the Notes from New York law to Spanish law, so that such Notes become or remain Qualifying Notes, shall not be subject to the requirement not to be materially less favorable to the interests of the Noteholders. Any variation in the ranking of the relevant Notes (including, inter alia, through the removal of an Issuer Call) shall be deemed not to be materially less favorable to the interests of the Noteholders where the ranking of such Notes following such substitution or modification is at least the same ranking as is applicable to such Notes as set out in the applicable Pricing Supplement on the issue date of such Notes.

Further, prior to the making of any such substitution or variation, we are not required to have regard to the tax position of individual Noteholders or to the tax consequences of any such substitution or variation for

individual Noteholder. No Noteholder shall be entitled to claim, whether from the Paying Agent, the Issuer, or any other person, any indemnification or payment in respect of any tax consequence of any such substitution or variation upon individual Noteholders.

The Conditions of the Notes contain a waiver of set-off rights

The Conditions of the Notes provide that Noteholders waive any deduction, set-off, netting or compensation rights arising directly or indirectly under or in connection with any Note against any right, claim, or liability we have or may have or acquire against any Noteholder, directly or indirectly, howsoever arising. As a result Noteholders will not at any time be entitled to set off our obligations under the Notes against obligations owed by them to us. In addition, the exercise of set-off rights in respect of our obligations under the Notes upon the opening of a resolution procedure would be prohibited by Article 68 of BRRD (as transposed into Spanish law).

We may substitute the Issuer with any of our wholly-owned Subsidiaries

If the conditions set out in Condition 15 (*Substitution of the Issuer*) are met, we may, without the further consent of the Noteholders, subject to such substitution being in compliance with Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) and subject to the prior permission of the Regulator and/or the Relevant Resolution Authority, if and as required therefor under Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations), be replaced and substituted by any of our wholly owned Subsidiaries (as defined in the Conditions of the Notes) as the principal debtor in respect of all obligations arising under or in connection with the Notes (the "**Substituted Debtor**"). Pursuant to the Conditions, a substitution may be consummated even if this would immediately result in the Substituted Debtor having the right to redeem the Notes for taxation or other reasons. Pursuant to the Conditions, we will unconditionally and irrevocably guarantee all sums payable by the Substituted Debtor (absent a further substitution). The Noteholders will assume the risk that the Substituted Debtor may become insolvent or otherwise be unable to make all payments due in respect of the Notes and they may not be able to recover under the new guarantee. Investors may also be subject to adverse U.S. federal income tax consequences as a result of a substitution of the Issuer. See "*Taxation—U.S. Federal Income Tax Considerations—Substitution of Issuer*".

Because the Global Notes will be held by DTC or its nominee in book-entry form, you will have to rely on their and/or such other clearing system's procedures for transfer, payment and communication with us

The Notes will be represented by one or more Global Notes. The Notes will be deposited with a custodian on behalf of DTC or its nominee. Except in limited circumstances, holders will not be entitled to receive definitive Notes. DTC will maintain records of the beneficial interests in the Global Notes. Noteholders will be able to trade their beneficial interests only through DTC, or a participant of DTC such as Euroclear or Clearstream, Luxembourg. The laws of some jurisdictions, including some states in the United States, may require that certain purchasers of securities take physical delivery of such securities in certificated form. The foregoing limitations may impair a holder's ability to own, transfer or pledge its beneficial interests. A holder of beneficial interests in the Global Notes in one of these jurisdictions will not be considered the owner or "holder" of the Notes.

We will discharge our payment obligations under the Notes by making payments to the custodian for distribution to the holders of beneficial interests at DTC or a direct or indirect participant of DTC with respect to interests of indirect participants. We and the relevant Dealers will not have any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes. A holder of beneficial interests must rely on the procedures of DTC and/or their direct or indirect participants, through which such holder holds its interests, to receive payments under the Notes. We cannot assure you that such procedures will be adequate to ensure that you receive payments in a timely manner.

A holder of beneficial interests in the Global Notes will not have a direct right to act upon solicitations we may request. Instead, holders of beneficial interests will be permitted to act only to the extent they receive appropriate proxies to do so from DTC or, if applicable, DTC's direct or indirect participants or, in the case of any other relevant clearing system, in accordance with the relevant procedures of such clearing system.

Similarly, if we default on our obligations under the Notes, as a holder of beneficial interests in the Global Notes, you will be restricted to acting through DTC or, if applicable, their direct or indirect participants. We cannot assure you that the procedures of DTC and/or their direct or indirect participants will be adequate to allow you to exercise your rights under the Notes in a timely manner.

Risks related to the market generally

Set out below is a description of material market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which you can sell your Notes

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid and may be sensitive to changes in financial markets. Therefore, you may not be able to sell your Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case if we are or are perceived to be in financial distress, which may result in any sale of the Notes having to be at a substantial discount to their principal amount or for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities.

We have not registered, and will not register, the Notes under the Securities Act or any other applicable securities laws. Any offering of the Notes will be made in reliance on exemptions from the registration requirements of the Securities Act and U.S. state securities laws, which limit who may own the Notes. Accordingly, the Notes are subject to certain restrictions on resale and other transfers thereof as set forth in the section entitled "*Transfer Restrictions*". As a result of these restrictions, we cannot be certain of the existence of a secondary market for the Notes or the liquidity of such a market if one develops. Consequently, Noteholders must be able to bear the economic risk of their investment in the Notes for the term of the Notes.

Credit ratings assigned to us or any Notes may not reflect all the risks associated with an investment in those Notes

One or more independent credit rating agencies may assign credit ratings to us or the Notes (including on an unsolicited basis). The ratings may not reflect the potential impact of all the risks related to structure, market and additional factors discussed above, and do not address the price, if any, at which the Notes may be resold prior to maturity (which may be substantially less than the original offering prices of the Notes), and other factors that may affect the value of the Notes. However, real or anticipated changes in our credit rating will generally affect the market value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances. Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Offering Memorandum.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency

established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (b) transitional provisions that apply in certain circumstances. In the case of third country ratings, for a certain limited period of time, transitional relief accommodates continued use for regulatory purposes in the UK, of existing pre-2021 ratings, provided the relevant conditions are satisfied.

If the status of the rating agency rating the Notes changes for the purposes of the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment, which may impact the value of the Notes and their liquidity in the secondary market.

The Notes are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation, the Deposit Insurance Fund, Financial Services Compensation Scheme or any other governmental agency

The Notes are the Issuer's obligations but are not bank deposits. In the event of the Issuer's insolvency, the Notes will rank equally with the Issuer's other unsecured, unsubordinated obligations and will not have the benefit of any insurance or guarantee of the Federal Deposit Insurance Corporation, the Deposit Insurance Fund, Financial Services Compensation Scheme or any other governmental agency of the United States, Spain or any other jurisdiction.

You may not be able to recover in civil proceedings for U.S. securities law violations

We and our subsidiaries are organized outside the United States. In addition, all of our directors and executive officers are non-residents of the United States and substantially all of their assets are located outside of the United States. Although we will submit to the jurisdiction of certain New York courts in respect of any action in connection with the Notes, you may be unable to effect service of process within the United States on our directors and executive officers located outside of the United States. In addition, as substantially all of our assets and subsidiaries and those of their directors and executive officers are located outside of the United States, you may be unable to enforce judgments obtained in the U.S. courts against them.

USE OF PROCEEDS

An amount equivalent to the net proceeds from each issue of Notes will be applied by the Issuer:

(i) to finance the general financing requirements of the CaixaBank Group; or

(ii) to finance or refinance, in whole or in part, new or existing Eligible Green Projects meeting the Eligibility Criteria, in which case the relevant Notes will be identified as "Green Notes" in the applicable Pricing Supplement; or

(iii) to finance or refinance, in whole or in part, new or existing Eligible Social Projects meeting the Eligibility Criteria, in which case the relevant Notes will be identified as "Social Notes" in the applicable Pricing Supplement; or

(iv) to finance or refinance, in whole or in part, a combination of new or existing Eligible Green Projects and Eligible Social Projects, in each case meeting the Eligibility Criteria, in which case the relevant Notes will be identified as "Sustainable Notes" in the applicable Pricing Supplement.

If, in respect of an issue, there is a particular identified use of proceeds, this will be stated in the applicable Pricing Supplement.

"**Eligible Criteria**" means the criteria prepared by CaixaBank as set out in the Sustainable Development Goals Framework.

"**Eligible Green Projects**" means projects falling under the categories set out in the Sustainable Development Goals Framework which are indicated to be ICMA GBP Categories, and, at any time, include any other "green" projects in accordance with any update of the ICMA Green Bond Principles at such time.

"**Eligible Social Projects**" means projects falling under the categories set out in the Sustainable Development Goals Framework which are indicated to be ICMA SBP Categories, and, at any time, include any other "social" projects in accordance with any update of the ICMA Social Bond Principles at such time.

"**Sustainable Development Goals Framework**" means the latest Sustainable Development Goals Framework published by CaixaBank, available for viewing on its website (www.caixabank.com) (including as amended, supplemented, restated or otherwise updated on such website from time to time).

"**ICMA Green Bond Principles**" means the Green Bond Principles published by the International Capital Markets Association, as updated from time to time.

"**ICMA Social Bond Principles**" means the Social Bond Principles published by the International Capital Markets Association, as updated from time to time.

CAPITALIZATION AND INDEBTEDNESS

The following table shows the indebtedness and shareholders' equity of the Group as of December 31, 2021. This table should be read in conjunction with the 2021 Consolidated Financial Statements incorporated by reference herein, from which this information is extracted.

	As of December 31, 2021
	(*audited*)
	(*€ millions*)
Deposits	486,529
Debt securities issued	53,684
Other financial liabilities	6,812
Financial liabilities at amortized cost	**547,025**
Shareholders' equity	
Shareholders' equity	37,013
Accumulated other comprehensive income	(1,619)
Minority interests (non-controlling interests)	31
Total equity	**35,425**

Since December 31, 2021, CaixaBank has:

- on January 13, 2022, issued €1,000 million in principal amount of social bonds in senior preferred format; and
- on February 1, 2022, reported the early redemption of €500 million in principal amount of subordinated bonds (Tier 2) due March 2027.

SELECTED CONSOLIDATED FINANCIAL INFORMATION AND OTHER DATA

The following selected consolidated financial information and other data should be read in conjunction with, and is qualified in its entirety by reference to the Consolidated Financial Statements, including the notes thereto. The consolidated statement of profit or loss data and the consolidated balance sheet data for the years ended December 31, 2021, 2020 and 2019 included below are derived from the Consolidated Financial Statements.

Statement of Profit or Loss

	For the Year Ended December 31,		
	2021	**2020**	**2019**
		(audited)	
		(€ millions)	
Interest income	7,892	6,764	7,055
Interest expenses	(1,917)	(1,864)	(2,104)
Net interest income	**5,975**	**4,900**	**4,951**
Dividend income	192	147	163
Share of profit/(loss) of entities accounted for using the equity method	425	307	425
Fee and commission income	4,129	2,911	2,940
Fee and commission expenses	(424)	(335)	(342)
Gains/(losses) on derecognition of financial assets and liabilities not measured at fair value through profit or loss (net)	37	187	240
Gains/(losses) on financial assets and liabilities held for trading (net)	97	127	139
Gains/(losses) on financial assets not designated for trading compulsorily measured at fair value through profit or loss (net)	(3)	(24)	(74)
Gains/(losses) from hedge accounting (net)	51	(3)	45
Exchange differences (net)	39	(49)	(52)
Other operating income	551	649	655
Other operating expenses	(1,445)	(1,005)	(1,041)
Income from assets under insurance or reinsurance contracts	1,128	1,107	884
Expenses from liabilities under insurance or reinsurance contracts	(478)	(509)	(328)
Gross income	**10,274**	**8,410**	**8,605**
Administrative expenses	(7,354)	(4,039)	(5,204)
Staff expenses	(5,588)	(2,841)	(3,956)
Other administrative expenses	(1,766)	(1,198)	(1,248)

	For the Year Ended December 31,		
	2021	2020	2019
		(*audited*)	
		(*€ millions*)	
Depreciation and amortization	(695)	(540)	(546)
Provisions/(reversal) of provisions	(418)	(221)	(186)
Impairment/(reversal) of impairment on financial assets not measured at fair value through profit or loss or net profit or loss due to a change	(897)	(1,943)	(425)
Financial assets at fair value with changes in other comprehensive income	—	(1)	—
Financial assets at amortized cost	(897)	(1,942)	(425)
Impairment/(reversal) of impairment on investments in joint ventures and associates	(19)	(316)	—
Impairment/(reversal) of impairment on non-financial assets	(158)	(112)	(106)
Tangible assets	(62)	(110)	(80)
Intangible assets	(58)	(14)	(25)
Other	(38)	12	(1)
Gains/(losses) on derecognition of non-financial assets (net)	295	27	55
Negative goodwill recognized in profit or loss	4,300	—	—
Profit/(loss) from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations (net)	(13)	334	(116)
Profit/(loss) before tax from continuing operations	**5,315**	**1,600**	**2,077**
Tax expense or income related to profit or loss from continuing operations	(88)	(219)	(369)
Profit/(loss) after tax from continuing operations	**5,227**	**1,381**	**1,708**
Profit/(loss) after tax from discontinued operations	2	—	—
Profit/(loss) for the period	**5,229**	**1,381**	**1,708**
Attributable to minority interests (non-controlling interests)	3	—	3
Attributable to owners of the parent	5,226	1,381	1,705

Balance Sheet

	As of December 31,		
	2021	**2020**	**2019**
		(audited)	
		(€ millions)	
Assets			
Cash and cash balances at central banks and other demand deposits	104,216	51,611	15,110
Financial assets held for trading	10,925	6,357	7,370
Financial assets not designated for trading compulsorily measured at fair value through profit or loss	237	317	427
Financial assets designated at fair value through profit or loss	—	—	1
Financial assets at fair value with changes in other comprehensive income	16,403	19,309	18,371
Financial assets at amortized cost	420,599	267,509	244,702
Derivatives – Hedge accounting	1,038	515	2,133
Fair value changes of the hedged items in portfolio hedge of interest rate risk	951	1,286	887
Investments in joint ventures and associates	2,534	3,443	3,941
Joint ventures	44	42	166
Associates	2,490	3,401	3,775
Assets under the insurance business[(1)]	83,464	77,241	72,683
Tangible assets	8,263	6,957	7,282
Property, plant and equipment	6,398	4,950	4,915
For own use	6,398	4,950	4,915
Investment property	1,865	2,007	2,367
Intangible assets	4,933	3,949	3,839
Goodwill	3,455	3,051	3,051
Other intangible assets	1,478	898	788
Tax assets	21,298	10,626	11,113
Current tax assets	1,805	832	1,277
Deferred tax assets	19,493	9,794	9,836
Other assets	2,137	1,202	2,201
Inventories	96	75	54
Other assets	2,041	1,127	2,147

	As of December 31,		
	2021	**2020**	**2019**
		(*audited*)	
		(*€ millions*)	
Non-current assets and disposal groups classified as held for sale	3,038	1,198	1,354
Total Assets	**680,036**	**451,520**	**391,414**
Liabilities			
Financial liabilities held for trading	5,118	424	2,338
Financial liabilities designated at fair value through profit or loss	—	—	1
Financial liabilities measured at amortized cost	547,025	342,403	283,975
Derivatives – Hedge accounting	960	237	515
Fair value changes of the hedged items in portfolio hedge of interest rate risk	670	1,614	1,474
Liabilities under the insurance business[(1)]	79,834	75,129	70,807
Provisions	6,535	3,195	3,624
Pensions and other post-employment defined benefit obligations	806	580	521
Other long-term employee benefits	3,452	1,398	1,710
Pending legal issues and tax litigation	1,167	556	676
Commitments and guarantees given	461	193	220
Other provisions	649	468	497
Tax liabilities	2,337	1,231	1,296
Current tax liabilities	189	222	238
Deferred tax liabilities	2,148	1,009	1,058
Other liabilities	2,115	1,995	2,162
Liabilities included in disposal groups classified as held for sale	17	14	71
Total Liabilities	**644,611**	**426,242**	**366,263**
Equity			
Shareholders' equity	37,013	27,118	26,247
Capital	8,061	5,981	5,981
Share premium	15,268	12,033	12,033
Other equity items	39	25	24
Retained earnings	9,781	8,719	7,795

	As of December 31,		
	2021	2020	2019
		(*audited*)	
		(*€ millions*)	
Other reserves	(1,343)	(1,009)	(1,281)
(-) Treasury shares	(19)	(12)	(10)
Profit/(loss) attributable to owners of the parent	5,226	1,381	1,705
Accumulated other comprehensive income	(1,619)	(1,865)	(1,125)
Items that will not be reclassified to profit or loss	(1,896)	2,383	1,568
Actuarial gains or losses on defined benefit pension plans	(473)	(580)	(474)
Share of other recognised income and expense of investments in joint ventures and associates	1	70	83
Fair value changes of equity instruments measured at fair value with changes in other comprehensive income	(1,424)	(1,733)	(1,011)
Failed fair value hedges of equity instruments measured at fair value with changes in other comprehensive income	—	—	—
Fair value changes of equity instruments measured at fair value with changes other comprehensive income hedged instrument	(12)	—	(58)
Fair value changes of equity instruments measured at fair value with changes in other comprehensive income hedging instrument	12	—	58
Items that may be reclassified to profit or loss	277	518	443
Foreign currency exchange	5	(24)	4
Hedging derivatives. Reserve of cash flow hedges (effective portion)	(94)	73	(34)
Fair value changes of debt securities measured at fair value with changes in other comprehensive income	337	521	486
Share of other recognized income and expense of investments in joint ventures and associates	29	(52)	(13)
Minority interests (non-controlling interests)	31	25	29
Other items	31	25	29
Total equity	**35,425**	**25,278**	**25,151**
Total liabilities and equity	**680,036**	**451,520**	**391,414**

Notes: —

(1) In 2021, 2020 and 2019 we opted to apply a temporary exemption from IFRS 9 for the financial investments of the Group's insurance companies, as permitted by IFRS 4 "Application of IFRS 9 Financial Instruments".

Business Volume

	As of December 31,		
	2021	**2020**	**2019**
		(audited)	
		(*€ millions*)	
Total assets	680,036	451,520	391,414
Equity	35,425	25,278	25,151
Customer funds under management criteria	619,971	415,408	384,286
Of which:			
On-balance sheet funds	454,968	303,650	277,272
Assets under management	158,020	106,643	102,316
Gross lending to customers under management criteria	352,951	243,924	227,406

Solvency

	As of December 31,		
	2021	**2020**	**2019**
	(*€ millions, except percentages*)		
CET1 ratio (%)	13.1%	13.6%	12.0%
Tier 1 ratio (%)	15.5%	15.7%	13.5%
Total capital ratio (%)	17.9%	18.1%	15.7%
Risk Weighted Assets (RWA)	215,500	144,073	147,880
Leverage ratio (%)	5.3%	5.6%	5.9%

Risk Management

	As of December 31,		
	2021	2020	2019
		(unaudited)	
	(€ millions, except percentages)		
Non-performing loans	13,634	8,601	8,794
Non-performing loans ratio	3.6%	3.3%	3.6%
Cost of risk	0.23%	0.75%	0.15%
Allowances for insolvency risk	8,625	5,755	4,863
Non-performing loans coverage ratio (%)	63%	67%	55%
Net foreclosed real estate assets available for sale	2,279	930	959
Coverage ratio for foreclosed real estate assets available for sale (%)	48%	42%	39%

Efficiency and Returns

	As of December 31,		
	2021	2020	2019
	(€ millions, except percentages)		
Total average assets	628,707	433,785	403,842
ROA (%)[(1)]	0.3%	0.3%	0.4%
RORWA (%)[(1)]	1.1%	0.8%	1.1%
ROE (%)[(1)]	6.4%	5.0%	6.4%
ROTE (%)[(1)]	7.6%	6.1%	7.7%
Cost-to-income ratio (%)	78.3%	54.5%	66.8%
Cost-to-income ratio excluding extraordinary expenses (%)	57.7%	54.5%	55.4%

Liquidity

	As of December 31,		
	2021	2020	2019
		(unaudited)	
	(€ millions, except percentages)		
Total Liquid Assets(audited)	168,349	114,451	89,427
Loan to deposits ratio (%)(unaudited)	89%	97%	100%
Liquidity Coverage Ratio (last 12 months, %)(unaudited)	320%	248%	186%

Notes: —

These ratios do not include (i) in the numerator, results that Bankia generated prior to March 31, 2021, the date of the Merger for accounting purposes, nor (ii) in the denominator, the balance items or RWAs prior to March 31, 2021. Any extraordinary impact arising from the Merger is similarly excluded. The Merger involved extraordinary expenses of €2,118 million in 2021, comprising the estimated cost associated with the restructuring process put in place as a result of the Merger (€1,884 million) and other integration expenses (€234 million). In addition, €93 million was charged to provisions to cover asset write-downs, mainly from the plan to restructure the commercial network in 2022. The Merger also generated a gain on disposals of assets and others of €4,464 million as a result of the following: (i) a gain of €4,300 million due to negative consolidation difference; (ii) a gain of €266 million from profits before tax related to the sale of certain lines of business directly pursued by Bankia; (iii) a loss of €105 million due to asset write-downs; and (iv) other gains of €3 million.

Other Data

	As of December 31,		
	2021	**2020**	**2019**
Customers (millions)	20.7	15.2	15.6
Group employees	49,762	35,434	35,736
Branches	5,317	4,208	4,595

DESCRIPTION OF CAIXABANK AND OUR BUSINESS

CaixaBank, S.A. is a Spanish public limited company incorporated on December 12, 1980, registered in the Commercial Register of Valencia, and in the Special Administrative Register of the Bank of Spain. The Issuer's shares are admitted to trading on the main market of the Barcelona, Madrid, Valencia and Bilbao stock exchanges, and the Issuer is part of the IBEX-35 and of the Euro Stoxx.

The Issuer and its subsidiaries comprise the CaixaBank Group (the "**Group**"), and the Issuer is the parent company of the financial conglomerate formed by the Group's regulated entities. As a result, the Issuer has been classified by the ECB as a significant supervised entity, and the Issuer, together with the credit institutions of the Group, constitute a significant supervised group, of which the Issuer is the entity at the highest level of prudential consolidation.

As a listed bank, the Issuer is subject to oversight by the ECB and the Spanish national securities market regulator (CNMV); the other members of the Group are subject to oversight by supplementary and industry-based bodies, including the DGSFP, among others.

Strategy

In 2021, the Issuer ended its 2019-2021 Strategic Plan (the "**2021 Plan**"), which focused on people and sought to promote technology at the service of customers and employees, generate attractive returns for shareholders and reinforce the Group's socially responsible banking model. The 2021 Plan aimed to generate sustainable value for all the Group's stakeholders (customers, shareholders, employees and society as a whole) in line with the Group's mission to contribute to the financial well-being of its customers and social progress.

COVID-19 and the deterioration of the economic environment disrupted the achievement of many of the 2021 Plan's financial targets in 2020 and 2021. COVID-19 also required us to adjust some of our business priorities to reflect the worsening of the macroeconomic scenario in 2020. In addition, circumstances resulting from COVID-19 (such as the increased use of digital and remote tools by customers and employees) led to a reprioritization of certain objectives of the 2021 Plan in order to accelerate the Issuer's digital transformation and enhance the capabilities of its digital channels, as well as to implement procedures to allow remote working for a substantial portion of its organization.

In March 2021, CaixaBank completed its merger with Bankia. The Merger, which was not contemplated in the 2021 Plan, represented a strategic response to the major challenges facing the financial sector, which were accentuated by COVID-19. We believe that the Merger enhances CaixaBank position and lays the foundation for sustainable growth in the future. The Merger has strengthened the Group's leading position in Spain, with 21 million customers as of December 31, 2021. We also believe that the Merger has enabled the Issuer to reach a scale that allows it to improve efficiency and develop higher capacity to invest in technology and innovation, with stronger financial robustness and an increased capacity to generate sustainable profitability.

However, as a result of the Merger, some of the objectives of the 2021 Plan were no longer applicable given that the perimeter on which they had been defined only included CaixaBank (excluding Bankia). In addition, a number of strategic initiatives had to be reconsidered to be adapted to the post-Merger economic and social context. Consequently, we are preparing a new strategic plan for the combined entity resulting from the Merger, which will be presented during the months of Spring of 2022.

2021 Plan

The main strategic axes of our 2021 Plan were the following:

1. Offering the best customer experience.

   CaixaBank has in recent years promoted its omni-channel distribution model, which combines in-person and remote attention to offer a service that is adapted to its clients' needs. Over the 2019-2021 period, we have progressed in the transformation of our urban office network, merging certain branches (rationalizing their number) and rolling out a new office model based on the concept of larger, more efficient service and advice centers that are close to our customers.

We have also continued strengthening our digital channels and driving new models of customer service, such as the InTouch service offering an online personal advisor.

In terms of service quality and customer experience, the 2021 Plan led us to review our "customer journeys" (the experience of our customers during their time as customers of CaixaBank) in order to focus on our customers' needs. We have continued to expand our use of advanced analytical tools to personalize our commercial offering and have introduced new digital marketing capacities to seek to increase sales through digital channels. Our focus on clients also led us to continue deepening our provision of digitally native services and new business models, in particular our new "Imagin" offering consisting of a digital ecosystem and lifestyle platform mostly focused on the youngest population segments, and comprising both financial and non-financial products and services.

2. Accelerating digital transformation to boost efficiency and flexibility.

In the 2019-2021 period, we also worked on improving the flexibility, scalability and efficiency of our IT infrastructure through a steady migration of solutions and processes to the cloud and an evolution towards an internal information architecture based on APIs, all of which has allowed us to reduce the time to market of projects, enhance our agility in the development of applications and increase our IT resilience We also continued to pursue the application of advanced analytics in additional areas of our organization.

3. Fostering a people-centric, agile and collaborative culture.

In addition to integrating the Bankia and CaixaBank teams after the Merger, we continued to promote new ways of working (that are less siloed and more collaborative), focusing on attracting and developing talent, leading to an increase the number of specialists in all our business segments. At the same time, we seek to assure that employees can develop their potential with equality of opportunity while promoting meritocracy and diversity.

4. Generating attractive shareholder returns and financial solidity.

The deterioration of economic conditions resulting from COVID-19 has delayed the achievement of some of our 2021 Plan financial objectives. Nevertheless, we maintain a solid capital position. In particular, we had a comfortable solvency position prior to COVID-19 (with a CET1 ratio of 12.0% at the end of 2019 and of 13.1% as of December 31, 2021, maintaining an ample capital cushion despite the impact of restructuring costs associated with the Merger (see "*Key significant recent events—Agreement for the restructuring process*" below).

5. Becoming a benchmark in responsible banking and social commitment.

We have continued to strengthen our position in the realm of sustainability. In particular, we are part of the principal sustainability indexes, including the Dow Jones Sustainability Index (DJSI) World where, in 2021, we were included for the 10th consecutive year, ranking 9th among the most sustainable banks in the world. In addition, we exceeded our strategic objective of issuing €1.5 billion of green and social bonds. We have also continued advancing in the measurement and management of environmental and climate risk, including through the development and gradual implementation of a green taxonomy, among others. In the domain of inclusive finance (providing financial services to smaller localities and lightly populated areas) we have maintained our local positioning, with coverage (through offices or advisors) of populations in small towns or villages, often in underserved rural areas. At the same time, we have continued to reinforce access to financial services through microfinance and the social bank Nuevo MicroBank S.A.U. (**"MicroBank"**), the Group's social bank. MicroBank contributes value in social terms, satisfying needs that are insufficiently addressed by the traditional credit system, while also generating the resources required to grow, and applying a banking institution's standards of rigor and sustainability.

We expect to announce a new strategic plan in May 2022.

Business Overview

The three business segments described below are based on our organizational structure as of December 31, 2021. Banking and Insurance is our core business segment. Our universal banking model is based on providing a high-quality, accessible and personalized service, with a wide range of products and services that are adapted to our customers' needs and an extensive multi-channel distribution network. Our two other business segments are (i) Equity Investments, mainly in other international financial groups and certain corporates primarily operating in the services sector, and (ii) the BPI business segment.

1. ***Banking and Insurance Business Segment***

The Banking and Insurance business segment is our core business and includes our entire banking business in Spain (Retail Banking (including retail clients, business and entrepreneurs and Premier Banking), Business Banking, Private Banking, Corporate and Institutional Banking and International Banking) together with the insurance and asset management businesses, primarily carried out in Spain through our branch network. The Banking and Insurance business segment also includes our liquidity management and the asset liability committee ("**ALCO**") and income from financing other businesses.

UNIVERSAL BANKING MODEL
AIMING AT BEST-IN-CLASS
CUSTOMER EXPERIENCE

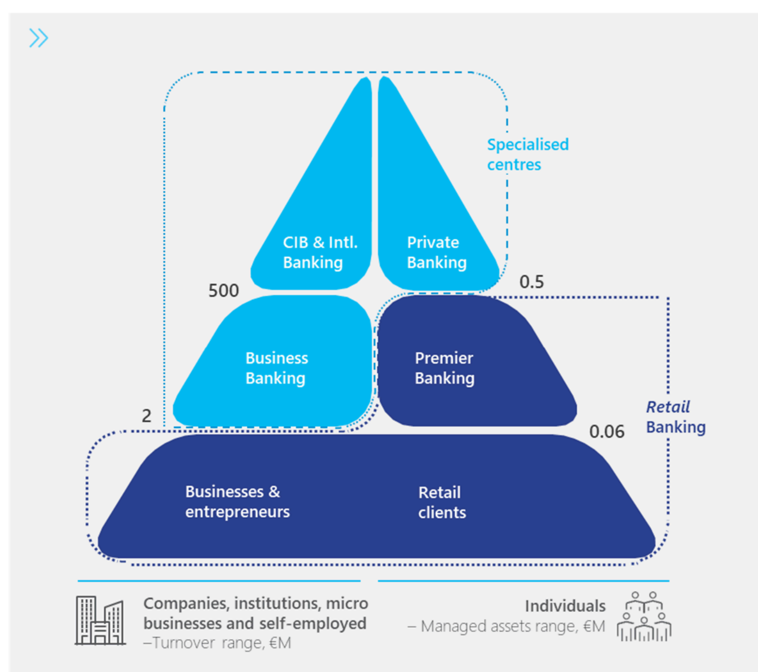
Specialised value proposition adapted to customer preferences and needs

To the profile of each customer (based on our segmentation)

To customers' mobility preferences and needs

To each customers relational preferences and needs

To each customer way of using technology



The gross balance of customer loans, using management criteria, amounted to €325,444 million as of December 31, 2021, compared to €218,277 million and €203,103 million as of December 31, 2020 and 2019, respectively. Total customer funds, using management criteria, amounted to €584,294 million as of December 31, 2021, compared to €382,794 million and €354,497 million as of December 31, 2020 and 2019, respectively.

<u>*Banking business*</u>

We have a universal banking model, which operates as a "one-stop shop for lifetime finance and insurance needs", offering a wide range of products and services adapted to our customers' financial and insurance needs through a business platform that combines physical branches and the digital world. We have also entered into strategic agreements with other leading companies from different sectors, which enables us to share knowledge and create synergies. As of December 31, 2021, we had over 18.8 million customers in Spain (20.7 million globally), including individuals, companies and institutions.

As of December 31, 2021, our banking business services were offered through a network of 4,970 branches in Spain, of which 4,615 were retail branches.

Our banking business model is structured in several different business lines based on the type of customers targeted:

- Retail Banking: comprises Individual Banking, Business and Entrepreneurs Banking and Premier Banking. Through our Retail Banking business line we offer an innovative and unique omni-channel service that includes a wide range of banking solutions adapted to our customers profiles and needs. Individual Banking is directed at individuals with less than €60,000 in net worth. Business and Entrepreneurs Banking is directed at retail establishments, self-employed and freelance professionals, micro-companies and agri-business, with revenue of less than €2 million per year. Finally, Premier Banking is directed at individual customers with a net worth of between €60,000 and €500,000.

  Individual Banking is focused on day-to-day banking, financing, long-term savings, together with the promotion of new models of digital and remote customer service.

  Business and Entrepreneurs Banking is focused on: (i) creating new specialized offers aimed at groups that demand a personalised service in line with their specific needs (for example, Food&Drinks, Pharma and DayOne, exclusively created to accompany global start-ups in their activity in Spain, among others); (ii) consolidating an innovative commercial offer, and; (iii) promoting digitalization.

  As of December 31, 2021, Business and Entrepreneurs Banking had 3,346 business managers and 506 microenterprise managers.

  Our Premier Banking business line is based on the following key pillars: developing the value proposition to offer advice to all customer profiles and enhancing the Personal Manager as the main point of contact with our customers.

  As of December 31, 2021, our Premier Banking business line had 3,900 portfolio specialized managers, it advised 849,374 customers during 2021.

- Private Banking: As of December 31, 2021, our Private Banking business line had specialized teams, of more than 880 certified professionals (all of whom were accredited by the CNMV), with an average of over 15 years of experience in our branch network. Given our objective to offer a personal service to our customers, we have built up an extensive network of 127 exclusive centers. In order to meet our customers' expectations, we offer them different service models, from traditional financial advice to independent advice and broker services. Furthermore, our Social Value Project provides solutions in the fields of philanthropy and socially responsible investment. The Private Banking business line is directed at customers with a net worth in excess of €500,000, with services offered by professionals through exclusive Private Banking centers.

  In 2021, CaixaBank was named as "Best Digital Bank for Private Banking in Spain" for the third consecutive year by Global Finance Magazine.

- Business Banking: CaixaBank Business Banking offers innovative solutions and specialized attention in 145 centres distributed throughout Spain, providing advanced advice through videoconferencing and a dedicated communication channel called the Business Wall. Thanks to a team of over 1,700 experts, we can respond to the needs of every business. We have an AENOR-certified model in Business Advice and in Foreign Trade and Cash Management.

  Our market share as of December 31, 2021 in the business credit market was of approximately 23.8% according to the Bank of Spain.

- Corporate and Institutional Banking and International Banking: this business line integrates three business areas – Corporate Banking, Institutional Banking and International Banking – as well as several product areas that provide ancillary services to customers, such as Capital Markets, Cash Management, Project Finance, Asset Finance, and M&A Corporate Banking.

Corporate Banking develops and manages the relationships with national and international corporate clients with the objective of becoming their financial institution of reference. The segment has presence in Madrid, Barcelona and Bilbao and a unique offering of structured financing, working capital, trade finance, capital markets and advisory products. It also engages with international and domestic multilateral entities (the European Investment Bank, the International Finance Corporation and ICO).

Institutional Banking serves public and private sector institutions with a value proposition that combines high specialization, proximity to customers and a comprehensive set of financial services and solutions tailored to their needs.

International Banking offers support to branch, CIB and Corporate Banking customers operating abroad and to large local corporates through its 27 international points of presence and 183 representatives.

CONTROLLED STAKE, INTERNATIONAL BRANCHES & REPRESENTATIVE OFFICES(1)

1 Controlled Stake

Banco BPI

6 International branches (9 offices[2])

France: Paris
Germany: Frankfurt
Morocco: Casablanca, Tangier and Agadir
Poland: Warsaw
Portugal: Porto, Lisbon
United Kingdom: London

18 Representative offices

Algiers, Beijing, Bogota, Cairo, Dubai, Hong Kong, Istanbul, Johannesburg, Lima, Milan, Shanghai, New Delhi, New York, Santiago de Chile, Sao Paulo, Singapore, Sydney and Toronto

2 Spanish Desk

Mexico City
Vienna

<u>Insurance business</u>

We complement our banking services with a variety of life insurance, pension and general insurance products and services. We offer these insurance and pension products and services mainly through VidaCaixa and SegurCaixa Adeslas, S.A. ("**SegurCaixa Adeslas**"):

- VidaCaixa is a wholly-owned subsidiary through which we provide life insurance products and pension plans. Since the Merger, BankiaVida, the insurance subsidiary of Bankia, has also been integrated into the Group and is currently separate from VidaCaixa. CaixaBank intends to sell Bankia Vida to VidaCaixa in the first quarter of 2022, with a full merger envisaged in 2022.

- SegurCaixa Adeslas is a joint venture (49.9% of which is owned by VidaCaixa, 50% of which is owned by Mutua Madrileña and the remaining 0.1% of which is owned by minority shareholders) through which we provide non-life insurance products.

As of December 31, 2021, VidaCaixa held a 33.9% share of the Spanish pension market according to Inverco and a 23.3% share of the Spanish life insurance market measured by technical provisions, according to ICEA, the largest in the Spanish market. The net profit of VidaCaixa in 2021 was €794 million, compared to €888 million and €795 million in 2020 and 2019, respectively.

As of December 31, 2021, SegurCaixa Adeslas was the market leader in health insurance in Spain, with a market share of 28.9% according to ICEA. The net profit of SegurCaixa Adeslas was €443 million in 2020 and €312 million in 2019.

2. ***Equity Investments Business Segment***

The Equity Investments business segment includes earnings, net of funding expenses, from the stakes held in Erste Group Bank (until its divestment in the fourth quarter of 2021), Telefónica, Banco de Fomento de Angola, S.A., Banco Comercial e de Investimentos, SA ("**BCI**") and Coral Homes Holdco S.L.U. ("**Coral Homes**"). Similarly, it includes the significant impacts on income of other relevant stakes in various sectors integrated in past acquisitions. The assigned capital to the Equity Investments Business Segment amounted to €667 million as of December 31, 2021, which corresponded to an investment of €2,078 million at fair value.

Telefónica is a digital telecommunications operator focused on its business in Spain, Germany, United Kingdom and Brazil as a platform for sustainable growth and value creation, but also with relevant interests in the main Latin America countries where it operates and where it is reducing and optimizing its exposure. As of December 31, 2021, we held 4.5% of the outstanding share capital of Telefónica.

*3. **BPI Business Segment***

The BPI business segment includes the results contributed by our wholly-owned subsidiary, Banco BPI, to the Group. The consolidated 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 the results and balance sheet figures associated with the assets of BPI assigned to the Equity Investments business (essentially Banco de Fomento de Angola, S.A. and BCI).

As of December 31, 2021, Banco BPI held an 11.1% market share in lending activity and an 11.3% market share in customer funds. Banco BPI's business is organized around two main business lines, (i) Retail and (ii) Merchant & Corporate Banking, through which it offers a complete range of tailormade products and services. In addition, Banco BPI also offers non-life and life risk insurance policies as a result of a distribution agreement with Allianz Portugal.

As of December 31, 2021, Banco BPI had 4,478 employees who offered services through 347 branches, of which 297 were retail branches.

The performance of the Group by business segment for the years 2021, 2020 and 2019 is shown below:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS OF CAIXABANK GROUP - BY BUSINESS SEGMENT

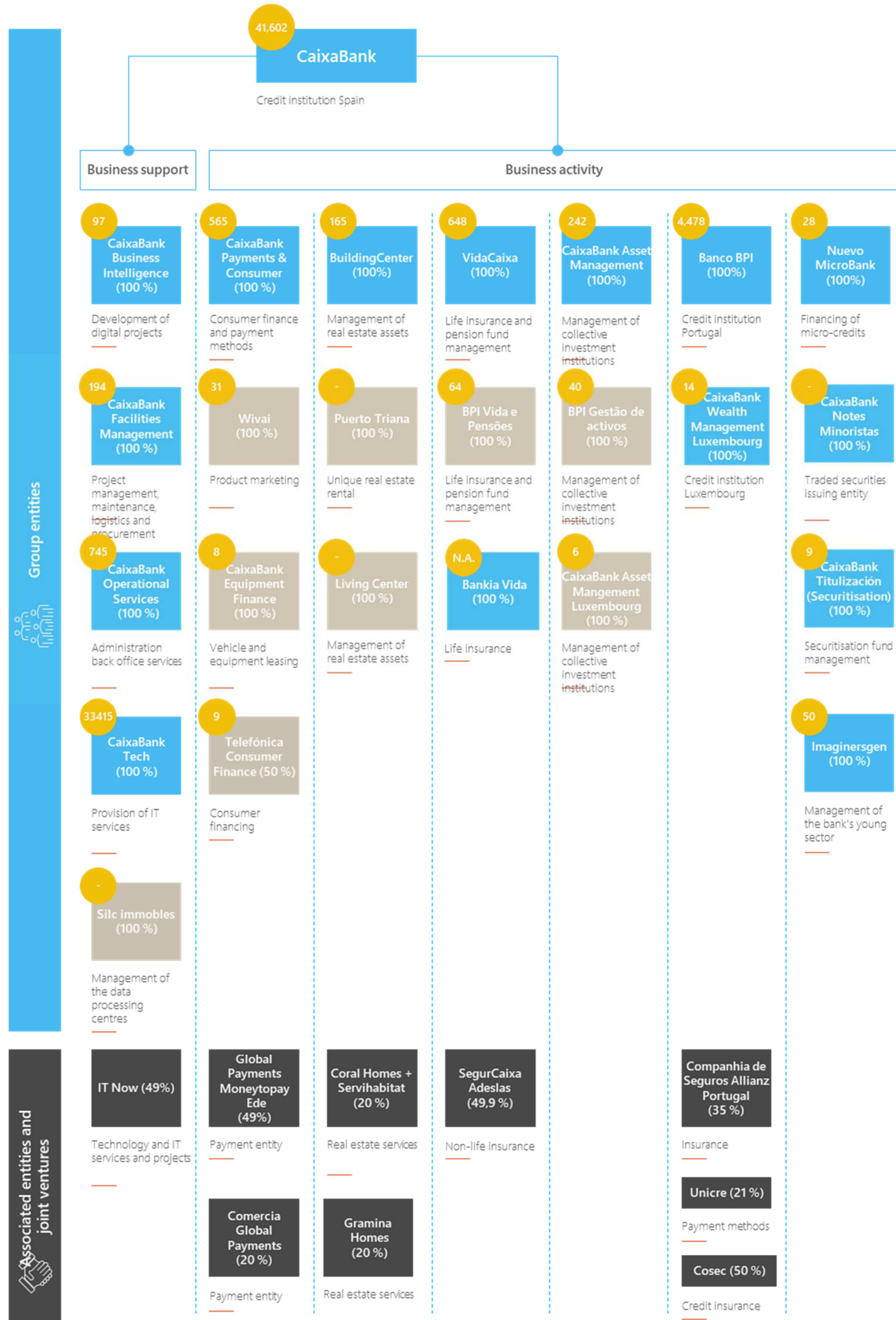
(Millions of euros)

	BANKING AND INSURANCE BUSINESS						INVESTMENTS			BPI		
	2021		2020		2019							
		*OF WHICH: INSURANCE**		*OF WHICH: INSURANCE*		*OF WHICH: INSURANCE*	2021	2020	2019	2021	2020	2019
NET INTEREST INCOME	5,557	*325*	4,534	*342*	4,659	*316*	(35)	(78)	(124)	453	444	416
Dividend income and share of profit/(loss) of entities accounted for using the equity method *	266	*209*	250	*220*	232	*192*	326	186	335	25	18	21
Net fee and commission income	3,417	*(6)*	2,330	*(62)*	2,340	*(68)*				288	245	258
Gains/(losses) on financial assets and liabilities and others	193	*7*	250	*5*	239	*57*	17	(9)	35	11	(2)	24
Income and expenses under insurance and reinsurance contracts	650	*653*	598	*598*	556	*556*						
Other operating income and expense	(862)	*(2)*	(338)	*136*	(369)	*79*	(8)	(3)		(24)	(15)	(17)
GROSS INCOME	9,221	*1,186*	7,624	*1,239*	7,657	*1,132*	300	96	246	753	690	702
Administrative expenses	(6,979)	*(119)*	(3,657)	*(104)*	(4,803)	*(99)*	(4)	(4)	(4)	(371)	(378)	(397)
Depreciation and amortisation	(621)	*(30)*	(479)	*(23)*	(479)	*(22)*				(74)	(61)	(67)
PRE-IMPAIRMENT INCOME	1,621	*1,037*	3,488	*1,112*	2,375	*1,011*	296	92	242	308	251	238
Impairment losses on financial assets and other provisions	(1,238)		(2,123)		(811)					(77)	(40)	200
NET OPERATING INCOME/(LOSS)	383	*1,037*	1,365	*1,112*	1,564	*1,011*	296	92	242	231	211	438
Gains/(losses) on disposal of assets and others	4,360		216		(169)		51	(311)		(6)	28	2
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	4,743	*1,037*	1,581	*1,112*	1,395	*1,011*	347	(219)	242	225	239	440
Income tax	(40)	*(243)*	(179)	*(224)*	(332)	*(216)*	7	24	71	(55)	(65)	(108)
PROFIT/(LOSS) AFTER TAX FROM CONTINUING OPERATIONS	4,703	*794*	1,402	*888*	1,063	*795*	354	(195)	313	170	174	332
Profit/(loss) attributable to minority interests	1				3							
PROFIT/(LOSS) ATTRIBUTABLE TO THE GROUP	**4,702**	***794***	**1,402**	***888***	**1,060**	***795***	**354**	**(195)**	**313**	**170**	**174**	**332**
Total assets	636,825	*81,649*	410,689	*80,667*	355,416	*76,116*	2,078	3,267	4,554	41,133	37,564	31,444

(*) In addition to the €794 million generated by VidaCaixa in 2021, which from April 1, 2021, included the results generated by Bankia Pensiones, our insurance business includes the results of the following holdings as a result of the Merger: Bankia Vida, S.A. (49%, with the acquisition of the remaining 51% in December 2021 not having a significant impact on our income statement), Bankia Mediación Operador de Banca Seguros Vinculado S.A. (100%), SegurBankia, S.A. Correduría de seguros del Grupo Bankia (100%) and Sa Nostra Compañia de Seguros de Vida, S.A. (18.7%). The income generated by these holdings from April 1, 2021 was included in our results of operations and amounted to €38 million during the relevant months of 2021.

Organizational structure

The table below shows the main subsidiaries, joint ventures and associates of the Group as of December 31, 2021:



Total ALCO Book

We define "**total ALCO**" as our banking book fixed income securities portfolio, excluding trading book assets. Our total ALCO was €62.4 billion at the end of 2021 (of which €47.9 billion was at amortized cost and the remaining €14.6 billion was at fair value). This amount does not include the Management Company for Assets arising from the Restructuring of the Banking Sector ("**SAREB**") bonds, which are not included in our ALCO portfolio (approximately €19 billion as of December 31, 2021). This marked an increase from our €56.4 billion total ALCO as of September 30, 2021 (of which €41.1 billion was at amortized cost and the remaining €15.3 billion was at fair value), as purchases more than offset maturities in the fourth quarter of 2021. Our total ALCO was €60.3 billion as of June 30, 2021 (€44.5 billion at amortized cost and €15.8 billion at fair value) and €62.3 billion as of March 31, 2021 (€41.8 billion at amortized cost and €20.5 billion at fair value). As of December 31, 2020, before the Merger, our total ALCO was €41.4 billion (€23.6 billion at amortized cost and €17.8 billion at fair value), and as of March 31, 2021, excluding the impact of the Merger, our total ALCO would have been €40.2 billion (€24.4 billion at amortized cost and €15.8 billion at fair value). The yield of our total ALCO book was 0.3% as of each of December 31, September 31, June 30 and March 31, 2021 and was 0.6% as of December 31, 2020 and (excluding the impact of the Merger) March 31, 2021. The average life and duration (in years) of our total ALCO book was 4.3 and 4.1, respectively, as of December 31, 2021, 3.9 and 3.4, respectively, as of September 30, 2021, 3.8 and 3.4, respectively, as of June 30, 2021 and 3.5 and 3.0, respectively, as of March 31, 2021. As of December 31, 2020, the average life and duration (in years) of our total ALCO book were 3.6 and 3.0, respectively and as of March 31, 2020 (excluding the impact of the Merger) were 3.0 and 2.7, respectively.

The maturity profile of our total ALCO book as of December 31, 2021, was €9.9 billion in 2022, €7.2 billion in 2023, €4.8 billion in 2024, €7.5 billion in 2025, €9.1 billion in 2026, €6.1 billion in 2027, €6.1 billion in 2028, €2.5 billion in 2029, €5.5 billion in 2030, €2.6 billion in 2031, and €1.1 billion thereafter. Sovereign exposures accounted for 91% of our total ALCO book as of December 31, 2021, of which 86% was Spain, 7% was Italy, 5% Portugal and 2% was other.

Our wholesale funding costs and volumes have been broadly stable after our March 31, 2021 fair value adjustment to reflect the impact of the Merger. Our wholesale funding back-book volumes (including securitizations placed with investors but excluding additional tier 1 issues), stood at €50 billion as of December 31, September 30 and June 30, 2021 and €51 billion as of March 31, 2021. These amounts were €32 billion as of December 31, 2020 and €31 billion as of March 31, 2021 (excluding the impact of the Merger). Our funding costs, measured as the spread over 6-month Euribor, were 85, 86, 87 and 83 basis points as of December 31, September 30, June 30 and March 31, 2021 compared to the higher levels before the Merger: 120 basis points as of December 31, 2020 and 113 basis points as of March 31, 2021(excluding the impact of the Merger).

Key Significant Recent Events

Business consolidation with Bankia

On March 23, 2021, once all the conditions precedent were fulfilled, the Merger with Bankia was completed. As a result, BFA Tenedora de Acciones, S.A.U. (wholly owned by the Spanish Fund for Orderly Bank Restructuring ("**FROB**")) holds a 16.12% stake in CaixaBank. In the Merger, the 3,069,522,105 shares of Bankia were exchanged for 2,079,209,002 shares of CaixaBank. Taking the CaixaBank share price of €2.556 per share at the Merger date, the total value of the capital increase, and therefore the acquisition cost of the business combination, amounted to €5.314 billion. The Group recorded a positive result equivalent to the negative consolidation difference of €4.3 billion under "Negative goodwill recognised in profit or loss" in the consolidated statement of profit or loss (before and after tax) for the year ended December 31, 2021.

Agreement for the restructuring process

On July 1, 2021, we reached an agreement with the workers' representatives for the implementation of a restructuring process resulting from the Merger, which affects a maximum of 6,452 employees, as well as other changes in the conditions of the current labor framework, particularly those affecting social commitments. Approximately 60% of the departures were effective by the end of 2021, which is expected to increase to 70% by the end of March 2022. The integration of approximately 1,500 branches was 50%

complete by early January 2022, with 80% expected by the end of March 2022. The estimated cost associated with this restructuring process, and amounting to €1,884 million, was recorded in our consolidated statement of profit or loss for the year ended December 31, 2021.

Factors Affecting Our Results of Operations

Impact of general economic and market conditions

Our results of operations are significantly affected by general economic and markets conditions in the Eurozone, Spain, Portugal and globally. In particular, our ability to generate income and expand our core business in the future largely depends on the economic and market prospects for retail and SME banking customers in Spain and Portugal, and these factors also affect the quality of our asset base and the adequacy of our provisions. While economic growth increases demand for our products and services and decreases our customer defaults, economic recession produces the contrary effect. See "*Strategic Lines—Context and outlook for 2022—Economic Context"* in our 2021 Management Report for a discussion of macroeconomic conditions.

COVID-19

The improvement in the economic situation in 2021 compared to 2020 has allowed our profitability to return to levels similar to those observed before the outbreak of the COVID-19 pandemic.

However, the Spanish banking sector's profitability levels remain relatively low when compared to other sectors, and they remain below their cost of capital. This is explained by a lower capacity for revenue generation as a result of prolonged low interest rates and the moderation of recurring activity. In particular, the credit portfolio, after growing significantly at the start of the COVID-19 pandemic as a result of economic policy support measures (mainly ICO guarantee lines), remained stable in 2021. Up to November 2021, the portfolio of credit to private-sector residents had increased by 0.6% during the year, although with significant differences in the evolution of the portfolio of credit to households and non-financial companies and the self-employed.

On the other hand, economic reactivation has led to a reduction in risks affecting financial stability, although the macroeconomic environment is still demanding and some vulnerabilities can be observed, including the financial vulnerability of households and businesses most affected by the restrictions on activity imposed during the COVID-19 pandemic.

In 2021, credit quality has remained stable, thanks to different measures introduced by the Spanish government and the banking sector (moratoria, furlough programs and public guarantee schemes), which have significantly mitigated the effects of the COVID-19 pandemic on household and business incomes and mitigate the surge of non-performing loans ("**NPLs**"). In fact, the banking sector's NPL rate in Spain maintained its downward trend in 2021 (although at a lower rate than in the years prior to the COVID-19 pandemic), and, according to the Bank of Spain, in November 2021 it reached 4.29%, 0.3 percentage points below November 2020. As a result, and following the significant effort in provisions made in 2020, the sector reduced provisions to pre-pandemic levels in 2021, which has been reflected in the recovery of the aggregate results of banks.

However, credit quality could still be affected by the COVID-19 pandemic in the next quarters, adversely affecting the results of banks, including us. According to the Bank of Spain, despite the aggregate reduction in NPLs, certain signs of impairment of credit quality and heterogeneous behavior are observed by activity sectors, with a particularly significant increase (53% year-on-year) in loans under watch-list performing, especially in the sectors most significantly affected by the COVID-19 pandemic (hospitality, transport, and car manufacturing) and the year-on-year recovery in refinancing or restructuring, which shows that banks have relied more on this resource to facilitate loan repayment.

Meanwhile, higher levels of capital compared to the 2008-2014 crisis mean that the Spanish banking sector has higher capacity to absorb potential losses, even in more adverse scenarios. More specifically, in the third quarter of 2021, the Spanish banking sector's CET1 capital ratio increased by 87 basis points compared to 2019 levels1, to 13.66%, while the LCR stood at 213%, up from 196% a year earlier. Likewise, the results

of the Bank of Spain's stress tests show how, in an adverse scenario, despite the fact that banks would consume part of their capital to absorb new losses, their aggregate solvency level would still be adequate.

The COVID-19 pandemic, together with the exceptional measures implemented to mitigate its effects, have impacted our results due to, among other factors, (i) longer periods of lower interest rates as a consequence of the economic contraction and the efforts by the ECB to reactivate the global and local economy by means of repurchase programs, and (ii) a continued decrease in the global economic activity which increases our credit risk and our cost of risk as a consequence of the contraction of GDP in 2020, increased unemployment, the reduction of our customers' income and the increase of the probability of default in our credit portfolio. The most relevant impact of the COVID-19 pandemic on the Group's results was the increased provisions for credit risk in 2020, which included an extraordinary provision to anticipate the potential adverse effect associated with the COVID-19 pandemic of €1,252 million.

Bankia Merger

We took effective control of Bankia on March 23, 2021, once all conditions precedent to the Merger were met, and the date of the Merger for accounting purposes was March 31, 2021. From that date, the results generated by Bankia have been included in the various line items of our statement of profit or loss, and Bankia's balance sheet has been reflected in our balance sheet.

The Merger, and particularly the inclusion of Bankia's results into our results from March 31, 2021, affects the comparability of our performance in 2021 with prior periods. In addition, our results for 2021 include an extraordinary income related to the Merger.

On July 1, 2021, we reached an agreement with the workers' representatives for the implementation of a restructuring process resulting from the Merger, which affects a maximum of 6,452 employees, as well as other changes in the conditions of the current labor framework, particularly those affecting social commitments., which was recorded in our consolidated statement of profit or loss for the year ended December 31, 2021.

The Merger involved extraordinary expenses of €2,118 million in 2021, comprising the estimated cost associated with this restructuring process (€1,884 million) and other integration expenses (€234 million). In addition, €93 million was charged to provisions to cover asset write-downs, mainly from the plan to restructure the commercial network in 2022. The Merger also generated a gain on disposals of assets and others of €4,464 million as a result of the following: (i) a gain of €4,300 million due to negative consolidation difference; (ii) a gain of €266 million from profits before tax related to the sale of certain lines of business directly pursued by Bankia; (iii) a loss of €105 million due to asset write-downs; and (iv) other gains of €3 million.

Changes in interest rates

Our results of operations depend upon the level of our net interest income, which is the difference between interest income from loans and other interest-earning assets and interest expense paid to our depositors and other creditors on interest-bearing liabilities. Net interest income contributed 58.2%, 58.3% and 57.5% of gross income for 2021, 2020 and 2019, respectively.

Our net interest income is affected by a number of factors, including, in particular, changes in interest rates. Net interest income is determined primarily by the volume of our interest-earning assets and interest-bearing liabilities, together with the difference between the rates earned on interest-earning assets and the rates paid on interest-bearing liabilities. Interest-earning assets consist principally of loans to individuals and SMEs, together with loans to banks, corporate debt securities and sovereign bonds. Interest-earning assets are primarily variable-rate, whereas interest-bearing deposits from customers are primarily fixed rate. As of December 31, 2021, the net interest income sensitivity of the Group for the interest rate-sensitive balance sheet under an immediate +/- 100 basis point change in interest rates was +12.78%/-4.28%, respectively.

Changes in market interest rates may affect the spread between interest rates charged on interest-earning assets and interest rates paid on interest-bearing liabilities and subsequently affect our results of operations. An increase in interest rates, for instance, could cause our interest expense on deposits to increase more

significantly and faster than our interest income from loans, resulting in a reduction in our net interest income as often our liabilities will re-price more quickly than our assets. Further, an increase in interest rates could result in a reduction in the demand for loans and our ability to originate loans, and also contribute to an increase in credit default rates among our customers. Conversely, a decrease in the general level of interest rates could adversely affect us through, among other things, increased pre-payments on our loan and mortgage portfolio by customers seeking refinancing at lower prevailing rates, lower net interest income from our customer loans, reduced demand for deposits from our clients and increased competition for deposits and loans to clients.

Our business and performance have been adversely affected by the low interest rate environment in recent years. As of the date of this Offering Memorandum, the base rate set by the ECB is 0%. Quantitative easing has exerted downward pressure on interest rates and yield curves. A prolonged period of flatter than usual interest rate yield curves and low interest rates generally has an adverse effect on our net interest income from the low yields of our loan and debt securities portfolios.

In the periods under review, the low interest rate environment led to lower income from loans and consumer lending, partially offset by reductions in funding costs for financial institutions (aided by the increase in financing from the ECB at better conditions) and slightly lower retail funding costs.

NPLs and impairment allowances for financial assets

In general, loan impairments and other impairment allowances result in charges to the consolidated statement of profit or loss, which reduce our profits. Recoveries of any previously recorded losses are also recognized on the consolidated statement of profit or loss for the year in which the impairment ceases to exist or is reduced.

Impairment losses on debt instruments in the period are recognized as an expense under the heading "Impairment or reversal of impairment losses on financial assets not measured at fair value through profit or loss or net profit or loss due to a change" in the consolidated statement of profit or loss. Impairment losses on debt instruments at amortized cost are recognized against a corrected account of provisions that reduces the carrying amount of the asset, whereas those of instruments at fair value with changes in other comprehensive income are recognized against "Accumulated other comprehensive income".

The provisions to cover impairment losses in exposures involving credit risk other than debt instruments are recorded under the heading "Provisions–Commitments and guarantees given" on the liabilities side of the balance sheet. Additions to and reversals of these provisions are recognized under the heading "Provisions or reversal of provisions" in the statement of profit or loss.

Gross loans and advances to customers stood at €352,951 million as of December 31, 2021 (€243,924 million as of December 31, 2020 and €227,406 million as of December 31, 2019). The Group's NPLs as of December 31, 2021 amounted to €13,634 million (€8,601 million as of December 31, 2020 (the increase between December 31, 2020, and December 31, 2021, mainly results from the Merger) and €8,794 million as of December 31, 2019), resulting in a NPL ratio of 3.6% as of December 31, 2021 (4.2% in loans to individuals, 3.5% in loans to businesses (of which 3.3% to non-real estate developers and 6.3% to real estate developers) and 0.3% in the public sector). As of December 31, 2020, the NPL ratio stood at 3.3% (4.5% in loans to individuals, 2.7% in loans to businesses (of which 2.4% to non-real estate developers and 6.7% to real estate developers) and 0.1% public sector).

The provisions for insolvency risk as of December 31, 2021 stood at €8,625 million. As of December 31, 2020 and 2019, these provisions were €5,755 million and €4,863 million, respectively. As of December 31, 2021, the NPL coverage ratio given this stock of provisions was 63% (67% and 55% as of December 31, 2020 and 2019, respectively).

The gross non-performing assets ("**NPA**") balance, which encompasses non-performing loans and foreclosed assets available for sale and rent, was €19,384 million as of December 31, 2021 compared to €12,571 million as of December 31, 2020 (the increase between December 31, 2020, and December 31, 2021, mainly results from the Merger) and €13,127 million as of December 31, 2019.

Investments

This line of business shows earnings, net of funding expenses, from the stakes held in Erste Group Bank (an international banking entity) (until its sale in November 2021), Telefónica, Banco de Fomento de Angola, BCI, Coral Homes and Gramina Homes (since the integration of Bankia).

Similarly, it includes the significant impacts on income of other relevant stakes in various sectors integrated in past acquisitions. The total assets of our Equity Investments business segment as of December 31, 2021 amounted to €2,078 million, which contributed €354 million to our income for that year.

The gross income of our Equity Investments business segment includes income from the equity accounted investments and from dividends, net of the related financing charge.

Our gross income from investments is affected by fluctuations in the equity markets, which are in turn driven by general economic conditions, as well as the level of dividend payouts.

The risk related to the equity portfolio in the banking book results from the possibility of incurring losses due to fluctuations in market prices, disputes among shareholders and/or default on the positions making up our equity portfolio with a medium to long time horizon. The Group faces risks derived from any potential acquisitions and divestments as well as the inherent risks to which any investees are exposed, for instance, in their management, business sector, geography and regulatory framework.

The exposure and the capital requirements of the equity portfolio totaled €7,558 million and €1,818 million, respectively, as of December 31, 2021 (€6,717 million and €1,338 million, respectively as of December 31, 2020 and €8,057 million and €1,465 million as of December 31, 2019, respectively), representing 1.2% of our total credit risk exposure and 11.6% of our total credit capital requirements (1.7% and 13.0%, respectively, as of December 31, 2020 and 2.7% and 13.8%, respectively, as of December 31, 2019). Both exposure and capital requirements of the equity portfolio include those of the Group's insurance subsidiary, VidaCaixa, S.A.U. de Seguros y Reaseguros ("**VidaCaixa**"), given that the insurance business is consolidated by the equity method in the prudential balance sheet according to capital regulations.

Asset under management and bancassurance products

Market conditions also affect volume and demand for the asset management (pension plans and investment plans) and bancassurance products we offer. The assets managed in mutual funds, managed accounts and SICAVs stood at €110,089 million as of December 31,2021 and in pension plans reached €47,930 million. The increase in the asset management and bancassurance activity has resulted in an increase in the commissions associated with these products.

Fee and commission income contributed €4,129 million in 2021 (€2,911 million and €2,940 million in 2020 and 2019, respectively). Fee and commission income from marketing of non-banking financial products contributed €1,698 million in 2021 (€1,164 million and €1,120 million in 2020 and 2019, respectively).

Additionally, income of assets and liabilities under the insurance or reinsurance business contributed €1,128 million in 2021 (€1,107 million and €884 million in 2020 and 2019, respectively).

Regulation

We conduct our business in an environment that is highly regulated by financial services laws and regulations, corporate governance and administrative requirements and policies. The ECB is our primary supervisory authority, although for certain matters, we will remain subject to supervision by local supervisory authorities.

The changing regulatory environment has affected, and will continue to affect, our results of operations in a number of ways. For further information on our regulatory environment and a number of specific regulatory initiatives and frameworks that can have a significant impact on our business, financial condition, results of operations and prospects, see "*Bank Supervision and Regulation in Spain*".

Share capital

The issued share capital of CaixaBank as of the date of this Offering Memorandum is €8,060,647,033 represented by a single series and class of 8,060,647,033 shares, with a nominal value per ordinary share of €1.00.

The following table sets forth information concerning the significant ownership interests in our shares as of the date of this Offering Memorandum, based on filings with the CNMV, excluding the members of our Board of Directors:

Name of Shareholder	Ownership (voting rights)		
	Direct	Indirect	% Total
"la Caixa" Banking Foundation[(1)]	-	2,419,131.875	30.012
FROB[(2)]	-	1,299,124.905	16.117
BlackRock, Inc.[(3)]	-	247,915,496	3.076

Notes:—

(1) "la Caixa" Banking Foundation's indirect stake is held through its wholly-owned subsidiary CriteriaCaixa.

(2) FROB's indirect stake is held through its wholly-owned subsidiary BFA Tenedora de Acciones, S.A.U.

(3) BlackRock, Inc. indirect stake is held through various funds, accounts and portfolios managed by investment managers under the control of BlackRock, Inc.

Except as provided above, CaixaBank is not aware of any other shareholder holding a significant stake in the Issuer's share capital as of the date of this Offering Memorandum.

Dividends and share repurchases

Our Board of Directors has submitted to the Annual General Meeting a dividend payment of €0.1463 per share in respect of the year 2021, reflecting a pay-out rate of 50% of our consolidated net income adjusted for extraordinary impacts related to the Merger. The dividend policy for 2022, subject to final approval by the Annual General Meeting, consists of a cash distribution of 50-60% of our consolidated net profit.

Subject to regulatory approval, we also intend to implement a share buy-back program in 2022 in order to bring down the CET1 ratio closer to our target level, which we expect to announce in the second quarter of 2022.

Litigation

From time to time, we have been, and in the future may be, involved in lawsuits and other legal proceedings that arise in the ordinary course of business. These proceedings are subject to inherent uncertainties, and an adverse result in any such proceeding may harm our business. Set out below are summaries of our most significant litigation matters and other contingent liabilities, which are described in further detail in Notes 23.3 (Provisions for pending legal issues and tax litigation) and 23.5 (Other provisions) to the 2021 Consolidated Financial Statements. Other than as discussed below or as set out elsewhere in this Offering Memorandum (including in the documents incorporated by reference herein), we are currently not aware of any other legal proceedings or claims that we believe will have, or may have, a material adverse effect, either individually or in the aggregate, on our business, financial condition or results of operations.

We record provisions in our consolidated balance sheet to cover liabilities whenever it is considered that an adverse outcome is more likely than not, and the potential outflow is quantifiable. Provisions are quantified on the basis of the information available and legal analysis. In the case of disputes under general contractual conditions, generally linked to the granting of mortgage loans to consumers (e.g. floor clauses, multi-currency

clauses, mortgage fees and expenses, advance maturity), the Group makes the necessary provisions and maintains an ongoing dialogue with customers in order to explore agreements on a case-by-case basis.

We periodically reexamine our estimates of probable liabilities and make appropriate adjustments based on experience and developments in the proceedings at issue. As a result, the current estimates of the potential impact on our business, financial condition or results of operations described in the notes to the 2021 Consolidated Financial Statements could change in the future.

Floor Clauses in Mortgages

We are involved in the class action brought by ADICAE related to the application of floor clauses in certain mortgage loans. On November 12, 2018, the Spanish Court of Appeal issued a ruling ordering financial institutions to cease the application of such clauses in consumer mortgage loans. This ruling has been appealed to the Spanish Supreme Court, which is expected to decide the case during 2022.

On May 9, 2013, the Spanish Supreme Court established the criteria for determining when floor clauses are unlawful for lack of transparency and held that when such clauses are declared null and void by a valid court order, for lack of transparency or otherwise, borrowers are entitled to reimbursement from the relevant financial institution of the difference between the interest paid under such floor clause and the interest that would have been payable in the absence of such clause. This led consumers to bring a significant number of individual actions related to mortgage floor clauses.

Royal Decree-Law 1/2017 of January 20, 2017, on urgent measures to protect consumers against floor clauses, sets out a framework for lenders and consumers to reach out-of-court settlements. CaixaBank has reached a large number of out-of-court settlement agreements with consumers under this framework. The remaining complaints filed by consumers under this framework are of a residual nature as of the date of this Offering Memorandum (the total number of complaints is 280,452 of which only 1,459 were received in 2021 and 90 in 2022).

IRPH (Mortgage Loan Reference Index)

Following a judgment issued by the Court of Justice of the European Union ("**CJEU**") on March 3, 2020, the First Chamber of the Spanish Supreme Court issued a set of judgments on November 6 and November 12, 2020 that provide clarity regarding the treatment of claims asserting a lack of transparency in the marketing of mortgage loans that refer to the official reference rate index for mortgages in Spain ("**IRPH**"). On the basis of the rulings by the CJEU and the Spanish Supreme Court, as of the date of this Offering Memorandum, mortgage loans indexed to IRPH are not abusive, even if the relevant reference rate clause is deemed to lack transparency, and are therefore valid.

With respect to mortgage loans indexed to IRPH in the context of public agreements facilitating access to social housing, the Spanish Supreme Court has deemed that the required transparency existed because the core elements relating to the calculation of IRPH were easily accessible, the consumer adhered to an established and regulated financing system, which was regularly reviewed by successive Councils of Ministers, IRPH-related clauses expressly referred to the regulation establishing the framework for social housing policy, and these agreements were published in the Official State Gazette (BOE). In other mortgage loans (those not related to social housing), the pre-contractual and contractual information provided to consumers of mortgage loans indexed to IRPH must be examined on a case-by-case basis in order to determine if there is lack of transparency in such information.

If a contract is found to lack transparency, its invalidity further requires the Spanish Supreme Court (according to repeated legal principle of the CJEU) to find abuse due to the existence of bad faith and a major imbalance. However, in the opinion of the Spanish Supreme Court, good faith is not infringed when using an official index that had been recommended by the Bank of Spain since the end of 1993 as one of the rates that could be used for mortgage lending operations for financing the purchase of social housing. The Spanish Supreme Court also concluded that there was no significant imbalance at the time of the agreement, since the subsequent evolution of the index is irrelevant to the analysis. In addition, there would be no significant difference if the IRPH reference rate were replaced by the "IRPH Entidades" reference rate (the supplementary legal reference rate proposed by the CJEU in case of abuse if no substitute reference rate had been previously

agreed by the parties). In conclusion, loans indexed to IRPH are not abusive, even if the clause lacks transparency, and are therefore valid.

This judgement of the Spanish Supreme Court was endorsed by the CJEU in an order on November 17, 2021.

Further, on January 27, 2022, the Spanish Supreme Court issued new decisions following the approach described above concerning clauses incorporating IRPH as the reference index for mortgages. These rulings once again confirm the Supreme Court's criteria in favor of the validity of these clauses and further clarify the controversy.

As of December 31, 2021, the total amount of the performing mortgages in CaixaBank linked to IRPH with individuals stood at approximately €5,596 million (the majority, but not all, with consumers). Although no probable risk has been identified for this litigation (as of December 31, 2021, there were 3,741 claims pending against CaixaBank), a provision has been made in the event of any unfavorable judgments.

Litigation linked to consumer credit contracts ("revolving" credit cards)

The Spanish Supreme Court on March 4, 2020 ruled in a case brought by Wizink, challenging a judgment annulling a revolving credit card debt for usurious interest, in application of a 1908 Law for the repression of usury. In that ruling, the Supreme Court found that an interest rate of 27.24% was usurious because it was considerably higher than the average rate applicable to this type of credit in Spain, which stood at an average of 20% per annum, requiring the invalidation of the contract at issue and the refund of the interest paid. This judgment does not provide specific criteria to determine with legal certainty the amount exceeding the "normal interest rate" that would require invalidation of the contract. This decision led consumers to bring a significant number of individual actions related to usurious interest rates of revolving credit cards and is likely to continue to generate a significant number of lawsuits and a highly diverse series of judicial criteria, the specific effects of which cannot be currently determined, and which will be subject to specific monitoring and management.

CaixaBank and its card-issuing subsidiary, CaixaBank Payments and Consumer, are subject to individual claims (as of December 31, 2021, there were 7,259 claims pending against CaixaBank and its subsidiary) and are also subject to a class action brought by the Association of Consumers and Users ("**ASUFIN**") seeking an injunction against, inter alia, the interest rate and the early termination clause in revolving credit card agreements. The Valencia Commercial Court No. 4 on December 30, 2020 dismissed the claim against CaixaBank and only required CaixaBank Payments and Consumer to discontinue the early termination clause, disregarding all other requests regarding lack of transparency in the operation of cards, interest calculation methods, the right to compensation for debt and the change of conditions under contracts of an indefinite duration. This ruling was appealed by ASUFIN, CaixaBank and CaixaBank Payments and Consumer. The 9th Section of the Valencia Provincial Court issued a ruling on October 3, 2021 dismissing ASUFIN's appeal and upholding CaixaBank's and CaixaBank Payments and Consumer's appeal, and consequently dismissed the claim in its entirety, partially overturning the first-instance judgment. This ruling has been appealed to the Spanish Supreme Court.

The Group maintains a provision to cover current litigation against CaixaBank and its subsidiaries.

Anti-money laundering investigation

In April 2018, the Anti-Corruption Prosecutor's Office initiated legal proceedings against CaixaBank, its former head of Regulatory Compliance and 11 other employees, for events that could be deemed to constitute a money-laundering offense. The focus of the investigation was the activity carried out in ten CaixaBank branches by alleged members of certain organizations made up of Chinese nationals who allegedly committed fraud against the Spanish Treasury between 2011 and 2015. Since 2018, several pieces of evidence have been produced during the proceedings, such as witnesses' statements, police reports, expert reports and documents about AML measures in force in CaixaBank between 2011 and 2015.

The proceedings have been closed with respect to four employees. The investigation period finished on January 29, 2022, but the procedure is still in the pre-trial phase and on February 21, 2022 two CaixaBank

employees were examined as witnesses before the Central Investigation Court No. 2 (*Audiencia Nacional*). We do not expect a material impact as a consequence of these proceedings.

Criminal judicial investigation into alleged acts that could be deemed to constitute bribery and wrongful disclosure of secrets

In July 2021, the Central Investigation Court No. 6 of the National Court (*Audiencia Nacional*) summoned CaixaBank (as legal entity) for investigation, calling for it to provide information on the compliance measures implemented by CaixaBank to prevent, detect or significantly reduce the risk of the commission of crimes under investigation. The proceedings are focused on events that could constitute bribery and wrongful disclosure of secrets based on alleged willful misconduct in hiring a public officer for private security activities. On July 29, 2021 the court decided to close the proceedings against CaixaBank. On February 7, 2022 the Criminal Chamber of the National Court (*Audiencia Nacional*) overturned the decision on appeal, considering that the decision to close the investigation was premature and that further enquiries are needed in order to determine the facts.We do not expect a material impact as a consequence of this proceeding.

Mapfre arbitration

On December 29, 2021, the Group agreed to pay €247 million to Mapfre for the termination of the agency contract between Mapfre and Bankia Mediación Operador de Banca de Seguros Vinculado, S.A.U. ("**Bankia Mediación**") for the distribution of non-life insurance. On the same date, CaixaBank purchased from Mapfre for €324 million the 51% of the share capital of Bankia Vida, S.A. de Seguros y Reaseguros that it did not already own, bringing its holding to 100%. As part of the reorganization of the Group's insurance business, CaixaBank intends to sell Bankia Vida to its subsidiary VidaCaixa in the first quarter of 2022, with a full merger envisaged in 2022. The payment by the Group to Mapfre of additional amounts of up to €52 million in respect of these two transactions is subject to arbitration.

Coral Homes arbitration

In June 2018, we agreed to sell 80% of our real estate business, comprising mainly our available for sale portfolio of real estate assets as of October 31, 2017 and 100% of the share capital of our subsidiary Servihabitat, to a company owned by Lone Star Fund X and Lone Star Real Estate Fund V (together, "**Lone Star**"). The gross and net book value of our available for sale portfolio of real estate assets as of October 31, 2017 amounted to approximately €12,800 million and €6,700 million, respectively.

We transferred the aforementioned real estate business to a new company (Coral Homes, S.L.), 80% of which was subsequently sold to Lone Star, and we retained a 20% stake through our subsidiary BuildingCenter.

In July 2020, Lone Star initiated an arbitration before the International Chamber of Commerce against BuildingCenter and CaixaBank, based on the alleged breach of certain representations and warranties included in the investment agreement governing the transaction. The amount currently claimed under the arbitration is approximately €222 million plus interest.

Judicial proceedings relating to the 2011 initial public offering of Bankia

Certain criminal and civil proceedings have been instituted against Bankia with respect to its initial public offering in July 2011.

<u>Civil proceedings in respect of the nullity of the subscription of shares</u>

Retail and institutional investors have brought two types of actions regarding Bankia's initial public offering: (i) rescission of share sales on the grounds of mis-selling based on inaccurate public information and (ii) damages for inaccurate information in the prospectus. There were a total of 97,580 claims received, although the current number of claims filed is residual (only 15 claims were brought in 2021), and the previous actions are consider to be extinguished.

On July 19, 2016, Bankia was notified of a class-action claim filed by ADICAE, and the processing of the claims is currently suspended. The claims were for (i) a declaratory action of abusive practice, seeking to declare the existence of an abusive practice in accordance with the Consumers and Users Act, committed by Bankia consisting of the issue of shares aimed at retail customers by means of a public offering in breach of

the established legal requirements, specifically misrepresenting the entity's financial information; (ii) absolute rescission or voidability or, as an alternative, a declaration of rescission of the share purchase orders submitted by investors between May 7, 2011 and May 25, 2012, requesting that Bankia be ordered to reimburse any amounts paid plus the commissions charged plus legal interest from the date of subscription, with investors returning the shares still in their possession to Bankia; and (iii) an action for damages or, as an alternative, Bankia to be held liable for the financial loss suffered by the investors who acquired Bankia shares between May 7, 2011 and May 25, 2012 and that they be compensated with the amount invested minus the value of the shares at the date of the judgment or, in the alternative, at the value of €0.16/share plus interest.

Bankia also opened a voluntary out-of-court payment procedure, which, together with the legal claims received, has resulted in the return to retail investors of almost all the amounts they invested in Bankia's initial public offering.

In its initial public offering in July 2011, Bankia obtained €3,092 million, of which €1,237 million corresponded to institutional investors and €1,855 million to retail investors. Since the retail investors have been refunded practically all of the amounts invested through the civil proceedings or the out-of-court payment procedure opened by Bankia, we consider that the contingency related to this litigation is, to a significant extent, resolved.

In a judgment of June 3, 2021, the CJEU resolved a preliminary question raised by the Spanish Supreme Court, clarifying that in cases of offerings intended for both retail investors and qualified investors, the latter may bring an action for damages against the issuer based on inaccuracies of the prospectus provided to investors in the context of the offering. In deciding whether an investor is entitled to damages, the relevant national court must take into account whether such investor had or should have had knowledge of the economic situation of the issuer from sources besides the prospectus. Applying this criterion in the proceedings involving Bankia, the Spanish Supreme Court considered that in the concrete case in question it was not proven whether the plaintiff had access to information other than the prospectus, so the claim was finally upheld. However, the remaining claims in this proceeding are few and have been provisioned.

Abridged proceedings before the Criminal Chamber of the National Court

In a criminal proceeding, the National Court agreed to admit a claim filed by Unión Progreso y Democracia against certain former directors and officers of Bankia and BFA Tenedora de Acciones, S.A.U., as well as against Bankia's independent auditor at the time of the offering, BFA Tenedora de Acciones, S.A.U. and Bankia as legal persons, for events that could be deemed to constitute an offense of defrauding investors under the Criminal Code, as well as for the alleged corporate offenses of false accounting under the Criminal Code, in relation to the individual and consolidated accounts of BFA Tenedora de Acciones, S.A.U. for the year 2010, and to the annual accounts of BFA Tenedora de Acciones, S.A.U. and Bankia for the year 2011.

On September 29, 2020, the Criminal Chamber, section four of the National Court, delivered a judgment acquitting all of the accused of all charges of falsehood in annual accounts and investor fraud. Two private prosecutors have appealed to the Spanish Supreme Court, but the public prosecutor has not filed any appeal to the Criminal Chamber of the Spanish Supreme Court.

Banco de Valencia shareholders

The Small Shareholders Association of Banco de Valencia ("**Apabankval**") filed a complaint in 2012 against the members of the board of directors of Banco de Valencia and its external auditor alleging falsification of accounting records, which was subsequently joined by other shareholders.

The public prosecutor and the private plaintiff requested that the court declare Bankia to be subsidiarily civilly liable as successor of Bancaja, given that Bancaja was the majority shareholder of Banco de Valencia and Bancaja's banking business was contributed to Bankia. These claims also seek the secondary civil liabilities of other companies, including some Group companies (such as Valenciana de Inversiones Inmobiliarias, S.L. and Bankia Habitat, S.L.) and other parties (Banco Financiero de Ahorro, Fundación Bancaja and other members of the Board of Directors of Banco de Valencia).

On March 13, 2017, the Criminal Chamber of the National Court, issued an order confirming that (i) Bankia cannot be held criminally liable and (ii) Bankia must continue to be the secondary civilly liable party.

On December 2, 2019, the Central Investigation Court No. 1 agreed to the continuation of these previous proceedings through the abridged procedures for the alleged participation in an ongoing corporate crime of falsehood in the annual accounts of Banco de Valencia for the 2009 and 2010 fiscal years, against the members of the Board of Directors of the Banco de Valencia and against various companies as secondary civilly liable parties, which include: Bankia, BFA Tenedora de Acciones, S.A.U., Bankia Habitat S.L. and Valenciana de Inversiones Mobiliarias, S.L. and Bankia presented two appeals to the Criminal Chamber of the National Court, rejecting the assertion of secondary civil liability.

CaixaBank is the successor to Bankia following the Merger, meaning that it could be liable if the court considers that there was falsification of accounting records and that Bankia should be civilly liable in a secondary capacity for this offense.

***BPI competition* case**

In 2012, the Portuguese Competition Authority initiated an administrative infraction proceeding against a group of 15 banks operating in Portugal, including BPI, alleging practices to restrict competition, in particular, engaging in the exchange of information relating to the volume and commercial conditions of certain types of loans. On September 9, 2019, the Competition Authority notified the banks of its decision against them, resulting in a penalty attributed to Banco BPI of €30 million. BPI denies this violation and on October 23, 2019 appealed the decision to the Portuguese Competition, Regulation and Supervision Court.

In May 2020, at BPI's request (which is a legal requirement to assure suspensive effect of the appeal), the Portuguese Competition, Regulation and Supervision Court ordered Banco BPI to provide a guarantee of part of the penalty amount. A decision by the Portuguese Competition, Regulation and Supervision Court is expected to be issued in April 2022. Such a decision could be appealed to the Lisbon Court of Appeal.

Contingency related to the Procedures of the Portuguese Resolution Fund ("PRF")

On August 3, 2014, the Bank of Portugal applied a resolution procedure to Banco Espírito Santo, S.A. through the transfer of its net assets and under the management of Novo Banco, S.A. ("**Novo Banco**"). Within the framework of this procedure, the PRF completed a capital increase in Novo Banco for an amount of €4,900 million, becoming the sole shareholder. The increase was financed through loans to the PRF for an amount of €4,600 million, €3,900 million of which was granted by the Portuguese State and €700 million by a banking syndicate of Portuguese financial institutions, including BPI for €116 million.

On December 19, 2015, the Bank of Portugal initiated a procedure to put Banco Internacional do Funchal ("**Banif**") into resolution. This came to a head with (i) the partial sale of Banif's assets for €150 million to Banco Santander Totta, S.A.; and (ii) the contribution of the rest of Banif's assets that were not sold to Oitante, S.A. The resolution was financed through the issuance of €746 million of debt, guaranteed by the PRF and the Portuguese State as a counter-guarantee. The transaction also included the ultimate guarantee of the Portuguese State for €2,255 million intended to cover future contingencies.

To reimburse its obligations to the Portuguese State (in the form of loans and guarantees), the PRF is entitled to receive contributions of the participating credit institutions (including BPI) and from the Portuguese banking sector more generally. The conditions of the loans with the PRF have been amended to bring them in line with the collection of the aforementioned contributions. As of the date of this Offering Memorandum, there is no foreseen need for special contributions or any other extraordinary contributions from the banking sector.

In 2017, the Bank of Portugal sold 75% of Novo Banco to Lone Star, with the PRF holding the remaining 25% of Novo Banco's share capital, with certain contingent capital mechanisms being established by the Novo Banco's shareholders to assure funding by the PRF to Novo Banco if necessary. To cover the contingent risk, the PRF has the financial means of the Portuguese State, the reimbursement of which would have repercussions on the contributions required of the Portuguese banking sector.

On May 31, 2021 the PRF signed a credit line with a group of Portuguese financial institutions for up to €475 million, of which BPI's participation is up to €87.4 million. On June 4, 2021, the PRF withdrew €317 million in order to comply with Novo Banco's contingent capital mechanism, of which €58.3 million were from BPI. On December 23, 2021 an additional payment of €112 million from the PRF to Novo Banco was made, of which €20.6 million was from BPI.

At this time, it is not possible to estimate the possible effects for the PRF resulting from: (i) the sale of the shareholding in Novo Banco; (ii) the application of the principle that none of the creditors of a credit institution under resolution may assume a loss greater than what it would have assumed if that entity had gone into liquidation; (iii) the guarantee granted to the bonds issued by Oitante, S.A.; and (iv) other liabilities to be assumed by the PRF.

BANK SUPERVISION AND REGULATION IN SPAIN

Set forth below is a summary of the current European and Spanish regulatory environments relating to credit institutions and banking services. This is intended to provide a general outline of the most relevant applicable regulations and is not intended as a comprehensive discussion of such regulations. Investors should consider the regulatory environment discussion below as it could have a material impact on our business and results of operations in the future.

As a credit institution, we are subject to sector-specific banking regulations, general corporate law and a variety of other EU-regulations, which could have a direct and material effect on our business. In this section we describe the legislative framework and certain recent legislative key developments where we have significant interests. Some of the legislative changes and the adoption of regulatory measures by sectorial regulators, which are described in this section, are in the process of being approved and therefore have not yet come into effect.

EU Banking Union

Since September 2012, significant progress has been made toward the establishment of a European banking union. The EU banking union aims to develop a body of harmonized banking rules (the single rulebook) and an institutional framework with stronger systems for both banking supervision and resolution that is managed at the European level. Its two existing pillars are the Single Supervisory Mechanism ("**SSM**") and the Single Resolution Mechanism providing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms ("**SRM**"). A third pillar, in the form of a single pan-European deposit guarantee scheme, should be in place sometime in the future but is subject to ongoing debate.

Single Supervisory Mechanism (SSM)

ECB

Pursuant to Article 127(6) of the Treaty on the Functioning of the EU and Council Regulation (EC) No. 1024/2013 of October 15, 2013 conferring specific tasks on the ECB concerning policies relating to the prudential supervision of credit institutions (the "**SSM Regulation**"), the ECB is responsible for specific tasks concerning the prudential supervision of credit institutions established in participating member states. Since November 2014, it carries out these supervisory tasks within the SSM framework, composed of the ECB and the relevant national authorities (in the case of Spain, the Bank of Spain). The ECB, in cooperation with the relevant national supervisors, is responsible for the effective and consistent functioning of the SSM, with a view to carrying out effective banking supervision, contributing to the safety and soundness of the banking system and the stability of the financial system.

Its main aims are to:

- ensure the safety and soundness of the credit institutions established in participating Member States (i.e. Member States which are part of the Eurozone or which have established a close cooperation in accordance with Article 7 of the SSM Regulation);
- increase financial integration and stability; and
- ensure consistent supervision.

Among others, it has the authority to:

- conduct supervisory reviews, on-site inspections and investigations;
- grant or withdraw banking licenses;
- assess banks' acquisitions and disposals of qualifying holdings;
- ensure compliance with EU prudential rules and the national legislation transposing those rules when they derive from Directives or options granted to Member States in EU Regulations; and
- set higher capital requirements ("buffers") in order to counter any financial risks.

In accordance with the SSM Regulation, the ECB has assumed the direct supervision of the "significant" banks of the participating countries (115 as of January 1, 2022, including us). Ongoing supervision of the significant banks is carried out by Joint Supervisory Teams ("**JSTs**"). Each significant bank has a dedicated JST, comprising staff of the ECB and the relevant national supervisors (in our case, the Bank of Spain).

The criteria for determining whether a bank is considered "significant" (and therefore whether it falls under the ECB's direct supervision) are set out in the SSM Regulation and Regulation (EU) No. 468/2014 of the ECB of April 16, 2014 establishing the framework for cooperation within the SSM between the ECB and national competent authorities and with national designated authorities (the "**SSM Framework Regulation**"). To qualify as significant, a bank must fulfill at least one of the following criteria:

- size: the total value of its assets exceeds €30 billion;
- economic importance: for the specific country or the EU economy as a whole;
- cross-border activities: the total value of its assets exceeds €5 billion and the ratio of its cross-border assets/liabilities in more than one other participating member state to its total assets/liabilities is above 20%; and
- direct public financial assistance: it has requested or received funding from the European Stability Mechanism or the European Financial Stability Facility.

The ECB can decide at any time to classify a bank as significant to ensure that high supervisory standards are applied consistently.

The ECB indirectly supervises banks that are not considered significant (also known as "less significant" institutions), which continue to be supervised by their national supervisors, in close cooperation with the ECB. See "*—Bank of Spain*" below for an explanation of the tasks to be performed by the Bank of Spain.

Bank of Spain

The ECB must set up homogenous criteria for all the supervised institutions under the SSM and has assumed decision-making power. National authorities, such as the Bank of Spain, provide their knowledge on their financial systems and the entities located in their jurisdictions. Therefore, the role of the Bank of Spain continues to be relevant for credit institutions located in Spain. In particular, the Bank of Spain's tasks include the following:

- collaborating with the ECB in the supervision of significant entities through its participation in the JSTs of the relevant Spanish banks and it has a leading role in the on-site inspections;
- supervising the less significant Spanish banks directly. The ECB's indirect supervision of these entities is focused on the homogenization of supervisory criteria and reception of information;
- several supervisory competences over banking entities, for example money laundering and terrorist financing, customer protection and certain aspects of the monitoring of the financial markets that are out of the scope of the SSM and remain under the purview of the Bank of Spain;
- participating in certain administrative processes controlled by the ECB, such as the granting or withdrawal of licenses and the application of fit and proper tests to members of the board and senior management of Spanish banks, and supports the ECB in cross-border tasks such as the definition of policies, methodologies or crisis management;
- continuing to supervise other institutions such as appraisal companies or specialist credit institutions, e-money issuing entities, mutual guarantee and re-guarantee companies; and
- as the preventive resolution authority in Spain (together with the SRB in relation to significant entities, see "*—Single Resolution Mechanism (SRM)*" below), developing and approving a resolution plan for credit institutions that are not part of a group subject to supervision on a consolidated basis, prior report from the FROB and the competent supervisor and after consultation

with the competent supervisor and the relevant resolution authorities of the jurisdictions in which significant branches are established.

The Bank of Spain is also the competent macro-prudential authority for the determination of capital buffers. By means of Royal Decree 102/2019, of March 1, the Spanish macro-prudential Authority Council of Financial Stability (*Autoridad Macroprudencial Consejo de Estabilidad Financiera*) ("**AMCESFI**") was created. Its main tasks are the identification, prevention and mitigation of the circumstances and actions that could result in a financial system systemic risk and to issue opinions, alerts and recommendations in this regard. The AMCESFI may recommend to the Bank of Spain the use of the macro-prudential tools assigned to it by the relevant laws and regulations (including, among others, the establishment of certain capital buffers) in order to prevent or mitigate the systemic risk. The Bank of Spain shall communicate to the AMCESFI the measures implemented to comply with its recommendations or justify the lack of action.

Finally, the Bank of Spain participates in the governing bodies of the SSM contributing to the adoption of decisions affecting all credit institutions located in the Eurozone.

Single Resolution Mechanism (SRM)

The other main pillar of the EU banking union is the SRM, the main purpose of which is to ensure a prompt and coherent resolution of failing or likely to fail banks in Europe at minimum cost for the taxpayers and the real economy. Regulation (EU) No. 806/2014 of the European Parliament and the Council of the European Union (the "**SRM Regulation I**"), as amended by Regulation (EU) 2019/877 of the European Parliament and of the Council of May 20, 2019 ("**SRM Regulation II**" and together with SRM Regulation I, the "**SRM Regulation**"), which became effective on January 1, 2015, establishes uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the SRM and a Single Resolution Fund (the "**Single Resolution Fund**"). The SRM itself is made up of the SRB and the national resolution authorities which in the case of Spain are the Bank of Spain, as the preventive resolution authority, and the FROB, as the executive resolution authority. In our case, the Relevant Resolution Authority would be the SRB as we are considered a significant bank.

Single Resolution Fund

The Single Resolution Fund is financed by ex-ante individual contributions from banking entities included in the SRM to be made on a yearly basis. The individual contribution of each bank will be based on a flat contribution (that is *pro rata* based on the amount of liabilities excluding own funds and covered deposits, in comparison to the total liabilities, excluding own funds and covered deposits, of all participating banks) and a risk-based contribution. In addition, where the funds of the Single Resolution Fund are not sufficient to cover the losses, costs or other expenses incurred by the use of the Single Resolution Fund in resolution actions, extraordinary ex-post contributions from the participating banks may be raised, with a maximum of three times the annual amount of the individual contribution. The funding obligation entered into force on January 1, 2016, and after eight years from that date, the available financial means of the Single Resolution Fund must in principle be at least 1% of the amount of covered deposits of all participating banks. The Single Resolution Fund is intended to reach a total amount of €55 billion by 2024 and to be used as a separate backstop only after an 8% bail-in of a bank's liabilities has been applied to cover capital shortfalls (in line with Directive 2014/59/EU, of May 15, establishing a framework for the recovery and resolution of credit institutions and investment firms ("**BRRD I**"), as amended by Directive (EU) 2019/879 of the European Parliament and of the Council of May 20, 2019 ("**BRRD II**" and together with BRRD I, the "**BRRD**")).

Law 11/2015 regulates the National Resolution Fund, which receives funds from the private finance sector and is created to prevent, to the greatest extent possible, taxpayers from assuming the burden of the restructuring or resolution of credit institutions in distress. On January 1, 2016, the fund compartment for credit institutions was merged with the rest of the national funds of the other member states and integrated with the SRM into the Single Resolution Fund and since then, Spanish credit institutions (including us) have had to pay their contributions to the Single Resolution Fund. Notwithstanding its single management, pursuant to the terms of the intergovernmental Agreement for the Transfer and Mutualization of Contributions to a Single Resolution Fund signed by 26 EU member states, of May 21, 2014, the Single Resolution Fund is, on a transitional basis, made up of national compartments so that funds for the restructuring of an institution in a

given member state may be funded only out of the corresponding compartment for such member state. The funds in the compartments shall be progressively mutualized over an eight-year period, at the end of which the compartments will have ceased to exist so that funds from any member state may be used to restructure or resolve institutions in any other member state.

In 2021, we contributed €181 million to the Single Resolution Fund (€111 million in 2020 and €103 million in 2019).

BRRD and Law 11/2015

The common European rules on recovery and resolution of credit institutions are set forth in the BRRD and in the SRM Regulation. Both instruments aim to equip resolution authorities with common tools and powers to tackle bank crises at the earliest possible moment and avoid costs to taxpayers. The set of measures provided for in the BRRD and the SRM Regulation include preparatory and preventive measures, the attribution of powers to the supervising authorities enabling them to act pre-emptively and that are triggered whenever a financial institution does not comply or it is likely that it will not comply with the regulatory requirements to which it is subject, as well as resolution instruments and powers to be used when an institution does not comply with its regulatory requirements or is likely to fail.

In accordance with Article 20 of Law 11/2015 and Article 18(4) of the SRM Regulation, an institution will be considered as failing or likely to fail in any of the following circumstances: (i) it is, or is likely in the near future to be, in significant breach of its solvency or any other requirements necessary for maintaining its authorization; (ii) its assets are, or are likely in the near future to be, less than its liabilities; (iii) it is, or is likely in the near future to be, unable to pay its debts as they fall due; or (iv) it requires extraordinary public financial support (except in limited circumstances). According to Article 8.2 of Law 11/2015, and in line with the contents of the European Banking Authority's guidelines on the interpretation of the different circumstances when an institution shall be considered as failing or likely to fail under Article 32(6) of Directive 2014/59/UE (EBA/GL/2015/07) the determination that an institution is no longer viable depends on, among others, the existence of a rapid deterioration in the financial position or liquidity of the entity or a rapid increase in leverage, defaults or concentration of exposures may be considered to assess the possibility of failure to comply with the requirements. The determination that an institution is no longer viable may also depend on a number of factors which may be outside of that institution's control.

As provided in the BRRD, Law 11/2015 and the SRM Regulation, there are four resolution tools and powers which may be used alone or in combination where the FROB, the SRB or, as the case may be and according to the SRM Regulation and Law 11/2015, the ECB, the Bank of Spain or the CNMV or any other entity with the authority to exercise any such tools and powers from time to time (each, a "**Relevant Resolution Authority**"), as appropriate, considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest.

The four resolution tools are: (i) sale of business, which enables resolution authorities to direct the sale of the institution or the whole or part of its business on commercial terms; (ii) bridge institution, which enables resolution authorities to transfer all or part of the business of the institution to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control); (iii) asset separation, which enables resolution authorities to transfer impaired or problem assets to one or more publicly-owned asset management vehicles to allow them to be managed with a view to maximizing their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) bail-in, by which the Relevant Resolution Authority may exercise the Spanish Bail-in Power (as defined below). This includes the ability of the Relevant Resolution Authority to write down and/or to convert into equity or other securities or obligations (which equity, securities and obligations could also be subject to any future application of the Spanish Bail-in Power) certain unsecured debt claims irrespective of whether they qualify as capital instruments or not.

According to Article 27.3 of the SRM Regulation and Article 42 of Law 11/2015 (which transposes Article 44 of the BRRD), resolution authorities shall not exercise the Spanish Bail-in Power in relation to certain liabilities: (a) covered deposits; (b) secured liabilities (up to the amount of the guarantee) including covered bonds and liabilities in the form of financial instruments used for hedging purposes which form an

integral part of the cover pool and which according to national law are secured in a way similar to covered bonds; (c) any liability that arises by virtue of the holding by the relevant institution or entity of client assets or client money including client assets or client money held on behalf of UCITS (as defined below), venture capital funds or closed-end type UCITS provided that such a client is protected under the applicable insolvency law; (d) any liability that arises by virtue of a fiduciary relationship between the relevant institution or entity as fiduciary and another person as beneficiary provided that such a beneficiary is protected under the applicable insolvency law; (e) liabilities to institutions, excluding entities that are part of the same group, with an original maturity of less than seven days; (f) liabilities with a remaining maturity of less than seven days, owed to systems or operators of systems designated according to Act 41/1999, of November 12, on payment and securities settlement systems, or their participants and arising from the participation in such a system or to central counterparties ("**CCPs**") authorized in the European Union pursuant to Article 14 of Regulation (EU) No. 648/2012 and third-country CCPs recognized by the European Securities and Markets Authority ("**ESMA**") pursuant to article 25 of that Regulation; and (g) a liability to any one of the following: (i) an employee, in relation to accrued salary, pension benefits or other fixed accrued remuneration, except for the variable component of remuneration that is not regulated by a collective bargaining agreement; (ii) a commercial or trade creditor arising from the provision to the relevant institution or entity of goods or services that are critical to the daily functioning of its operations, including IT services, utilities and the rental, servicing and upkeep of premises; (iii) tax and social security authorities; or (iv) deposit guarantee schemes arising from contributions due in accordance with Royal Decree-law 16/2011, of October 14, by which the FGD was created and its implementing regulation; and (h) liabilities issued to entities that are a part of the same resolution group without themselves being resolution entities, regardless of their maturities, except where those liabilities rank below ordinary unsecured liabilities under the relevant national law of the Kingdom of Spain governing normal insolvency proceedings.

"Spanish Bail-in Power" means any write-down, conversion, transfer, modification, or suspension power existing from time to time under, and exercised in compliance with any laws, regulations, rules or requirements in effect in Spain, relating to the transposition of the BRRD, as amended from time to time, including, but not limited to (i) Law 11/2015, as amended from time to time, (ii) Royal Decree 1012/2015, of November 6, implementing Law 11/2015 (*Real Decreto 1012/2015, de 6 de noviembre, por el que se desarrolla la Ley 11/2015, de 18 de junio, de recuperación y resolución de entidades de crédito y empresas de servicios de inversión, y por el que se modifica el Real Decreto 2606/1996, de 20 de diciembre, sobre fondos de garantía de depósitos de entidades de crédito*) ("**RD 1012/2015**"), as amended or replaced from time to time, (iii) the SRM Regulation as amended from time to time, and (iv) any other instruments, rules or standards made in connection with either (i), (ii) or (iii), pursuant to which any obligation of an institution can be reduced, cancelled, modified, or converted into shares, other securities, or other obligations of such institution or any other person (or suspended for a temporary period).

In accordance with Article 21.10 of the SRM Regulation and Article 48 of Law 11/2015 (and subject to any exclusions that may be applied by the Relevant Resolution Authority under Article 27.5 of the SRM Regulation and Article 43 of Law 11/2015 in addition to the aforementioned mandatory exclusions set forth in Article 27.3 of the SRM Regulation and Article 42 of Law 11/2015), in the case of any application of the Spanish Bail-in Power, the sequence of any resulting write-down or conversion by the Relevant Resolution Authority shall be in the following order: (i) CET1 instruments (such as common shares); (ii) AT1 instruments; (iii) Tier 2 instruments; (iv) other subordinated claims that do not qualify as AT1 capital or Tier 2 capital; and (v) the eligible senior claims (such as the Notes) in accordance with the hierarchy of claims in normal insolvency proceedings (with "non-preferred" senior claims subject to the Spanish Bail-in Power after any subordinated claims against the credit institution but before the other senior claims against the credit institution).

In addition to the Spanish Bail-in Power, the BRRD, the SRM Regulation and Law 11/2015 provide for resolution authorities to have further power to permanently write-down or convert relevant capital instruments and certain internal eligible liabilities into equity upon the non-viability of an institution or a group (the "**Non-Viability Loss Absorption**"). The point of non-viability of an institution is the point at which the Relevant Resolution Authority determines that the institution meets the conditions for resolution (either (i) the institution infringes or there are objective elements to support a determination that the group, in the near future,

will infringe its consolidated solvency requirements or any other requirements which are necessary to maintain the banking license; (ii) the liabilities of the institution are or there are objective elements to support a determination that the liabilities of the institution will, in the near future, be greater than its assets; (iii) the institution is or there are objective elements to support a determination that the institution will, in the near future, be unable to pay its liabilities as they fall due; or (iv) extraordinary public financial support is required by the institution) or will no longer be viable unless the relevant capital instruments and certain internal eligible liabilities are written down or converted into equity or extraordinary public support is to be provided and without such support the Relevant Resolution Authority determines that the institution would no longer be viable. The point of non-viability of a group is the point at which the group infringes or there are objective elements to support a determination that the group, in the near future, will infringe its consolidated solvency requirements in a way that would justify action by the Relevant Resolution Authority.

According to Article 21 of the SRM Regulation and Article 38 of Law 11/2015, the Relevant Resolution Authority may exercise the Non-Viability Loss Absorption: (i) independently of resolution action, including the Spanish Bail-in Power; or (ii) in combination with a resolution action, where the conditions for resolution specified in Article 18.1 of the SRM Regulation and Article 19 of the Law 11/2015 are met.

Credit institutions must prepare and maintain a recovery plan (as described in Article 6 of Law 11/2015) providing measures to be taken by the institution to restore its financial position following a significant deterioration of its financial situation. The plan and its updates must be approved by the board of directors of the entity, for review by the competent authority. The recovery plan must be updated at least annually and also after any significant change in the organizational or legal structure of the institution or its financial position. The recovery plan should include a set of indicators, both quantitative and qualitative, that will be considered as a reference to undertake the actions envisaged therein. In no case should access to public financial support be assumed. The plan shall include a range of recovery measures to, among others, and as required in each case, (a) reduce the risk profile of the institution, including liquidity risk; (b) enable timely recapitalization measures; (c) review the institution's strategy and structure; (d) make changes to the funding strategy so as to improve the resilience of the core business lines and critical functions; and (e) make changes to the governance structure of the institution.

When an entity meets the conditions for early intervention as defined in Article 8.1 of Law 11/2015, the competent supervisor will declare the situation of early intervention and may set all or some of the early intervention measures. For these purposes, Article 9.1 of Law 11/2015 compels institutions to immediately inform the competent supervisor as soon as they are aware of meeting any of the conditions defined in Article 8.1. Early intervention measures are described in Article 9 of Law 11/2015 and include, but are not limited to, the following (i) to require the management body of the entity to apply one or more of the measures set out in its recovery plan; (ii) to require the management body of the entity to examine the situation, determine the necessary measures to overcome the problems identified and draw up an action plan to address these issues, with a specific timetable for implementation; (iii) to require the management body of the institution to convene, or if the management body fails to comply with this requirement, convene directly the general shareholders' meeting; (iv) to require the removal or replacement of one or more members of the management body, senior management or similar, if it is determined they do not meet their obligations in accordance with the requirements applicable; (v) to appoint a competent supervisor delegate in the entity entitled to attend, with voice but no vote; (vi) to require the management body to draft a plan for negotiating debt restructuring with part or all of its creditors; and (vii) to require changes in the business strategy of the institution or the consolidated group or subgroup. The institution may even be intervened, or its board of directors replaced by decision of the competent supervisor in case that the aforementioned measures were not sufficient.

In a resolution process, the absorption of losses by shareholders, holders of capital instruments and creditors of the institution is intended to avoid the cost to taxpayers. The Relevant Resolution Authority will apply the power to write-down and convert capital instruments and eligible liabilities to absorb losses and to cover the relevant recapitalization amount determined under the provisions of the law, writing down or reducing the number of shares, equity instruments or liabilities admissible in the sequence determined by Article 21.10 of the SRM Regulation and Article 48 of Law 11/2015.

The Spanish deposit guarantee scheme

The current Spanish deposit guarantee scheme (*Fondo de Garantía de Depósitos de Entidades de Crédito*, the "**FGD**") was created (as a result of the consolidation of the former deposit guarantee schemes of banks, savings banks and credit cooperatives) by RDL 16/2011, of October 14, as amended. Pursuant to Article 8 of such RDL 16/2011, the FGD guarantees both (i) cash deposits, by means of the deposit guarantee division and (ii) securities deposits, by means of the securities guarantee division; in both cases up to €100,000 per customer and credit institution, which is the minimum insured amount for all EU member banks. For the purpose of the FGD's guarantee, eligible deposits will be those credit balances held in accounts, including funds arising from transitory situations due to traffic operations and excluding those deposits mentioned in Article 4.4 of RD 2606/1996, which the institution is obliged to return under the applicable legal and contractual conditions, regardless of the currency in which they are denominated and provided that they are constituted in Spain or in another Member State of the European Union, including term deposits and savings deposits. The portion of these deposits that does not exceed €100,000 per customer and credit institution will be considered guaranteed deposits.

The FGD is funded by (a) annual contributions from member credit institutions; (b) extraordinary contributions from the institutions up to a maximum amount of 0.5% of the deposits to which the guarantee extends (unless the Bank of Spain authorizes a higher amount); (c) financing obtained in capital markets or by other mechanisms; and (d) guaranteed payment commitments from the institutions. The Ministry of Economic Affairs and Digital Transformation (*Ministerio de Asuntos Económicos y Transformación Digital*), following a proposal from the Bank of Spain, is authorized to reduce the member banks' contributions when the FGD's equity is considered sufficient to meet its needs. Moreover, contributions will be suspended when the FGD's equity reaches 1% of the calculation base of the contributions of the member institutions as a whole.

On April 16, 2014, Directive 2014/49/EU of the European Parliament and of the Council on deposit guarantee schemes ("**Deposit Guarantee Schemes Directive**") was adopted, aimed at eliminating certain differences between the laws of the EU member states as regards the rules on deposit guarantee schemes to which those credit institutions are subject. The Deposit Guarantee Schemes Directive was transposed to Spanish national law through Law 11/2015 and Royal Decree 1012/2015 by amending, respectively, RDL 16/2011 and RD 2606/1996. As the Deposit Guarantee Schemes Directive states that the scope of protection of deposit guarantee schemes shall be limited to the coverage of deposits or to funding early intervention or resolution measures, the FGD has been divided into (i) the deposit guarantee division, which funds shall be used to cover the responsibilities set out in the Deposit Guarantee Schemes Directive, and (ii) the securities guarantee division, which shall cater for the rest of responsibilities of the FGD.

RD 1012/2015 introduced a change in the methodology of calculation of the contributions to the deposit guarantee division. The calculation base for the contributions was no longer determined by the total amount of deposits that may need to be covered by the deposit guarantee schemes, but rather by the volume of deposits that would become effectively covered by the deposit guarantee schemes. Likewise, this regulation sets out a cooperation regime between the deposit guarantee schemes of the EU member states, in particular, in relation to the refund of deposits in branches established by banks in other member states.

Due to the fact that the integration of deposit guarantee schemes into a single scheme for countries participating in the EU Banking Union ("**Banking Union**") is perceived as a "third pillar" of such Banking Union (the other two being the SSM and the SRM, both already in force), on January 26, 2021, the European Commission launched a targeted public consultation on technical aspects on a new review of BRRD, the SRM Regulation and Directive 2014/49/EU of the European Parliament and of the Council of April 16, 2014 on deposit guarantee schemes. The consultation was open until April 20, 2021 and was split into two main sections: a section covering the general objectives of the review focus, and a section seeking technical feedback on stakeholders' experience with the current framework and the need for changes in the future framework, notably on (i) resolution, liquidation and other available measures to handle banking crises, (ii) level of harmonization of creditor hierarchy in the EU and impact on no creditor worse off principle, and (iii) depositor insurance. No agreement on potential changes was reached during the public consultation, and therefore further work will be needed and legislative proposals on this topic are only expected during 2022.

Pursuant to Article 6 of RDL 16/2011, annual contributions are calculated based on the amount of deposits guaranteed by each bank and its risk profile. Circular 5/2016, of May 27, of the Bank of Spain on the calculation method for the contributions to be made by the participating entities to the deposit guarantee fund, as amended, sets out the applicable method to adjust the annual contribution calculated based on the amount of deposits guaranteed by each bank, in proportion to their risk profile.

As for the securities deposit, Royal Decree 948/2001, of August 3, regulated investor guarantee schemes (*sistemas de indemnización de los inversores*) related to both investment firms and to credit institutions. These schemes are set up through the Investment Guarantee Fund (*Fondo de Garantía de Inversiones*) for securities broker and broker-dealer firms and the FGD already in place for credit institutions.

As of December 31, 2021, we were a member of the FGD and thus were obliged to make annual contributions to it. In 2021, our total contribution to the FGD amounted to €396 million (€244 million in 2020 and €242 million in 2019).

Capital requirements

As a result of the financial crisis, banking regulators have enhanced and reinforced the regulatory framework of financial institutions globally. The "**Basel III Framework**" or "**Basel III**", a banking supervision package of reforms to the regulatory capital framework for internationally active banks, is designed, in part, to ensure that capital instruments issued by such banks fully absorb losses before taxpayers are exposed to loss.

Basel III is an evolving set of international standards agreed upon by supervisors and central banks. The goal of Basel III is to reduce the risk of spillover from the financial sector to the real economy. To achieve this, Basel III proposes reforms meant to strengthen global capital, liquidity and leverage requirements. It also aims to facilitate supervision and increase transparency. There are three pillars that make up Basel III. Pillar I represent the minimum capital and liquidity requirements; Pillar II allows national supervisors to impose further measures requiring additional capital or liquidity; and Pillar III represents enhanced risk disclosure, transparency and market discipline.

In Europe, the Basel III standards have been implemented through Directive 2013/36/EU, of the European Parliament and of the Council, of June 26, 2013, on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms ("**CRD IV**"), as amended by Directive (EU) 2019/878 of the European Parliament and of the Council of May 20, 2019 (the "**CRD V Directive**" and together with the CRD IV Directive, the "**CRD Directive**") and Regulation (EU) No. 575/2013, of June 26, of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (the "**CRR I**") as amended, mainly by Regulation (EU) 2019/876 of the European Parliament and of the Council of May 20, 2019 (the "**CRR II**" and together with the CRR I, the "**CRR**"), which is complemented by several binding regulatory technical standards, all of which are directly applicable in all EU member states without the need for national implementation measures (the "**CRD Implementing Measures**") (the CRR together with the CRD Directive and any CRD Implementing Measures, the "**Capital Requirements Regulations**"). The implementation of the CRD IV Directive in Spain took place through Royal Decree-law 14/2013, of November 29, on urgent measures to adapt Spanish law to EU regulations on the subject of supervision and solvency of financial entities (the "**RDL 14/2013**"), Act 10/2014, of June 26, on organization, supervision and solvency of credit institutions (the "**Law 10/2014**"), Royal Decree 84/2015, of February 13, implementing Act 10/2014 (the "**RD 84/2015**"), and Bank of Spain Circulars 2/2014, of January 31, and 2/2016, of February 2, to credit institutions, on supervision and solvency, which complete the adaptation of Spanish law to CRR and the CRD IV (the "**Bank of Spain Circular 2/2016**").

On June 27, 2019, a comprehensive package of reforms amending CRR I, the CRD IV Directive, the BRRD I and the SRM Regulation I entered into force: (i) CRD V Directive; (ii) BRRD II; (iii) CRR II; and (iv) SRM Regulation II (the "**EU Banking Reforms**"). The EU Banking Reforms cover multiple areas, including, among others, the "Pillar 2 framework", the leverage ratio, mandatory restrictions on distributions, permission for reducing own funds and eligible liabilities, macroprudential tools, a new category of "non-preferred" senior debt that should only be bailed-in after junior ranking instruments but before other senior liabilities, changes to the definitions of Tier 2 and Additional Tier 1 instruments, the MREL framework and

the integration of the TLAC standard into EU legislation. With regard to the European Commission's proposal regarding the recognition of the "non-preferred" senior debt, it was implemented in the EU through the Directive (EU) 2017/2399 amending the BRRD as regards the ranking of unsecured debt instruments in insolvency hierarchy, which was published in the Official Journal of the EU on December 27, 2017. In Spain, the new class of "non-preferred" senior debt and its insolvency ranking were introduced earlier through the RD 11/2017.

The EU Banking Reforms include directives and regulations intended to clarify the requirements for MREL eligibility. The CRD V Directive and BRRD II have been implemented into Spanish law through RDL 7/2021, which has amended, among others, Law 10/2014 and Law 11/2015. Despite the fact that RDL 7/2021 is generally enforceable since April 29, 2021, the Spanish Parliament decided on May 19, 2021 to process it as a Law and so RDL 7/2021 provisions may be subject to changes. Furthermore, Royal Decree 970/2021, of November 8, amended Royal Decree 84/2015, and Circular 5/2021 of the Bank of Spain (which partially implemented the CRD V Directive although full implementation of CRD V Directive still requires approval of some other relevant amendments to other secondary Spanish regulations (i.e., Bank of Spain Circulars)) and Royal Decree 1041/2021 amended Royal Decree 1012/2015 and completed the implementation of BRRD II into Spanish law. Given their recent implementation, it is uncertain how the EU Banking Reforms will be applied by competent authorities.

Additionally, on October 27, 2021, the European Commission published legislative proposals amending CRR and the CRD Directive, as well as a separate legislative proposal amending CRR and BRRD in the area of resolution of credit institutions and investment firms. In particular, these legislative proposals are the following: (i) Directive of the European Parliament and of the Council amending CRD Directive as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks, and amending BRRD; (ii) Regulation of the European Parliament and of the Council and its annex amending CRR as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor; and (iii) Regulation of the European Parliament and of the Council amending CRR and BRRD as regards the prudential treatment of global systemically important institution groups with a multiple point of entry resolution strategy and a methodology for the indirect subscription of instruments eligible for meeting the minimum requirement for own funds and eligible liabilities. These legislative proposals will need to follow the ordinary legislative procedure to become binding EU law. The timing for the final implementation of these legislative proposals is unclear as of the date of this Offering Memorandum. The final package of new legislation may not include all elements currently set out in the legislative proposals and new or amended elements may be introduced through the course of the legislative process. Furthermore, with respect to (i) above, the Directive will need to be implemented in each of the Member States, and the way it will be implemented may vary depending on the relevant Member State.

Own funds (minimum Pillar 1 capital requirements)

Basel III, as implemented through the Capital Requirements Regulations, seeks to consistently define capital and set minimum capital requirements for credit institutions. The value of a bank's capital is expressed as a percentage of its RWAs. Safe assets such as cash are disregarded while loans to other institutions receive a higher weight. This means that banks must carry more capital for riskier assets. The capital requirement ratios are meant to correlate the amount of risk with a corresponding level of capital. Banks can choose to increase capital or reduce RWAs when attempting to meet the capital ratio requirements.

In compliance with the applicable solvency requirements, we must at all times satisfy the following own funds requirements (minimum Pillar 1 requirements):

- a CET1 ratio of 4.5%;
- a Tier 1 capital ratio of 6%; and
- a total capital ratio of 8%.

CET1 capital ratio (4.5%)

The CET1 capital ratio is the CET1 capital of the institution expressed as a percentage of the total risk exposure amount. CET1 capital is comprised of the sum of the following elements: (a) capital instruments, provided that the conditions laid down in Article 28 of the CRR or, where applicable, Article 29 are met; (b) share premium accounts related to the instruments referred to in point (a); (c) retained earnings; (d) accumulated other comprehensive income; (e) other reserves; and (f) funds for general banking risk. The items referred to in points (c) to (f) shall be recognized as CET1 only where they are available to the institution for unrestricted and immediate use to cover risks or losses as soon as these occur.

Tier 1 capital ratio (6%)

The Tier 1 capital ratio is the Tier 1 capital of the institution expressed as a percentage of the total risk exposure amount. The Tier 1 capital of an institution consists of the sum of the CET1 capital (4.5%) and Additional Tier 1 ("**AT1**") capital (1.5%). AT1 capital is comprised of the sum of the following elements: (a) capital instruments, where the conditions laid down in Article 52(1) of the CRR are met; and (b) the share premium accounts related to the instruments referred to in point (a). Instruments included under point (a) shall not qualify as CET1 or Tier 2 items.

Total capital ratio (8%)

The total capital ratio is the own funds of the institution expressed as a percentage of the total risk exposure amount. The total capital of an institution consists of the sum of the Tier 1 capital (6%) and Tier 2 capital (2%). Tier 2 capital consists of (a) capital instruments where the conditions laid down in Article 63 of the CRR are met; (b) the share premium accounts related to instruments referred to in point (a); (c) for institutions calculating risk-weighted exposure amounts in accordance with Chapter 2 of Title II of Part Three of the CRR, general credit risk adjustments, gross of tax effects, of up to 1.25% of risk-weighted exposure amounts calculated in accordance with Chapter 2 of Title II of Part Three of the CRR; and (d) for institutions calculating risk-weighted exposure amounts under Chapter 3 of Title II of Part Three of the CRR, positive amounts, gross of tax effects, resulting from the calculation laid down in Articles 158 and 159 up to 0.6% of risk-weighted exposure amounts calculated under Chapter 3 of Title II of Part Three of the CRR. Items included under point (a) shall not qualify as CET1 or AT1 items.

Pillar 2 requirements (P2R) and Pillar 2 Guidance (P2G)

The Capital Requirements Regulations also contemplate that in addition to the minimum Pillar 1 capital requirements, supervisory authorities shall impose, as a result of the SREP conducted by them, further P2R (as defined below) capital requirements to, among others, cover other risks, including those not considered to be fully captured by the minimum Pillar 1 capital requirement under CRR.

Pursuant to the Capital Requirements Regulations, the relevant supervision authorities, in coordination with the EBA, will periodically subject the banks they supervise to stress tests. The ultimate aim of capital stress tests is to conduct a comprehensive assessment of the risks and solvency of the banks to determine potential capital requirements in the event these scenarios arise. The results of such tests will be taken into account in the SREP and will, in turn, have an impact on the decision to establish prudential requirements for each financial year.

In accordance with Article 104a and 104b of the CRD Directive, as implemented in Spain by Articles 69 and 69 bis of Law 10/2014 and Articles 94 and 95 of RD 84/2015, "Pillar 2" capital will consist of two components: (i) "Pillar 2" requirements ("**P2R**"), which are binding and which breach can have direct legal consequences for banks, and (ii) "Pillar 2" Guidance ("**P2G**") which is a non-legally binding expectation identified on an idiosyncratic and risk-sensitive way to address the institutions' ability to maintain applicable own funds requirements in stress conditions based on the outcomes of the adverse scenario of the relevant supervisory stress tests. According to Article 43.3.c) of Law 10/2014, banks shall meet at all times the P2G with CET1 capital on top of the level of binding capital (minimum and additional) requirements ("**Pillar 1**" capital requirements, P2R and the "**combined buffer requirements**"). If a bank does not meet its P2G, this will not result in automatic action of the supervisor and will not be used to determine the Maximum Distributable Amount (as defined below), but Article 69.1.e) of Law 10/2014, provides that when an institution

repeatedly fails to meet P2G, it will trigger, where appropriate, the imposition of additional own funds requirements. The Capital Requirements Regulations do not require disclosure of the P2G.

The EBA Guidelines on common procedures and methodologies for SREP and supervisory stress testing (under review) hinge on four main components: (i) business model analysis; (ii) assessment of internal governance; (iii) assessment of risks to capital and adequacy of capital; and (iv) assessment of risks to liquidity and adequacy of liquidity. The assessment is summarized in a common scoring and leads to a consistent approach in setting supervisory requirements to hold additional capital and liquidity resources, as needed. Under these guidelines, competent supervisors should set a composition requirement for the P2R capital requirements to cover certain specified risks of at least 56% CET1 capital and at least 75% Tier 1 capital. Under Article 104(a) of the CRD Directive, EU banks would have been directly allowed to meet P2R with these minimum proportions of CET1 capital and tier 1 capital from January 2021. However, on March 12, 2020 in response to COVID-19 the ECB announced measures expected to provide capital relief to banks in support of the economy. These measures included the permission to (i) operate temporarily below the level of capital defined by P2G and the LCR (the ECB does not expect banks to operate above the levels of their P2G and LCR any sooner than by the end of 2022 and 2021, respectively, and are reminded that the counter-cyclical capital buffer may be used to withstand potential stress) and (ii) bring forward the use of Additional Tier 1 instruments and Tier 2 instruments to meet P2R. Article 94.6 of RD 970/2021 implements Article 104(a) of the CRD Directive into Spanish law.

In addition to the recent statements on using flexibility within accounting and prudential rules, such as those made by the Basel Committee on Banking Supervision (the "**BCBS**"), the EBA and the ECB, among others, the European Commission proposed a few targeted "quick fix" amendments to the EU's banking prudential rules in order to maximize the ability of banks to lend and absorb losses related to COVID-19. On June 28, 2020, Regulation 2020/873 of the European Parliament and of the Council of June 24 amending CRR as regards certain adjustments in response to COVID-19 (the "**CRR Quick Fix**"), entered into force setting out exceptional temporary measures to alleviate the immediate impact of COVID-19-related developments, by adapting the timeline of the transitional arrangements for mitigating the impact on own funds of the application of international accounting standards on banks' capital, by postponing the date of application of the leverage ratio buffer for G-SII, by setting an optional temporary prudential filter to mitigate the negative impact of the volatility in central government debt markets during COVID-19 on institutions, by modifying the way of excluding certain exposures from the calculation of the leverage ratio[5], by advancing the date of application of several agreed measures that incentivize banks to finance employees, SMEs and infrastructure projects, the EBA regulatory technical standards on software and by aligning the minimum coverage requirements for NPLs that benefit from public guarantees with those that benefit from guarantees granted by official export credit agencies.

Combined buffer requirement

"Combined buffer requirement" means the total CET1 capital required to meet the requirement for the capital conservation buffer extended by the following, as applicable: an institution-specific countercyclical capital buffer; a G-SII buffer; an O-SII buffer; and a systemic risk buffer. The CET1 used to meet these buffers cannot be used to meet any other regulatory requirements or expectations (Pillar 1, P2R capital requirements or P2G).

The only buffer which is legally required for all institutions is the capital conservation buffer, the other four buffers will be determined by the competent authorities periodically.

- *Capital conservation buffer*. The purpose of this buffer is to ensure that banks build up capital buffers in times of economic growth which can be drawn down as losses are incurred. This buffer is an additional 2.5% of RWAs.

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[5] On February 10, 2022, the ECB published its decision not to extend beyond March 2022 the supervisory measure that allows institutions to exclude central bank exposures from their leverage ratios.

- *Countercyclical buffer*. The purpose of this buffer is to counteract the effects of the economic cycle on the lending activity of banks. It should reduce the volatility of credit. It should also reduce the probability of credit bubbles or crunches. The buffer forces banks to keep capital during economic booms to keep credit from becoming too cheap. The capital is then to be used or "released" when economic activity contracts. The percentage of the buffer can raise up to 2.5% of RWAs although the calculations of the buffer are based on the positions of the financial entity in different jurisdictions. In relation to Spain, the Bank of Spain publishes on a quarterly basis the value of the countercyclical buffer for the positions of credit institutions in Spain. On December 27, 2021, the Bank of Spain agreed to maintain the countercyclical buffer at 0% for the first quarter of 2022.
- *G-SII buffer*. The Financial Stability Board ("**FSB**") and the Bank of Spain identify annually which banks are considered G-SIIs. These banks are required to keep a buffer of not less than 1% of RWAs. G-SIIs are divided in categories, depending on the category assigned by the competent authority, institutions are required to maintain a certain buffer. As of the date of this Offering Memorandum, we have not been classified as G-SII by the FSB nor by the Bank of Spain, so we are not required to maintain this buffer.
- *O-SII buffer*. The Bank of Spain identifies annually which banks are considered O-SIIs and the buffer corresponding to each of them. Generally, these banks are required to keep a buffer of up to 3% of RWAs. We are classified as O-SII and accordingly, from January 1, 2022 we are required to maintain an O-SII buffer of 0.375%[6]
- *Systemic risk buffer*. This buffer may be used to prevent and mitigate long-term non-cyclical systemic or macro-prudential risks not covered by CRR. So far, the Bank of Spain has not required this buffer.

Stacking order

According to Article 48 of Law 10/2014, Article 73 of RD 84/2015 and Rule 24 of the Bank of Spain Circular 2/2016, those entities failing to meet the "combined buffer requirement" will be subject to restrictions on: (i) distributions relating to CET1 capital; (ii) payments in respect of variable remuneration or discretionary pension revenues; and (iii) distributions relating to additional tier 1 capital instruments ("**Discretionary Payments**"), until the maximum distributable amount calculated according to the Capital Requirements Regulations (i.e., the firm's "distributable profits", calculated in accordance with the Capital Requirements Regulations, multiplied by a factor dependent on the extent of the shortfall in CET1 capital) (the "**Maximum Distributable Amount**") has been calculated and communicated to the Bank of Spain. Thereafter, any such distributions or payments will be subject to such Maximum Distributable Amount for entities (a) not meeting the "combined buffer requirement" or (b) in relation to which the Bank of Spain has adopted any of the measures set forth in Article 68.2 of Law 10/2014 aimed at strengthening own funds or limiting or prohibiting the distribution of dividends.

As set out in the "Opinion of the European Banking Authority on the interaction of Pillar 1, Pillar 2 and combined buffer requirements and restrictions on distributions" published on December 16, 2015, competent authorities should ensure that the CET1 capital to be taken into account in determining the CET1 capital available to meet the "combined buffer requirement" for the purposes of the Maximum Distributable Amount calculation is limited to the amount not used to meet its Pillar 1 and P2R capital requirements. Accordingly, the "combined buffer requirement" is in addition to the minimum capital requirement and to the additional capital requirement, and therefore it would be, after the P2G, the first layer of capital to be eroded pursuant to the applicable stacking order. Whereas recital 14 of the CRDV Directive further clarifies that P2R should be positioned in the relevant stacking order of own funds requirements above the "Pillar 1" capital requirements and below the "combined buffer requirement" or the leverage ratio buffer requirement, as applicable, it also clarifies that P2R should be set in relation to the specific situation of an institution excluding macroprudential or systemic risks, but including the risks incurred by individual institutions due to their activities (including

[6] 0.50% from January 1, 2023. This decision has to be confirmed by the Bank of Spain in the 2022 review process.

those reflecting the impact of certain economic and market developments on the risk profile of an individual institution). The CRD Directive also allows the P2R to be partially covered with Additional Tier 1 instruments and Tier 2 instruments from January 2021, the application of this measure having been brought forward as a response to COVID-19, as explained above.

Our minimum capital requirements

ECB 2021 SREP communication

On June 22, 2021, we were informed about the amendments to the latest Supervisory Review and Evaluation Process ("**SREP**") due to the Merger. This amendment replaced the requirements of the 2019 SREP decision, applicable until then, by increasing the P2R by 15 basis points, setting the requirement at 1.65%.

Additionally, according to the Bank of Spain's communication in July 2021 (after being updated due to the merger with Bankia) as of January 1, 2022, the O-SII buffer requirement will increase from 0.25% in 2021 up to 0.50%[7] beginning January 1, 2023, applying an intermediate phase in of 0.375% in 2022.

As a result, the minimum CET1 requirements for us, as a result of the Merger, stood at 8.31% (8.19% in 2021) of our total amount of RWAs, including the Pillar 1 regulatory minimum (4.5% of RWA), P2R[8] requirement (0.93% of RWA), the capital conservation buffer (2.5% of RWA), the O-SII buffer (0.375% of RWA)[9] and the countercyclical buffer (0.01% of RWA based on the geographical composition of the portfolio as of December 31, 2021 (updated quarterly)). In addition based on the minimum Pillar 1 requirements applicable to Tier 1 capital (6%) and Total capital (8%), the requirements as of the date of this Offering Memorandum stand at 10.12% (9.99% in 2021) and 12.53%% (12.41% in 2021), respectively, and at 1.24% and 1.65% for P2R, respectively.

The following table shows the solvency requirements for 2021 and 2022 compared to the capital position of the Group on a consolidated basis as of December 31, 2021[10]:

	Capital position as of December 31, 2021	2021 Requirements	of which "Pillar 1"	of which P2R	of which buffers	2022 Requirements
CET1………..	13.1%	**8.19%**	4.5%	0.93%	2.76%	**8.31%**
Tier 1……….	15.5%	**9.99%**	6.0%	1.24%	2.76%	**10.12%**
Total capital…	17.9%	**12.41%**	8.0%	1.65%	2.76%	**12.53%**

As a result, the CET1 threshold which would force the Group to limit the 2021 distributions in the form of dividend payments, variable remuneration and interests to holders of Additional Tier 1 instruments, commonly referred to as the activation level of the maximum distributable amount (or MDA trigger), is set at 8.19%, in terms of CET1. Potential shortfalls of Additional Tier 1 or Tier 2 for the purpose of complying with to the applicable minimum capital requirements, 1.81% and 2.41%, respectively, would increase the amount of CET1 required to comply with the MDA trigger. As of December 31, 2021, there were no shortfalls to add.

As reflected in the table above, as of December 31, 2021, CaixaBank reached a CET1 of 13.1% of RWAs[11], which totaled €215,500 million. The internal CET1 solvency target approved by the Board of Directors is set between 11% and 11.5% (without considering IFRS 9 transitional arrangements) and a buffer

[7] This decision has to be confirmed by the Bank of Spain in the 2022 review process.

[8] P2R does not apply at an individual level.

[9] It does not apply at an individual level. 0.50% from January 1, 2023 after being updated due to the Merger with Bankia.

[10] Capital ratios include IFRS9 transitional arrangements.

[11] At an individual level, CaixaBank's CET1 ratio reached 13.9% as of December 31, 2021. This is in comparison with a minimum requirement of CET1 for 2021 of 7.01% (including 0.01% of countercyclical buffer). Thus, capital requirements are more restrictive at a consolidated level than at an individual level.

of between 250 and 300 basis points on the SREP regulatory requirement. As also reflected in the table above, the Tier 1 ratio as of December 31, 2021 stood at 15.5%, covering the entire Additional Tier 1 bucket, both in terms of Pillar 1 requirements (1.5%) and the corresponding part of the P2R (0.8%). The Total Capital ratio stands at 17.9%.

The leverage ratio at a consolidated level stood at 5.3% of the regulatory exposure as of December 31, 2021.

Minimum requirement for own funds and eligible liabilities (MREL)

In addition to the capital requirements under the Capital Requirements Regulations, BRRD introduces requirements for banks to maintain at all times a sufficient aggregate amount of own funds and "eligible liabilities", meaning liabilities that may be bailed in using the bail-in tool. Eligible liabilities may be senior or subordinated, provided, among other requirements, that they have a remaining maturity of at least one year and, if governed by a non-EU law, they must be able to be written down or converted under that law (including through contractual provisions), to ensure that banks have sufficient liabilities to absorb losses in case of failure, so shareholders and creditors should back much of the recapitalization burden instead of taxpayers. This requirement should be proportionate and adapted for each category of bank on the basis of their risk or the composition of their sources of funding, its resolution strategy, resolution plan prepared by the SRB and other criteria. The BRRD requires the MREL to be set as a percentage of the total risk exposure amount and the total exposure measure of the institution, calculated in each case in accordance with CRR, however, the MREL is not a fixed figure imposed by legislation, but is to be set on a case-by-case basis by resolution authorities. To ensure consistency, there are some common criteria laid down for resolution authorities to apply, which must be further specified by the adoption of regulatory technical standards.

On May 23, 2016, the European Commission adopted a Delegated Regulation containing the MREL technical standards (Commission Delegated Regulation (EU) 2016/1450 of May 23, 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; the "**MREL Technical Standards**"), which specifies the criteria that resolution authorities will need to consider when setting the MREL. The level of capital and eligible liabilities required under MREL will be set by the resolution authority for each bank (and/or group) based on certain criteria including systemic importance.

The BRRD provisions on MREL have been transposed into Spanish law by means of Law 11/2015 and RD 1012/2015 as amended by RDL 7/2021 and RD 1041/2021, respectively, which establish provisions to ensure that banks have sufficient loss-absorbing capacity and are ready for the implementation of bail-in tools (such as debt for equity swaps), and provides for national resolution authorities to set the MREL for each institution, based on the size, risk and business model also based on the resolution plan and other criteria. The MREL requirement came into force on January 1, 2016. However, the MREL Technical Standards and RD 1012/2015 recognized an appropriate transitional period to be set by resolution authorities. Such transitional period must comply with the maximum deadlines established by RD 1012/2015, this is, January 1, 2024 for the full requirement and January 1, 2022 for the intermediate requirement.

Likewise, on November 9, 2015, the FSB published Total Loss Absorbing Capacity ("**TLAC**") Principles and Term Sheet, proposing G-SIIs to maintain significant minimum amounts of liabilities that are subordinated (by law, contract or structurally) to certain prior ranking liabilities, such as guaranteed insured deposits, and which form a new standard for G-SIIs. The TLAC Principles and Term Sheet contain a set of principles on loss absorbing and recapitalization capacity of G-SIIs in resolution and a term sheet for the implementation of these principles in the form of an internationally agreed standard. As of July 2, 2019, the FSB published its review of the technical implementation of the TLAC Principles and Term Sheet concluding that, although further efforts are needed to fully and effectively implement the TLAC standard and to determine the appropriate group-internal distribution of TLAC resources across home and host jurisdictions, there was no need to modify the TLAC standard as of such date. The TLAC Principles and Term Sheet establish a minimum TLAC requirement to be determined individually for each G-SII at the greater of (a) 16% of RWAs as of January 1, 2019, and 18% as of January 1, 2022, and (b) 6% of the Basel III Tier 1 leverage exposures as of

January 1, 2019, and 6.75% as of January 1, 2022. Under the FSB TLAC standard, capital buffers stack on top of TLAC.

Although we have not been classified as a G-SII by the FSB nor the Bank of Spain, one of the main objectives of the EU Banking Reforms is to implement the TLAC standard and to integrate the TLAC requirement into the general MREL rules ("**TLAC/MREL Requirements**") thereby avoiding duplication from the application of two parallel requirements. Although TLAC and MREL pursue the same regulatory objective, there are, nevertheless, some differences in the way they are constructed. The EU Banking Reforms integrate the TLAC standard into the existing MREL rules to ensure that both requirements are met with largely similar instruments, with the exception of the subordination requirement, which will be partially institution-specific and determined by the resolution authority.

Although the specific MREL requirements may vary depending on the specific characteristics of the relevant entity and the resolution process, BRRD II and CRR II introduce a relevant change for complying with MREL which as the date of this Offering Memorandum includes two different ratios: (i) a risk ratio (percentage of total RWAs of the resolution entity -MREL-RWA) and (ii) a non-risk ratio (percentage of the resolution entity's total exposure measure) calculated in each case in accordance with CRR (MREL-LRE). Entities should meet simultaneously the levels resulting from the two measurements on a consolidated basis.

MREL requirement is composed of two components: Loss Absorption Amount ("**LAA**") and ReCapitalisation Amount ("**RCA**"). Some adjustments may apply to this formula following a case-by-case analysis.

Regarding the default MREL requirements formula, for the MREL-RWAs, the LAA consists of the sum of the minimum Supervisory Pillar 1 capital requirement (Article 92(1) CRR) and Supervisory Pillar 2 capital requirement (Article 104a CRD); and for the MREL-LRE, the LAA corresponds to the leverage ratio requirement (Article 92(1)(d) CRR). For the MREL-RWAs, the RCA consists of the sum of the minimum Supervisory Pillar 1 and Pillar 2 capital requirements; and for the MREL-LRE, the RCA corresponds to the leverage ratio requirement for the LRE calculation. Some adjustments may apply to this formula following a case-by-case analysis.

Likewise, according to the EU Banking Reforms, MREL subordination requirements application is also subject to a different regime depending on the nature of the entity based on its resource volume and systemic profile. Thus, the MREL subordination requirements are different for G-SIIs, "top tier" entities (entities which are not G-SIIs with consolidated total assets above €100 billion) such as the Bank, other entities which the resolution authority has assessed as reasonably likely to pose a systemic risk in the event of its failure ("other systemic entities") and the rest of the resolution institutions. In particular, G-SIIs, "top tier" banks and other systemic entities are subject from January 2022 to MREL Pillar 1 requirements (to be met with subordinated instruments only): in principle, 18% RWAs and 6.75% of leverage exposure in the case of G-SIIs and 13.5% of RWAs and 5% of leverage exposure in the case of "top tier" entities and other systemic entities.

On February 22, 2022, we received the formal communication from the Bank of Spain regarding the MREL requirements as determined by the SRB, based on the information as of March 31, 2021, after the integration with Bankia. As set out in the notification, CaixaBank, on a consolidated basis, must comply by January 1, 2024 with a minimum amount of own funds and eligible liabilities of 20.92% of RWAs, which would be equal to 23.93% when including the CBR expected on that date[12]. As for the intermediate requirement, the SRB decided that, since January 1, 2022, CaixaBank must comply with a Total MREL Requirement of 19.33% of RWAs, which would be equal to 22.21% when including the current CBR.

With regard to the Subordinated MREL Requirement, the SRB decided that CaixaBank, on a consolidated basis, must comply by January 1, 2024 with a Subordinated MREL Requirement of 15.69% of RWAs, which would be equal to 18.70% when including the CBR expected on that date. As for the intermediate requirement,

[12] Combined Buffer Requirements (CBR) includes a phase-in of the O-SII buffer, according to the Bank of Spain communication received on July 28, 2021 (0.375% in 2022 and 0.5% as of 2023 (the latter to be confirmed in the Bank of Spain's review in 2022)). CBR 2.76% in 2021, 2.88% in 2022 and 3.01% as of 2023.

the SRB decided that, by January 1, 2022, CaixaBank must comply with a Subordinated MREL Requirement of 13.50% of RWAs, which would be equal to 16.38% when including the current CBR.

Furthermore, CaixaBank, on a consolidated basis, must comply by January 1, 2024 with a Total and Subordinated MREL Requirement of 6.19% of LRE. As for the intermediate requirement, the SRB has decided that, by January 1, 2022, CaixaBank must comply with a Total and Subordinated MREL Requirement of 6.09% of LRE.

As of December 31, 2021, CaixaBank reached an MREL ratio[13] of 26.2% of RWAs and 9.0% in terms of LRE at consolidated level. At a subordinated level, primarily including senior non-preferred debt, the MREL ratio of subordinated instruments reached 22.8% of RWAs and 7.8% in terms of LRE as of December 31, 2021.

In accordance with Articles 72a et seq of the CRR, eligible liabilities, including subordinated debt instruments that may not be deemed as additional AT1 or Tier 2 capital, shall be included in the MREL if they satisfy the conditions established under Article 72b(2) of the CRR. These conditions include, inter alia, that (i) the liability is directly issued or raised, as applicable, by an institution and is fully paid up; (ii) the liability is not owned by either (a) the institution or an entity included within the same resolution group, or (b) an undertaking in which the institution has a direct or indirect participation in the form of ownership, direct or by way of control, of 20% or more of the voting rights or capital of that undertaking; (iii) the acquisition of ownership of the liabilities is not funded directly or indirectly by the resolution entity; (iv) the claim on the principal amount of the liabilities under the provisions governing the instruments is wholly subordinated to claims arising from the excluded liabilities referred to in Article 72a(2) of the CRR, a subordination requirement that will be considered as being met in any of the situations listed under Article 72b(2)(d)(i) to (iii); (v) the liabilities are not secured or subject to a guarantee or any other arrangement that enhances the seniority of the claim by either (a) the institution or its subsidiaries; (b) the parent undertaking of the institution or its subsidiaries; or (c) any undertaking that has close links with the entities referred to in points (a) and (b); (vi) the liabilities are not subject to set-off or netting arrangements that would undermine their capacity to absorb losses in resolution; (vii) the provisions governing the liabilities do not include any incentive for their principal amount to be called, redeemed or repurchased prior to their maturity or repaid early by the institution, as applicable, except in the cases referred to in Article 72c(3) of the CRR; (viii) the liabilities are not redeemable by the holders of the instruments prior to their maturity, except in the cases referred to in Article 72c(2) of the CRR; (ix) subject to Article 72c(3) and (4) of the CRR, where the liabilities include one or more early repayment options, including call options, the options are exercisable at the sole discretion of the issuer, except in the cases referred to in Article 72c(2) of the CRR; (x) the liabilities may only be called, redeemed, repaid or repurchased early where the conditions set out in Articles 77 and 78a are met; (xi) the provisions governing the liabilities do not indicate explicitly or implicitly that the liabilities would be called, redeemed, repaid or repurchased early, as applicable by the resolution entity other than in the case of the insolvency or liquidation of the institution and the institution does not otherwise provide such an indication; (xii) the provisions governing the liabilities do not give the holder the right to accelerate the future scheduled payment of interest or principal, other than in the case of the insolvency or liquidation of the resolution entity; (xiii) the level of interest or dividend payments, as applicable, due on the liabilities is not amended on the basis of the credit standing of the resolution entity or its parent undertaking; and (xiv) for instruments issued after June 28, 2021 the relevant contractual documentation and, where applicable, the prospectus related to the issuance explicitly refer to the possible exercise of the write-down and conversion powers in accordance with Article 48 of Directive 2014/59/EU.

Article 86 of RD 1012/2015 as amended by RD 1041/2021 establishes the consequences of a failure by an institution to meet the MREL requirement, including, among others: prohibition of certain distributions, requirement of additional capital, sanctions and other administrative measures.

[13] These figures include €1,000 million of senior preferred notes issued in January 2022.

Maximum Distributable Amount

As previously explained, under Article 141 (Restrictions on distribution) of the Capital Requirements Regulations, member states of the EU must require that institutions that fail to meet the "combined buffer requirement" will be subject to restricted "Discretionary Payments" (which are defined broadly by the Capital Requirements Regulations as payments relating to CET1 capital (dividends), variable remuneration and payments on AT1 instruments). The restrictions will be scaled according to the extent of the breach of the "combined buffer requirement" or, where applicable, the corresponding SREP requirements and calculated as a percentage of the profits of the institution since the last distribution of profits or "Discretionary Payments". Such calculation will result in a Maximum Distributable Amount in each relevant period. As an example, the scaling is such that in the bottom quartile of the "combined buffer requirement" (taking into account the applicable stacking order), no "Discretionary Payments" will be permitted to be paid.

Article 141b of CRD IV Directive, included by the CRD V Directive, as implemented in Spain by Article 48 ter of Law 10/2014 and Article 73 bis of RD 84/2015, will restrict discretionary payments by G-SIIs in the form of dividends, variable remuneration and payments to holders of Additional Tier 1 Instruments in case of a failure to meet at the same time the leverage ratio buffer and the "combined buffer requirement".

In Spain, pursuant to Article 48.2 of Act 10/2014, credit institutions which do not fulfill the combined buffer requirement, shall calculate the Maximum Distributable Amount, in accordance with Article 73 of RD 84/2015 and Rule 24 of Bank of Spain Circular 2/2016.

Until the Maximum Distributable Amount has been calculated and such Maximum Distributable Amount has been immediately reported to the competent supervisor, none of the following actions can be performed by the credit institutions: (i) make a distribution in connection with CET1 capital; (ii) create an obligation to pay variable remuneration or discretionary pension benefits or pay variable remuneration if the obligation to pay was created at a time when the institution failed to meet the combined buffer requirements; and (iii) make payments on AT1 instruments. The restrictions shall only apply to payments that result in a reduction of CET1 capital or in a reduction of the profits, provided that the suspension or cancellation of the payment does not constitute an event of default of the payment obligations or other circumstances that lead to the opening of an insolvency proceeding.

When considering a distribution in connection with CET1 capital, the following are caught: (i) payment of cash dividends; (ii) the distribution of fully or partly paid shares or other equity instruments referred to in Article 26, paragraph 1, point (a) of the CRR; (iii) the redemption or purchase by an entity of its own shares or other own capital instruments referred to in Article 26, paragraph 1, point (a) of the CRR; (iv) reimbursement of amounts paid in connection with capital instruments referred to in Article 26, paragraph 1, point (a) of the CRR; (v) the distribution of the elements referred to in Article 26, paragraph 1, points (b) to (e) of the CRR; and (vi) anything else which the competent supervisor considers equivalent to those described in items (i) to (v).

Based on the most recent SREP carried out by the ECB in 2021, if our regulatory CET1[14] phased-in ratio fell below 8.19%, we would be required to calculate our Maximum Distributable Amount, and as a consequence it may be necessary for us to reduce Discretionary Payments. For 2022, the MDA threshold is 8.31%.

Furthermore, Article 10a of the SRM Regulation, as well as Article 16.a) of BRRD, as implemented in Spain by Article 16 bis of Law 11/2015, clarifies the stacking order between the "combined buffer requirement" and the MREL requirement. Pursuant to Law 11/2015, a resolution authority (including the SRB) has the power to prohibit an entity from making Discretionary Payments above the Maximum Distributable Amount (calculated in accordance with paragraph (4) of such Article 16.a) of the BRRD II and Articles 10a.4 of the SRM Regulation) where it meets the "combined buffer requirement" in combination with the relevant own funds requirements but fails to meet that "combined buffer requirement" when considered in addition to the MREL requirements (the "**MREL-Maximum Distributable Amount**" or, as defined in the SRM

[14] Including IFRS9 transitional arrangements.

Regulation, the "**M-MDA**"). Article 10a of the SRM Regulation and Article 16.a) of the BRRD (specifically, Article 10a.3 of the SRM Regulation and paragraph 3 of Article 16 bis of Law 11/2015) includes a potential nine-month grace period whereby the resolution authority (including the SRB) will assess on a monthly basis whether to exercise its powers under the MREL-Maximum Distributable Amount before such resolution authority is compelled to exercise its power (subject to certain limited exceptions).

Deferred Tax Assets (DTAs)

CRR provides that DTAs that rely on the future profitability of a financial institution must be deducted from its regulatory capital (specifically CET1 capital) for prudential reasons, as there is generally no guarantee that DTAs will retain their value in the event of the institution facing difficulties. In particular, the general rule could be summarized as follows:

(i) 100% of DTAs arising from tax losses must be deducted from CET1 capital, and

(ii) in respect of DTAs arising from temporary differences, only amounts in excess of 10% of CET1 capital must be deducted.

CRR and Circular 2/2014 of the Bank of Spain (which takes into account, in relation to significant institutions, such as us, Regulation (EU) 2016/445 of the ECB of March 14, 2016 on the exercise of options and discretions available in EU law (ECB/2016/4)) set forth the applicable transitional period for the phase-in of the deductions referred to DTAs. The transitional regime provides for a period in which only a percentage (which increases yearly) of the applicable DTAs will have to be deducted. In relation to DTAs existing prior to January 1, 2014, the phase-in period extends to December 31, 2023 (in any other case, the transitional period expired on December 31, 2018).

There is an exemption to the general rule according to which no DTAs arising from temporary differences would need to be deducted from CET1 capital, provided that the following conditions are met:

(i) DTAs are automatically and mandatorily replaced without delay with a tax credit in the event that the institution reports a loss when the annual financial statements of the institution are formally approved or in the event of liquidation or insolvency of the institution;

(ii) the institution is able under the applicable national tax law to offset a tax credit referred to in point (i) against any tax liability of the institution or any other undertaking included in the same consolidation as the institution for tax purposes under that law or any other undertaking subject to supervision on a consolidated basis; and

(iii) where the amount of tax credits referred to in point (ii) exceeds the tax liabilities referred to in that point, any such excess is replaced without delay with a direct claim on the central government of the Member State where the institution is incorporated.

This deduction has a significant impact on Spanish banks due to the particularly restrictive nature of certain aspects of Spanish tax law. For example, in some EU countries when a bank reports a loss, the tax authorities refund a portion of taxes paid in previous years, but in Spain the bank must earn profits in subsequent years in order for this set-off to take place. Additionally, Spanish tax law does not recognize as tax-deductible certain amounts recorded as expenses in the accounts of a bank, unlike the tax legislation of other EU countries.

The Spanish regulator implemented certain amendments to the Spanish Corporate Income Tax Act 27/2014, of November 27 (*Ley 27/2014, de 27 de noviembre, del Impuesto sobre Sociedades*) (the "**CIT Act**") through Royal Decree-law 14/2013 and Law 48/2015, of October 29, which also provided for a transitional regime for DTAs generated before January 1, 2016 whereby certain DTAs can be treated as a direct claim against the tax authorities if a Spanish taxpayer is liquidated, becomes insolvent or incurs accounting losses, or can be exchanged for public debt instruments should it be unable to reverse the relevant differences within 18 years. This measure allows a Spanish bank not to deduct such DTAs from its regulatory capital.

By virtue of the CIT Act, these tax assets are guaranteed by the Spanish government and they can be converted by us into a current asset against the Spanish Tax Administration if the relevant company holding such tax assets is liquidated or judicially declared insolvent.

As mentioned, any convertibility of such DTAs into a current asset enables it not to deduct an amount equal to its tax assets from its capital under Basel III, and, instead, add them to its RWAs, with a risk weighting of 100%.

However, in accordance with the aforementioned 2015 amendment of the CIT Act, in order for this conversion into current tax assets to be enforceable, Corporate Income Tax taxpayers (including us) will need to pay the Special Tax Charge (1.5% of the total amount of convertible assets existing on the last day of each tax period) over the DTAs recognized between 2008 and 2015 exceeding the aggregated tax liability of the taxpayer for these periods (2008-2015).

For tax periods starting on or after January 1, 2016, the amount of qualifying tax assets that will be convertible into current tax asset (*i.e.*, guaranteed by the Spanish state) will be equal to the tax liability of the year (*cuota liquida positiva*) in which such qualifying tax assets were generated.

Liquidity requirements

Minimum reserve ratio

The legal framework for the minimum reserve ratio is set out in Regulation (EU) 2021/378 of the European Central Bank of January 22, 2021 on the application of minimum reserve requirements. For deposits with agreed maturity or redeemable at notice over two years, repos and debt securities issued with maturity over two years there is no required reserve ratio. The reserve ratio for all other liabilities included in the reserve base is 1%.

Liquidity coverage ratio

The LCR is a quantitative liquidity standard developed by the BCBS to ensure that those banking organizations to which this standard is to apply have sufficient high-quality liquid assets to cover expected net cash outflows over a 30-day liquidity stress period.

As of December 31, 2021, our average[15] LCR[16] was 320% (248% and 186% as of December 31, 2020 and 2019, respectively).

Net Stable Funding Ratio

The BCBS's NSFR has a time horizon of one year and has been developed to provide a sustainable maturity structure of assets and liabilities such that banks maintain a stable funding profile in relation to their on- and off-balance sheet activities that reduces the likelihood that disruptions to a bank's regular sources of funding will erode its liquidity position in a way that could increase the risk of its failure.

As of December 31, 2021, our NSFR[17] was 154% (145% and 129% as of December 31, 2020 and 2019, respectively) with a regulatory minimum level of 100% from June 2021.

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[15] Average of the last 12 months.

[16] Regulatory quantitative liquidity standard to ensure that banks have sufficient high-quality liquid assets to cover expected net cash outflows over a 30-day liquidity stress period (combining both a financial system and a name crisis).

[17] Regulatory balance-sheet structure ratio which measures the relationship between the amount of stable funding available (defined as the amount of own and third-party funding expecting to be reliable for a one-year period) and the amount of stable funding required (given the liquidity characteristics and residual maturities of its assets and balance sheet exposures). Calculated under the criteria set forth in Regulation (EU) 2019/876 of the European Parliament and of the Council, of May 20, 2019, which entered into force in June 2021.

Capital management

Large exposures

CRR regulates large exposures in the context of capital management. Exposures to a person or group exceeding 1% of a group's or bank's regulatory capital represent a large exposure and need to be reported. Exposure to a single person or group shall not exceed 25% of a bank's or group's eligible capital.

As of December 31, 2021, we complied with the limit to large exposures, in accordance with CRR.

Article 392 of CRR limits the capital that can be taken into account to calculate the large exposures limit to Tier 1 capital (*i.e.*, Tier 2 capital is not included) and Article 395(1) of CRR introduces the lower limit of 15% for G-SIIs exposures to other G-SIIs.

Other relevant regulations

Payment services and Payment Accounts

In 2009, European legislation on payment services was adopted, mainly set out in Directive 2007/64/EC of the European Parliament and of the Council of November 13, 2007 on payment services in the internal market ("**PSD**"). PSD was implemented in Spain through Law 16/2009 and was aimed at opening up payment services to competition from newly licensed payment institutions and increasing consumer protection by introduction of information requirements and uniform operational rules for payment service providers. The PSD laid the foundation for the creation of a single market in payments and constitutes the legal framework for a single euro payments area.

Directive (EU) 2015/2366 of the European Parliament and of the Council of November 25, 2015 on payment services in the internal market ("**PSD2**") was formally adopted on November 25, 2015. PSD2 imposed additional requirements on us with respect to payment services in the EEA and supports the emergence of new players in the payment services area and the development of innovative mobile and internet payments in Europe by opening the EU payment market to companies offering consumer or business-oriented payment services based on the access to the information from the payment account – so called "payment initiation services providers" and "account information services providers". We are obliged to allow access to the accounts of our customers to these payment service providers offering payment initiation services or account information services.

Banks are obliged to allow access to the accounts of their customers for the so-called third-party payment service providers offering payment initiation services or account information services. Regulation (EU) 2015/751 of the European Parliament and of the Council of April 29, 2015 on interchange fees for card-based payment transactions, accompanying PSD2, introduces, among other things, maximum levels of interchange fees for transactions based on consumer debit and credit cards.

PSD2 has been implemented in Spain through Royal Decree-law 19/2018, of November 23, on payment services and other urgent financial measures and its developing regulation Royal Decree 736/2019, of December 20, on the legal regime of payment services and payment institutions.

MiFID, MiFID II, MiFIR

On April 21, 2004, Directive 2004/39/EC of the European Parliament and of the Council of April 21, 2004 on markets in financial instruments ("**MiFID**") was adopted. MiFID regulated the provision of investment services and investment activities, provided a harmonized regime and aimed to increase competition and reinforce investor protection. It streamlined supervision on the basis of home country control and enhanced the transparency of markets. Furthermore, MiFID harmonized conduct of business rules, including best execution, conflicts of interest, client order handling rules, rules on inducements and introduced a suitability test and an appropriateness test. Pursuant to MiFID, when advising a client or performing portfolio management activities a bank must: (i) in the interest of the client, obtain information about the latter's financial position, knowledge, experience, objectives and risk tolerance, insofar as this is reasonably relevant to the advice or the portfolio management, and (ii) ensure that its advice or manner of managing the portfolio, insofar as reasonably possible, is based on the information referred to under (i) (the suitability test). When

providing investment services other than advice or portfolio management, the bank must perform an appropriateness test relating to the client's knowledge and experience in the investment field relevant to the specific investment service. However, when transmitting and executing client orders at their initiative, and the orders relate to specific (non-complex) financial instruments such as (i) shares admitted to trading on a regulated market, and (ii) instruments normally traded on the money market (this is the execution-only regime), the appropriateness test does not have to be performed.

On May 15, 2014, MiFID II and Regulation (EU) No. 600/2014 of the European Parliament and of the Council of May 15, 2014 on markets in financial instruments ("**MiFIR**") were adopted by the European Parliament and the Council. MiFID II and MiFIR introduce new rules that among other things:

- regulate high frequency trading by requiring among other things (i) firms engaged in high frequency trading to be authorized to perform their activities, and (ii) trading venues to set limits on the order to trade ratio and set minimum tick sizes in shares and similar financial instruments;
- enhance the levels of client protection by (i) prohibiting investment firms from receiving payments (inducements) from third parties when providing independent advice and portfolio management, (ii) limiting the list of (non-complex) financial instruments in respect of which the execution-only regime without appropriateness test is available: execution only services can, for example, no longer be performed in respect of structured undertakings for collective investment in transferable securities ("**UCITS**") and (iii) extending the information requirements in relation to the best execution obligations;
- extend the organizational requirements and conduct rules by introducing product governance arrangements such as a product approval process and by prohibiting title transfer collateral arrangements in relation to retail clients' dealings in financial instruments;
- extend the application of certain organizational requirements and conduct rules to selling of and advising on structured deposits;
- extend and amend the current market structures by introducing (i) a new trading platform, the organized trading facility ("**OTF**"), (ii) a trading obligation for derivatives subject to the EMIR clearing obligation, and transactions in these derivatives will be required to take place on a regulated market, a multilateral trading facility ("**MTF**") or an OTF, if the derivative is sufficiently liquid and (iii) a trading obligation for shares that have been admitted for trading on a regulated market, an MTF or OTF unless exceptions apply, for instance where the transaction does not involve a retail counterparty and the transaction does not contribute to the price formation process;
- increase market transparency by extending the pre- and post-trade transparency regime to non-equities;
- enhance the availability and quality of trading data; and
- extend the scope of the reporting obligation to financial instruments traded on an MTF or OTF and financial instruments having an instrument traded on a regulated market as an underlying asset, and require additional information to be included in the transaction reports.

The exact scope and substance of most of MiFID II's rules are clarified in delegated acts, i.e. secondary legislation.

Furthermore, MiFID II has been amended by Directive (EU) 2016/1034 of the European Parliament and of the Council of June 23, 2016 amending MiFID II and MiFIR by Regulation (EU) 2016/1033 of the European Parliament and of the Council of June 23, 2016 amending MiFIR, Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC and the rules and regulations promulgated pursuant thereto (the "**Market Abuse Regulation**") and Regulation (EU) No. 909/2014 on improving securities settlement in the EU and on central securities depositories.

As of the date of this Offering Memorandum, MiFID II has been fully implemented into Spanish law through Royal Decree-law 21/2017, Royal Decree-law 14/2018 and Royal Decree 1464/2018.

MiFID II was further amended by Directive (EU) 2021/338 of the European Parliament and of the Council of February 16, 2021 amending Directive 2014/65/EU as regards information requirements, product governance and position limits, and Directives 2013/36/EU and (EU) 2019/878 as regards their application to investment firms, in the context of COVID-19. This amendment aimed to reduce complexity and simplify certain requirements. Member States were required to pass implementing measures by November 28, 2021 for them to be effective from February 28, 2022.

EMIR

EMIR aims to reduce counterparty risks related to OTC derivative trading and increases the transparency within the OTC derivatives market by requiring OTC derivatives which are declared subject to a clearing obligation to be cleared through central counterparties ("**CCPs**"), and by requiring counterparties to implement certain risk mitigation requirements with respect to non-centrally cleared OTC derivative transactions. EMIR also requires all derivative transactions (OTC or traded on a regulated market) to be reported to registered trade repositories.

Since its approval, EMIR has experienced a number of technical amendments and one larger review known as EMIR-refit, passed by Regulation (EU) 2019/834.

EMIR applies directly to any entity (financial or non-financial) established in the EU that has entered into a derivative transaction, and applies indirectly to non-EU counterparties trading with EU counterparties.

EMIR introduced a number of regulatory requirements for counterparties to OTC derivatives contracts, including: (i) a mandatory clearing obligation for certain classes of OTC derivatives contracts (the "**Clearing Obligation**"); (ii) a collateral exchange obligation for OTC derivatives contracts not subject to clearing (the "**Collateral Obligation**"); (iii) daily valuation and other risk mitigation requirements for OTC derivatives contracts not subject to clearing; and (iv) certain reporting and record keeping requirements.

Under EMIR, (a) financial counterparties whose positions in OTC derivatives exceed a specified clearing threshold ("**large FCs**" or "**FC+**") and (b) non-financial counterparties whose positions in OTC derivatives (excluding hedging positions) exceed a specified clearing threshold ("**NFC+s**"), must clear through a CCP certain OTC derivatives contracts that are entered into on or after the effective date for the Clearing Obligation for each relevant counterparty pair and class of derivatives (the "**Clearing Start Date**"). Unless an exemption applies, FC+s and NFC+s must clear any such OTC derivative contracts entered into between each other and with certain third country equivalent entities (i.e., those that would have been subject to the Clearing Obligation if they were established in the EU).

Data protection

GDPR was adopted on April 27, 2016. GDPR entered into force on May 25, 2018 and immediately applies across the EU as of such date. GDPR imposes more stringent data protection obligations than under the previous data protection regime, resulting in higher compliance burdens. GDPR requires us to be able to demonstrate our compliance with data protection principles. In addition, GDPR increases sanctions for data protection compliance violations up to a maximum of €20,000,000 or 4% of our global annual net turnover, whichever is higher.

In Spain, GDPR is supplemented by Organic Act 3/2018 on Personal Data Protection and Royal Decree 1720/2007, of December 21.

Financial Conglomerates' Directive

Since our deconsolidation from the CriteriaCaixa Group in September 2017, we have the status of financial conglomerate. Directive 2002/87/EC of the European Parliament and of the Council of December 16, 2002 on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate (the "**Financial Conglomerates' Directive**") was implemented in Spain through

Law 5/2005, of April 22, on the supervision of financial conglomerates and Royal Decree 1332/2005, of November 11, which develops Law 5/2005.

According to Financial Conglomerates' Directive, a group shall be considered as a financial conglomerate when it simultaneously meets the following conditions: (i) a regulated entity is at the head of the group or, if this is not the case, the group's activities are carried out mainly in the financial sector and at least one of the subsidiaries in the group is a regulated entity; (ii) at least one of the entities in the group is within the insurance sector and at least one is within the banking or investment services sector; and (iii) the consolidated and/or aggregated activities of the entities in the group within the insurance sector and the consolidated and/or aggregated activities of the entities within the banking and investment services sector are both significant.

Financial conglomerates, are subject to additional supervision by the JSTs (with the support of the DGSFP), with regards to (i) capital adequacy; (ii) risk concentration; (iii) intra-group transactions; and (iv) internal-control mechanisms and risk management processes.

Financial conglomerates are not required to deduct their holdings in own funds instruments of their insurance significant investments for the calculation of their own funds on a consolidated basis to the extent that the conditions set out in Article 49 of CRR are met.

Banking Foundations Act Overview

Following the Spanish government request for financial assistance to the EU and the International Monetary Fund for the recapitalization of certain Spanish financial institutions in 2012, it was agreed that Spanish authorities would take measures to: (i) strengthen the governance structure of the former savings banks and of the commercial banks controlled by them, (ii) clarify the role of former savings banks in their capacity as shareholders of credit institutions under the form of banks or regular foundations with a view to eventually reducing their stakes to non-controlling levels, and (iii) provide a roadmap for the eventual listing of banks which have benefited from state aids as part of the restructuring process.

On December 29, 2013, this request to reform the Spanish financial sector was fulfilled with the adoption of Act 26/2013, of December 27, on savings banks and banking foundations (the "**Banking Foundations Act**"), whereby the Spanish government amended the savings banks regime and most of the Spanish savings banks (which historically comprised almost half of the Spanish financial sector) were transformed into banks through different integration processes. The Banking Foundations Act therefore applies to the "la Caixa" Banking Foundation, as a banking foundation holding a controlling shareholding in the Company, although it does not apply to the Company directly.

The main changes introduced by the Banking Foundations Act were:

(i) *Savings banks were converted into banking foundations*: savings banks were automatically compelled to transform into foundations if their total assets exceeded €10 billion or the deposits market share in their core regions exceeded 35%. Upon conversion, each savings bank transferred its financial operations to a (newly created) bank in exchange for the shares of the latter. If the resulting foundation held at least 10% of the capital or voting rights of a bank or had the capacity to appoint board members in the bank, the foundation was classified as a banking foundation.

(ii) *Protocol for the management of the shareholding*: if a banking foundation (or several banking foundations acting in concert) holds a shareholding higher than 30% or a controlling shareholding in a bank, its governing body (*Patronato*) is obliged to put in place a protocol for the management of the shareholding in the bank that needs to be approved by the Bank of Spain, which evaluates if the influence of the foundation guarantees a sound and careful management of the bank, in accordance with general banking regulations.

    Such protocol has to include:

    - Basic strategic criteria to be taken into account in the management of the shareholding in the bank;

- The relationship between the governing body of the banking foundation and the management boards of the bank, indicating, *inter alia*, the criteria for the appointment of the directors of the bank; and
- General criteria for the implementation of transactions between the foundation and the bank and the mechanisms put in place to prevent conflicts of interests.

The Bank of Spain reviews the content of such protocol annually. The protocol of the banking foundation must be available at the website of the foundation and the relevant bank. The protocol for the management of CaixaBank's shareholding (the "**Management Protocol**") is accessible on our website. (https://caixabank.com/deployedfiles/caixabank/Estaticos/PDFs/Protocolo_participacion_financera_CABK_2017.pdf).

(iii) *Financial plan*: if a banking foundation (or several banking foundations acting in concert) holds a shareholding higher than 30% or a controlling shareholding (within the meaning of Article 42 of the Spanish Code of Commerce) in a bank, it is required to file each year with the Bank of Spain for its approval a financial plan detailing how the foundation will provide support to the bank in the event it has capital needs and the basic strategic criteria for investments in financial entities. The Bank of Spain will evaluate the foundation's possible influence on the sound and careful management of the bank, in accordance with general banking regulations.

The financial plan shall include, at least, the following points:

- Reasonable estimates of the capital requirements of the relevant bank in different macroeconomic scenarios;
- Strategy to be followed by the foundation to raise that capital in each scenario; and
- Basic strategic criteria for the investment in banks, including the term of the investments, the risk assumed and the diversification.

As for banking foundations having a shareholding higher than 50% or a controlling shareholding (within the meaning of article 42 of the Spanish Code of Commerce) in a bank, they must prepare a financial plan which shall also include:

- A plan for the diversification of investments and risk management, which shall include commitments in relation to the investment in assets issued by the same counterparty (different from those highly liquid and solvent assets) so they do not exceed the percentage over the total capital, in accordance with the terms defined by the Bank of Spain;
- The creation of a reserve fund (or alternatively, a divestment plan to reduce the shareholding in the bank), as described in (iv) below; and
- Any other measures that, in the view of the Bank of Spain, are required to guarantee the sound and careful management of the bank, and its capacity to comply with the Applicable Banking Regulations.

Financial plans are not made public by banking foundations.

(iv) *Creation of a reserve fund*: if a banking foundation (or several banking foundations acting in concert) has a controlling shareholding in a bank it is forced to create a reserve fund within the bank for eventual recapitalization needs. By virtue of Royal Decree 877/2015, of October 2, 2015, ("**RD 877/2015**") the foundations had initially a period of up to five years to build this reserve fund from the publication of the Bank of Spain Circular 6/2015, of November 17, developing RD 877/2015 ("**Circular 6/2015**") (which was published on November 20, 2015 and entered into force on November 21, 2015) or after acquiring a controlling stake in a bank. However, Royal Decree 536/2017 of May 26, 2017 ("**RD 536/2017**") extended that period to up to eight years. Under RD

536/2017, this deadline may be extended for one additional year, subject to the Bank of Spain's approval. Moreover, as a result of COVID-19 and the adoption of limitations to dividend distributions to banking foundations (which generally are their main source of income), Royal Decree-law 19/2020 of May 26, established, during the fiscal year 2020, a one-year suspension of the 8-year period to build this reserve fund. The reserve fund is determined as a percentage of the RWAs of the bank controlled by one or several banking foundations. This percentage depends on the bank's total capital ratios subject to adjustments in relation to the stake owned by the banking foundation(s).

Notwithstanding the above, pursuant to Article 44.3 of the Banking Foundations Act, banking foundations are not required to build the reserve fund if they put in place a divestment plan including a detailed roadmap to be followed to decrease its controlling shareholding in the relevant bank within a period of up to five years from November 21, 2015 (i.e., the date on which Circular 6/2015 entered into force). Pursuant to Article 47 of the Banking Foundations Act, a breach of the obligation to create the abovementioned reserve fund may be deemed as a very serious infringement and will be subject to the infringement procedure set out in Law 10/2014.

(v) *Corporate governance incompatibilities*: Pursuant to Article 10 of the Banking Foundations Act, it is an incompatibility to be a member of the governing body of banking foundations and credit institutions at the same time. In addition, pursuant to Article 40.3 of the Banking Foundations Act, directors of credit institutions of which a banking foundation is a shareholder are not eligible as members of the governing body of the relevant banking foundation. Accordingly, the members of the governing bodies of the "la Caixa" Banking Foundation and CaixaBank cannot be the same.

The Bank of Spain published Circular 7/2016, of November 29, developing accounting particularities applicable to banking foundations. Among others, this Circular specifies the accounting regime that banking foundations must apply in their individual and consolidated annual accounts, it establishes the requirement to identify in the internal accounting procedures the composition and implementation of the reserve fund described above and it provides additional information that should be included in the notes to the financial statements.

Covered bonds

Covered bonds have traditionally been an important source of funding for Spanish credit institutions. These instruments have structural features that aim to provide a special protection to investors, as they benefit from a statutory privilege over a certain pool of assets of the issuer vis-à-vis other creditors. Depending on the nature of the cover pool, there are three different types of covered bonds in Spain: mortgage covered bonds (*cédulas hipotecarias* and *bonos hipotecarios*), which are secured through mortgage loans, public covered bonds (*cédulas territoriales* and *bonos territoriales*), which are secured through loans granted to public authorities and internationalization covered bonds (*cédulas de internacionalización* and *bonos de internacionalización*), which are secured through loans linked to export contracts and the internationalization of companies.

Royal Decree-law 24/2021 ("**RDL 24/2021**") which, among others, transposes Directive (EU) 2019/2162 on covered bonds into Spanish law was published on November 3, 2021 in the Spanish Official Gazette. However, the new covered bonds regime will not come into force until July 8, 2022. RDL 24/2021, in addition to transposing the Directive, also seeks to simplify and harmonize the Spanish legal regime on covered bonds.

RDL 24/2021 repeals Law 2/1981, of March 25, on the regulation of the mortgage market, article 13 of Law 14/2013, of September 27, on support for entrepreneurs and their internationalization, Article 13 of Law 44/2002, of November 22, on financial system reform measures and fourth additional provision of Law 5/2015, of April 27, 2015, on the promotion of business financing which constituted, among others, the former regime of covered bonds. Covered bonds issued prior to July 8, 2022 pursuant to the former regulatory regime shall continue to be governed by said regulations until that date. Thereafter, the legal regime for such covered bonds shall be the one provided for in RDL 24/2021 and its implementing measures. In addition, until such date issuers of said outstanding covered bonds shall carry out the necessary actions to comply with the obligations provided for in RDL 24/2021.

New covered bonds regulation introduced by means of RDL 24/2021 provide for significant changes in relation to the issue and maintenance of these type of instruments, including, among others, the liquidity buffer, extendable maturity structures, periodic information to holders of covered bonds, supervision of covered bonds (cover pool monitor and public supervision) and insolvency or resolution of the issuer of the covered bonds.

Mortgage legislation

Mortgages and mortgage loans in Spain are subject to extensive and scattered regulation. The most important piece of legislation is Law 5/2019, of March 15, on regulation of real estate loans, further developed by Royal Decree 309/2019, of April 26 which entered into force on June 16, 2019 and implemented into Spanish law Directive 2014/17/EU of the European Parliament and of the Council of February 4, 2014 on credit agreements for consumers relating to residential immovable property.

A deep reform of mortgage legislation has been produced in Spain resulting in changes to such legislation, which, among others, are described below.

Royal Decree 6/2012, of March 9, on urgent measures to protect mortgage debtors without financial resources, introduced measures to enable the restructuring of mortgage debt and easing of collateral foreclosure aimed at protecting especially vulnerable debtors.

In addition, Royal Decree 27/2012, of November 15, on urgent measures to enhance the protection of mortgage debtors, provided for a two-year moratorium, from the date of its adoption, on evictions applicable to debtor groups especially susceptible to social exclusion, which may remain at their homes for such period.

Law 1/2013, of May 14, on measures to protect mortgagees, debt restructuring and social rents introduced important modifications to mortgage law and civil procedure law. Royal Decree-Law 5/2017, of March 17, which amends the Royal Decree-Law 6/2012 of March 9, concerning urgent measures for the protection of mortgage debtors without resources, and Law 1/2013. This Royal Decree-Law addresses the mortgage restructuring of those individuals who suffer from major difficulties to make payments and attempts to facilitate and provide more flexibility in foreclosure procedures, such as expanding the suspension period of eviction or making it possible to execute more flexible mortgage policies after having expanded the number of possible beneficiaries and facilitating preferential leases.

Royal Decree 11/2014, following the judgment of the CJEU of July 17, 2014 regarding Spanish foreclosure processes, allows debtors to appeal against a court's resolution which rejects his or her opposition to the execution of a mortgage.

Royal Decree-Law 1/2015, of February 27, on the "second chance" mechanism allows an individual who has been declared bankrupt to be discharged of outstanding obligations as long as he or she fulfils certain requirements: (i) the bankruptcy proceedings must have concluded, (ii) the debtor must have acted in good faith, the Royal Decree being restrictive as to when a debtor is considered to have acted in good faith, and (iii) the bankruptcy judge has to approve the terms of the discharge (and may revoke his or her approval under certain circumstances upon request of any creditor in the following five years). Discharge from mortgage obligations would only apply to the outstanding debts after the foreclosure, as long as such debts are considered ordinary or subordinate according to the Spanish Insolvency Law. Co-debtors and guarantors, if any, would remain liable.

Law 25/2015, of July 28, on the "second chance" mechanism reducing the financial burden and other measures of a social nature, entered into force on July 30, 2015 introducing a fee protection account for insolvency managers, limits on the remuneration of insolvency managers and the introduction of greater flexibility to a number of elements of the second chance mechanism.

COVID-19 mitigation measures

On March 18, 2020, Royal Decree-law 8/2020 of March 17, on extraordinary urgent measures to address the economic and social impact of COVID-19 was published and then amended by Royal Decree-law 11/2020 of March 31, which introduced certain improvements and extended the measures contemplated therein. These Royal Decrees were aimed at ensuring the protection of mortgage debtors in a situation of economic vulnerability, establishing, among others, a legal moratoria on the payment of (i) mortgage loans on principal

residence, (ii) loans secured by real estate used for economic activity, (iii) loans secured by housing that was intended for rental and in which the debtor had ceased to receive rent due to COVID-19, and (iv) loan and credit contracts without mortgage collateral, including consumer loans (the "**Legal Moratoria**"). The deadline to apply for these moratorium expired on March 30, 2021.

In addition to the Legal Moratoria, we adhered to the sectorial moratoria measures approved by the Board of the Spanish Confederation of Savings Banks (CECA) (the "**Sectorial Moratoria**"). The deadline for beneficiaries to apply for this Sectorial Moratoria expired on March 30, 2021.

Subject to satisfying certain requirements, lenders could benefit from granting moratoriums under the Sectorial Moratoria in terms of the treatment of these payment moratoriums for accounting and prudential regulatory purposes.

The main features of the Sectorial Moratoria were:

- They may apply to all kinds of loans, credit and finance leases.
- Notwithstanding the interest due under the original loans, lenders and borrowers could agree for deferred payments to be made by (i) changing the frequency of repayment, without changing the term of the loan, or (ii) extending the term of the loan by the same number of months as the moratorium lasts.
- Payment deferral agreements could not be used to lay down new terms that were not contained in the original loan, such as the purchase of new products or the taking of further security. Excepted from this is the rollover, with the same original terms and premium, of any loan repayment or payment protection insurance taken out.
- Where lenders grant Legal Moratoria and Sectorial Moratoria at the same time or successively, Sectorial Moratoria arrangements with debtors will explicitly state that the Legal Moratoria was in use and the Sectorial Moratoria would not take effect until it ends.
- Filing with the land registry of the Sectorial Moratoria between debtors and their lenders became fully effective, as necessary, with respect to registered interim creditors even where they did not consent to the arrangement.

Under the initial rules set out by Royal Decree-law 8/2020 (as modified by Royal Decree-law 11/2020), customers who applied for a Legal Moratoria or a Sectorial Moratoria in their mortgage payments ceased to be required to make those payments for three months or twelve months, respectively. Subsequently, the total duration of moratoria (both Legal Moratoria and Sectorial Moratoria) was set to nine months by Royal Decree-law 3/2021 of February 2, 2021 on measures to reduce the gender gap and other social security and economic measures. Where debtors did not apply for the moratorium under the original framework under Royal Decree-law 8/2020 (as modified by Royal Decree-law 11/2020) or, having done so, had not yet made use of the full nine months, they could apply for it under this new framework for the period that remained until those nine months were reached. If a Sectorial Moratoria of longer than nine months was granted before February 4, 2021 (when these further measures came into force), the terms and duration of the originally granted moratoria would remain the same, even if these exceeded nine months.

During the moratorium (whether it is a Legal Moratorium or Sectorial Moratorium), lenders could not demand mortgage payments or any repayments of principal or interest and mortgage provisions for demanding early repayment did not apply. Also, under the Legal Moratorium, no interest or late payment interest accrued in unpaid amounts.

Pursuant to Royal Decree-law 8/2020, the Spanish government also approved the granting of public guarantees under guaranteed credit lines, a €100 billion scheme for credit lines granted by institutions to companies and the self-employed to meet their liquidity needs (the "**Guaranteed Credit Lines**"). The Guaranteed Credit Lines are guaranteed by the Instituto de Crédito Oficial ("**ICO**") with the objective to provide sufficient liquidity to maintain employment and mitigate the economic effects of COVID-19.

Similarly, on July 3, 2020 Royal Decree-law 25/2020 was published, approving the implementation of a second scheme Guaranteed Credit Lines for €40 billion.

Subsequently, Royal Decree-law 34/2020 of November 17, was enacted extending the application period for these Guaranteed Credit Lines until June 30, 2021 and extending the maturity and grace periods of these transactions for all debtors who so requested before May 15, 2021. After Royal Decree-law 05/2021, of March 12, the deadline to apply for the Guaranteed Credit Lines was extended until December 31, 2021 and debtors were allowed to request the extension of the maturity and grace periods of these transactions until October 15, 2021. In particular, the maturity of these transactions can be extended by a maximum of three years, provided that the total maturity of the guaranteed transaction does not exceed eight years from the date of its execution, and the grace period for the repayment of the principal amount can be increased by a maximum of twelve additional months, if the total grace period, taking into account the initial grace period, does not exceed twenty-four months.

In line with the above, the RDL 27/2021 of November 23, extended the application period for these Guaranteed Credit Lines until June 30, 2022.

In this context, the Group applied both the Legal Moratoria and Sectorial Moratoria, as well as granted its customers Guaranteed Credit Lines, in order to reach a larger number of those affected by COVID-19. In addition, CaixaBank also acceded to the Code of Good Practices showing its commitment to implement diverse measures to provide our customers with more flexible terms for their Guaranteed Credit Lines. Among other measures, the Code of Good Practices provides clients who have been granted Guaranteed Credit Lines the possibility to request from the Group, among others, (i) the extension of their maturity (subject to certain eligibility requirements), (ii) the refinancing of any obligations (either guaranteed or non-guaranteed) assumed by clients between March 17, 2020 and March 13, 2021, both excluded (iii) the conversion of certain Guaranteed Credit Lines into guaranteed profit-linked loans (*préstamos participativos*) and (iv) a partial write-off (*quita parcial*) of their principal amount.

NPL coverage requirements

On March 15, 2018, the ECB published its supervisory expectations on prudent levels of provision for NPLs in the form of a subsequent addendum (the "**Addendum**") to the ECB's guidance on NPLs for credit institutions of March 20, 2017, which clarified the ECB's supervisory expectations with regard to the identification, measurement, management and write-off of NPLs. The Addendum sets out what the ECB considers to be prudential provisioning of non-performing exposures ("**NPEs**"), in order to avoid an excessive build-up of non-covered aged NPLs on banks' balance sheets in the future, which would require specific supervisory measures.

In this respect, the ECB assesses any differences between banks' practices and the prudential provisioning expectations at least annually and links the supervisory expectations in the Addendum to new NPLs classified as such from April 1, 2018 onwards. In addition, banks are asked to inform the ECB of any differences between their practices and the prudential provisioning expectations, as part of the SREP supervisory dialogue, as from early 2021. This could ultimately result in the ECB requiring banks to apply specific adjustments to their net worth calculations when the accounting treatment applied by the bank is not considered prudent from a supervisory perspective which, in turn, could have an impact on the banks' capital position.

In August 2019, the ECB further revised its supervisory expectations for prudential provisioning of new NPEs taking into account the adoption of the new Regulation (EU) 2019/630, which outlines the Pillar 1 treatment for NPEs, complements existing prudential rules and requires a deduction from own funds when NPEs are not sufficiently covered by provisions or other adjustments.

Notwithstanding the foregoing, on March 20, 2020 among the package of measures adopted in response to COVID-19, the ECB announced further measures introducing supervisory flexibility regarding the treatment of NPLs to allow banks to fully benefit from guarantees and moratoriums put in place by public authorities to tackle the COVID-19 distress. As a result, the EBA also issued statements regarding the prudential framework in relation to the classification of loans in default, classification of exposures under the definition of forbearance or as defaulted under distressed restructuring, and their accounting treatment. In

particular, the EBA clarified that generalized payment delays due to legislative initiatives and addressed to all borrowers do not lead to any automatic classification in default, forborne or unlikeliness to pay (individual assessments of the likeliness to pay should be prioritized) and clarified the requirements for public and private moratoria, which if fulfilled, are expected to help avoid the classification of exposures under the definition of forbearance or as defaulted under distressed restructuring. However, when the abovementioned flexibility expires or is limited, we could be required to classify certain of our exposures under the Guaranteed Credit Lines and the Legal Moratoria and the Sectorial Moratoria under forbearance or as defaulted under distressed restructuring, and in consequence, we will need to grant additional provisions which could negatively impact our results from operations.

Regulation of the disclosure of fees and interest rates

Interest rates on most kinds of loans and deposits are not subject to a maximum limit. Banks must publish their preferential rates, rates applied on overdrafts, maximum fees and commissions charged in connection with banking transactions. The foregoing regulations are enforced by the Bank of Spain.

Mutual fund regulation

Mutual funds in Spain are regulated by the CNMV. All mutual funds (Spanish or foreign) to be marketed in Spain, and mutual fund management companies (Spanish or acting through branches in Spain or on the basis of the freedom to provide services) are required to be registered with the CNMV. Spanish mutual funds may be subject to investment limits with respect to single sectors or companies and overall portfolio diversification minimums. In addition, periodic reports including a review of the fund's performance and certain material events affecting the fund are required to be distributed/notified to the fund's investors and filed with the CNMV.

Solvency II

A solvency framework for insurance and reinsurance companies operating in the EU, referred to as "Solvency II", entered into force on January 1, 2016. Solvency II is made up of Directive 2009/138/EC of the European Parliament and of the Council of November 25, 2009 on the taking-up and pursuit of the business of insurance and reinsurance ("**Solvency II Directive**"), several regulations supplementing Solvency II Directive which are directly applicable in the EU member states (mainly the Commission Delegated Regulation (EU) of 2015/35 of October 10, 2014 supplementing Solvency II Directive) and the relevant implementing regulations in the EU member states.

Solvency II Directive was implemented in Spain through Law 20/2015, of July 14, on the regulation, supervision and solvency of insurance and reinsurance undertakings and Royal Decree 1060/2015, of November 20, on the regulation, supervision and solvency of insurance and reinsurance undertakings.

Solvency II replaced previous insurance directives and introduced economic risk-based capital requirements across all member states promoting comparability, transparency and competitiveness in the insurance sector. Specifically, Solvency II significantly changed regulations with regards to (i) valuation of the balance sheet, (ii) calculation of technical reserves, (iii) measurement of admissible capital resources and required solvency, (iv) corporate governance and (v) reporting of risk management systems and of relevant data on solvency levels to the supervisory authorities and the market.

Insurance distribution

Directive 2016/97, of January 20, 2016 on insurance distribution (the "**Insurance Distribution Directive**") regulates brokers and other intermediaries selling insurance products. The scope of the Insurance Distribution Directive includes all sellers of insurance products, focusing especially on market integration, fair competition between distributors of insurance products and policyholder protection. Commission Delegated Regulations 2017/2358 and 2017/2359, of September 21, 2017 supplemented the Insurance Distribution Directive with regard to (i) product oversight and governance requirements for insurance undertakings and insurance distributors and (ii) information requirements and conduct of business rules applicable to the distribution of insurance-based investment products, respectively. Finally, Directive 2018/411, of March 14, 2018 amended the Insurance Distribution Directive and postponed the date of application of Member States'

transposition measures until October 1, 2018. On February 4, 2020, the Spanish government approved Royal Decree-law 3/2020 on urgent measures, implementing various EU directives in Spain relating to public procurement in certain sectors, private insurance, pension funds and plans, tax and tax disputes which transposes, among others, the Insurance Distribution Directive.

Anti-money laundering

On June 25, 2015, Directive 2015/849, of May 20, on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation No 648/2012, of July 4, and repealing (with effect from June 26, 2015) Directive 2005/60/EC, of October 26, and Commission Directive 2006/70/EC, of August 1, entered into force, enhancing the existing EU measures to combat money laundering and the financing of terrorism. Likewise, the Commission may adopt delegated acts in order to identify high-risk third countries, taking into account strategic deficiencies. The power to adopt delegated acts is conferred on the Commission for an indeterminate period of time from June 25, 2015.

Important changes in the EU requirements regarding anti-money laundering and the countering of the financing of terrorism (EU AML/CFT requirements) relate to additional requirements for identification and verification of the ultimate beneficial owner ("**UBO**"), introduction of a central UBO register, extension of the definition of politically exposed persons ("**PEPs**") to domestic PEPs and supervision of correct application of the directive outside the EU. This Directive was transposed into Spanish law by Title II of Royal Decree-law 11/2018, of August 31.

This directive was further amended by Directive (EU) 2018/843 of the European Parliament and of the Council of May 30, 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU. This amendment reinforced rules of customer due diligence, UBO identification and PEP screening. It also expanded its scope to new types of entities, such as virtual currency service providers. This amendment was implemented into Spanish law by means of RDL 7/2021, transposing EU directives on competition, anti-money laundering, credit institutions, telecommunication, tax measures, prevention and repair of environmental damage, posting of workers in the framework of the provision of services, and consumer protection.

Information exchange and reporting

There are various international and EU initiatives on automatic exchange of information such as the OECD Common Reporting Standard and the EU Directive on Administrative Cooperation in the field of Taxation (Council Directive 2011/16/EU, as amended by Council Directive 2014/107/EU). These initiatives call on jurisdictions to obtain information from financial institutions such as us. The information so obtained will be automatically exchanged with other jurisdictions.

In Spain, these initiatives, have been implemented by the General Tax Law 58/2003, of December 17, (Twenty-Second Additional Disposition in force since October 12, 2015) and Royal Decree 1021/2015, of November 13, which have a considerable impact on our customer on-boarding and administrative processes. Pursuant to these laws, we are required to report to the Spanish Tax Authorities information relating to customers (which do not fall under applicable exceptions), that are tax residents in any of the jurisdictions that have implemented or will implement in the future such initiatives, including their accounts. Failure to comply with such obligations could trigger penalties.

Spanish Auditing Act

Act 22/2015 on Accounts Audit (the "**Spanish Auditing Act**") was published in the Spanish Official Gazette on July 21, 2015 and entered into force on June 17, 2016. Royal Decree 2/2021, of January 12, implementing Act 22/2015 entered into force on January 31, 2021. Since banks and listed companies are considered "**public-interest entities**", CaixaBank is also subject to Regulation No 537/2014, of April 16, on specific requirements regarding statutory audit of public-interest entities ("**Regulation 537/2014**"). These specific requirements or limitations include, but are not limited to, the following: (i) the obligation to publish an annual transparency report by the auditors of public-interest entities, which should include, among others, information relating to public interest entities that have been audited; (ii) a list of prohibited non-audit services

that cannot be provided to those entities its parent and its subsidiaries; (iii) certain rules by which fees perceived by auditors other than those permitted for audit services in relation to a particular public interest entity can be limited; and, (iv) the obligation of external rotation or maximum contract period.

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of the Notes that will be attached to or incorporated by reference into each Global Note and that will be endorsed upon each definitive Note (forming, in each case, an integral part thereof) and, for the purposes of a specific Tranche of Notes, will be completed by the Pricing Supplement prepared by or on behalf of the Issuer in connection with such Notes. Such applicable Pricing Supplement will be attached to or incorporated by reference into each Global Note and endorsed upon each definitive Note. The Global Notes may take the form of, or be substituted by, obligations under one or more master notes representing one or more Series of Notes, in accordance with the terms of the Fiscal Agency Agreement. Accordingly, references herein to Global Notes shall be understood to refer to master notes, to the extent applicable and in accordance with the Fiscal Agency Agreement. In particular, the following Terms and Conditions will be attached to or incorporated by reference into each master note (forming an integral part thereof) and, for the purposes of a specific Tranche of Notes, will be completed by the Pricing Supplement prepared by or on behalf of the Issuer in connection with such Notes. Such applicable Pricing Supplement will be attached to or incorporated by reference into each master note.

This Note is one of a Series (as defined below) of Notes issued by CaixaBank, S.A. (the "**Issuer**") pursuant to the Fiscal Agency Agreement (as defined below).

References herein to the "Notes" shall be references to the Notes of this Series and shall mean:

(a) any Global Note (or master note, as the case may be); and

(b) any definitive Notes issued in exchange for a Global Note (or master note, as the case may be).

The Notes have the benefit of a fiscal agency agreement (as amended and/or supplemented and/or restated from time to time with respect to the Notes, the "**Fiscal Agency Agreement**") dated February 28, 2022 and made among the Issuer, The Bank of New York Mellon, London Branch as fiscal and paying agent (the "**Fiscal and Paying Agent**", which expression shall include any successor fiscal and paying agent), The Bank of New York Mellon, as calculation agent (the "**Calculation Agent**", which expression shall include any successor calculation agent), and The Bank of New York Mellon SA/NV, Dublin Branch, as registrar (the "**Registrar**", which expression shall include any successor registrar) and transfer agent (the "**Transfer Agent**", which expression shall include any successor transfer agent). The Fiscal and Paying Agent, any additional or successor paying agents (together with the Fiscal and Paying Agent, the "**Paying Agents**"), the Calculation Agent, the Registrar, the Transfer Agent and any additional or successor paying agent, calculation agent, registrar or transfer agent are referred to herein as the "**Agents**".

The final terms for this Note are set out in the Pricing Supplement attached to, incorporated by reference in or endorsed upon this Note, which complete these Terms and Conditions (the "**Conditions**"). References to the "**applicable Pricing Supplement**" are, unless otherwise stated, to the Pricing Supplement (or the relevant provisions thereof) attached to, incorporated by reference in or endorsed upon this Note.

Any reference to "**Noteholders**" or "**holders**" in relation to any Notes shall mean the registered holders of the Notes and shall, in relation to any Notes represented by a Global Note, be construed as provided below.

As used herein, "**Tranche**" means Notes that are identical in all respects (including the date from which interest starts to accrue) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes that (a) are expressed to be consolidated and form a single series and (b) have the same terms and conditions or terms and conditions that are the same in all respects except for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

Copies of the Fiscal Agency Agreement (i) are available for inspection or collection during normal business hours at the specified office of each of the Paying Agents and (ii) may be provided by email to a Noteholder following their prior written request to any Paying Agent and provision of proof of holding and identity (in a form satisfactory to the relevant Paying Agent). The Noteholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Fiscal Agency Agreement and the applicable Pricing

Supplement that are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Fiscal Agency Agreement.

Words and expressions defined in the Fiscal Agency Agreement or used in the applicable Pricing Supplement shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Fiscal Agency Agreement or these Conditions and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail.

In the Conditions:

"**Calculation Amount**" means an amount constituting either (i) in the case of one single denomination, the amount of that denomination or (ii) in the case of multiple denominations, the highest common amount by which the multiple denominations may be divided (for example, U.S.$1,000 in the case of $200,000, U.S.$201,000 or U.S.$210,000);

"**Group**" means the Issuer and its Subsidiaries; and

"**Subsidiary**" means, in relation to an entity, any entity controlled by that first entity where control is determined in accordance with Regulation 43 of Circular 4/2017, of November 27, of the Bank of Spain as amended from time to time (*Norma 43 de la Circular 4/2017, de 27 de noviembre, del Banco de España*), whether any such entity is a financial institution or not.

For the avoidance of doubt, an Ordinary Senior Note will be deemed to be eligible to comply with MREL Requirements even if it is not so eligible provided that its ineligibility arises solely as a result of the circumstances described in paragraphs (a)(i) to (iv) of the definition of Eligible Liabilities Event.

The Issuer has appointed The Bank of New York Mellon at its office in the City of New York, unless otherwise specified in the applicable Pricing Supplement, to act as Calculation Agent of the Notes, and it has appointed The Bank of New York Mellon SA/NV, Dublin Branch, to act as Transfer Agent of the Notes.

1 FORM, DENOMINATION, TITLE AND TRANSFER

1.1 Form, Denomination and Title

The Notes will initially be represented in global form by one or more permanent global certificates or one or more master notes in fully registered form in U.S. dollars and will trade only in book-entry form.

If the Notes are represented by one or more permanent certificates:

(a) the Notes sold pursuant to Rule 144A ("**Rule 144A**") under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") initially will be represented by one or more global certificates (collectively, the "**Rule 144A Global Notes**"); and

(b) the Notes sold pursuant to Regulation S ("**Regulation S**") under the Securities Act initially will be represented by one or more global certificates (collectively, the "**Regulation S Global Notes**" and, together with the Rule 144A Global Notes, the "**Global Notes**").

The Global Notes may take the form of, or be substituted by, obligations under one or more master notes representing one or more Series of Notes, in accordance with the terms of the Fiscal Agency Agreement. References herein to Global Notes shall be understood to refer to master notes, to the extent applicable and in accordance with the Fiscal Agency Agreement.

Upon issuance, the Global Notes will be deposited with the Fiscal and Paying Agent as custodian for DTC and registered in the name of DTC or its nominee, in each case for credit to an account of a direct or indirect participant in DTC.

For so long as DTC or its nominee is the registered owner or holder of a Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the Notes represented by such Global Note for all purposes under the Fiscal Agency Agreement and such Notes, except to the extent that, in

accordance with DTC's published rules and procedures, any ownership rights may be exercised by its participants or beneficial owners through participants.

Notes that are represented by a Global Note, and beneficial interests therein, will be transferable only in accordance with the rules and procedures for the time being of DTC and its direct or indirect participants (including, if applicable, those of Euroclear Bank S.A./N.V. or Clearstream Banking, S.A.), which may change from time to time.

Notes sold in reliance on Rule 144A (including beneficial interests in the Rule 144A Global Notes) will be subject to certain restrictions on transfer and will bear a restrictive legend (the "**Private Placement Legend**").

Unless otherwise specified in the applicable Pricing Supplement, the Notes will be issued in minimum denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof (the applicable minimum denominations being referred to as "**Specified Denomination or Denominations**").

This Note may be a Fixed Rate Note, a Fixed Reset Note or a Floating Rate Note, or a combination of any of the foregoing all as indicated in the applicable Pricing Supplement.

This Note may be a Senior Note or a Tier 2 Subordinated Note and, in the case of a Senior Note, an Ordinary Senior Note or a Senior Non-Preferred Note, all as indicated in the applicable Pricing Supplement.

1.2 Transfers of Registered Notes

The Issuer has appointed The Bank of New York Mellon SA/NV, Dublin Branch, unless otherwise specified in the applicable Pricing Supplement, to act as Registrar of the Notes. The Issuer shall cause to be kept at the specified office of the Registrar a register (the "**Register**") with respect to the Issuer on which shall be entered, among other things, the name and address of the holders of the Notes and particulars of all transfers of title to the Notes.

(a) *Transfers of interests in Global Notes*

Transfers of beneficial interests in Global Notes will be effected by DTC, and, in turn, by participants and, if appropriate, indirect participants in such clearing system acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Global Note only in the Specified Denomination or Denominations and only in accordance with the rules and operating procedures for the time being of DTC and its direct or indirect participants (including, if applicable, those of Euroclear or Clearstream, Luxembourg), which may change from time to time, and in accordance with the terms and conditions specified in the Fiscal Agency Agreement, including any required certifications.

(b) *Transfers of Notes in definitive form*

Notes will not be issuable in definitive form, except under the limited circumstances described in Condition 1.2(e).

Subject as provided in paragraph (e) below and to compliance with all applicable legal and regulatory restrictions, upon the terms and subject to the conditions set forth in the Fiscal Agency Agreement, including the transfer restrictions contained therein, a Note in definitive form may be transferred, in whole or in part, only in the Specified Denomination or Denominations. In order to effect any such transfer (A) the holder or holders must (i) surrender the Note for registration of the transfer of the Note (or the relevant part of the Note) at the specified office of the Registrar, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorized in writing and (ii) complete and deposit such other certifications specified in the Fiscal Agency Agreement and as may be required by such Registrar and (B) such Registrar must, after due and careful inquiry, be satisfied with the documents of title and the identity of the person(s) making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe. Subject as provided above, the Registrar will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified

office of the Registrar is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail to such address as the transferee may request, a new Note in definitive form of a like aggregate principal amount to the Note (or the relevant part of the Note) transferred. In the case of the transfer of only part of a Note in definitive form, a new Note in definitive form in respect of the balance of the Note not transferred will be so authenticated and delivered to the transferor or (at the risk of the transferor) sent by uninsured mail to such address as the transferor may request.

(c) ***Registration of transfer upon partial redemption***

In the event of a partial redemption of Notes under Condition 5 (*Redemption and Purchase*) below, the Issuer shall not be required to register the transfer of any Note, or part of a Note, called for partial redemption.

(d) ***Costs of registration***

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular, uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

(e) ***Exchanges of Global Notes for individual definitive Notes***

A Global Note will be exchangeable for individual definitive Notes in definitive, fully registered form without interest coupons only if DTC notifies the Issuer that it is unwilling or unable to continue as depositary for such Global Note or DTC ceases to be a clearing agency registered under the Securities Exchange Act of 1934, as amended, at a time when DTC is required to be so registered in order to act as depositary, and in each case no successor depositary or alternative clearing system is available within 120 days of such notice.

In all cases, Notes in definitive form delivered in exchange for a Global Note or beneficial interests therein will be registered in the names, and issued in the Specified Denomination or Denominations, requested by or on behalf of DTC (in accordance with its customary procedures) and will bear the applicable restrictive legend referred to in the Fiscal Agency Agreement.

(f) ***Exchanges and transfers of Notes bearing the Private Placement Legend***

Upon the transfer, exchange or replacement of Notes bearing the Private Placement Legend, the Fiscal and Paying Agent shall deliver only Notes that bear the Private Placement Legend unless such transfer is, in the case of Rule 144A Global Notes, at least one year (or such other period as shall constitute the required holding period pursuant to Rule 144 under the Securities Act) after the later of (i) the Issue Date of such Note (or any predecessor of such Note) and (ii) the sale of such Note (or any predecessor of such Note) by the Issuer or an affiliate (as such term is defined in paragraph (a)(l) of Rule 144 under the Securities Act) of the Issuer (computed in accordance with paragraph (d) of Rule 144 under the Securities Act), and the holder of such Note is not at the proposed date of such transfer and was not during the three months preceding such proposed date of transfer an affiliate (as such term is defined in paragraph (a)(l) of Rule 144 under the Securities Act) of the Issuer.

2 STATUS OF THE SENIOR NOTES AND TIER 2 SUBORDINATED NOTES

The applicable Pricing Supplement will indicate whether the Notes are Senior Notes or Tier 2 Subordinated Notes and, in the case of Senior Notes, Ordinary Senior Notes or Senior Non-Preferred Notes.

2.1 Status of the Senior Notes

The payment obligations of the Issuer in respect of principal under Notes that specify their status as Ordinary Senior Notes ("**Ordinary Senior Notes**") or as Senior Non-Preferred Notes ("**Senior Non-Preferred Notes**", and together with the Ordinary Senior Notes, "**Senior Notes**") in the applicable Pricing Supplement constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer (*créditos ordinarios*).

The Senior Non-Preferred Notes constitute non-preferred ordinary claims (*créditos ordinarios no preferentes*) under Additional Provision 14.2 of Law 11/2015. It is expressly stated for the purposes of Additional Provision 14.2 of Law 11/2015 that upon the insolvency of the Issuer, the Senior Non-Preferred Notes will rank below any other ordinary claims (créditos ordinarios) against the Issuer and accordingly, claims in respect of the Senior Non-Preferred Notes shall be paid after payment of any such other ordinary (*créditos ordinarios*) claims of the Issuer.

The Senior Non-Preferred Notes are intended to comply with the requirements of Article 72b of CRR so that they qualify as eligible liability instruments for the purposes of Article 72a of CRR. Accordingly, *as set out in Article 72a of CRR, the Senior Non-Preferred Notes shall not be considered as debt instruments with embedded derivatives solely because of any Issuer Call or Investor Put for the purposes of Additional Provision 14.2 of Law 11/2015*.

Therefore, in accordance with the Insolvency Law and Additional Provision 14.2 of Law 11/2015, but subject to any other ranking that may apply as a result of any mandatory provision of law (or otherwise), upon the insolvency (concurso) of the Issuer, the payment obligations of the Issuer under the Senior Notes in respect of principal (and unless they qualify as subordinated claims (*créditos subordinados*) pursuant to Article 281 of the Insolvency Law) will rank:

(a) in the case of Ordinary Senior Notes:

(i) **senior** to (A) any Senior Non-Preferred Obligations and (B) any claims against the Issuer qualifying as subordinated claims (*créditos subordinados*) under Article 281 of the Insolvency Law (or equivalent legal provision which replaces it in the future); and

(ii) ***pari passu*** among themselves and with any other Senior Preferred Obligations; and

(b) in the case of Senior Non-Preferred Notes:

(i) **senior** to any claims against the Issuer qualifying as subordinated claims (*créditos subordinados*) under Article 281 of the Insolvency Law (or equivalent legal provision which replaces it in the future);

(ii) ***pari passu*** among themselves and with any other Senior Non-Preferred Obligations; and

(iii) **junior** to any Senior Preferred Obligations.

In the Conditions:

"**Insolvency Law**" means the restated text of the Spanish Insolvency Law approved by Legislative Royal Decree 1/2020, of May 5 (*Real Decreto Legislativo 1/2020, de 5 de mayo, por el que se aprueba el texto refundido de la Ley Concursal*), as amended or replaced from time to time.

"**Law 11/2015**" means Law 11/2015, of June 18, on the recovery and resolution of credit institutions and investment firms (*Ley 11/2015, de 18 de junio, de recuperación y resolución de entidades de crédito y empresas de servicios de inversión*), as amended or replaced from time to time.

"**Senior Preferred Obligations**" means any obligations of the Issuer with respect to any ordinary claims (*créditos ordinarios*) against the Issuer, other than the Senior Non-Preferred Obligations.

"**Senior Non-Preferred Obligations**" means any obligation of the Issuer with respect to any non-preferred ordinary claims (*créditos ordinarios no preferentes*) against the Issuer referred to under Additional Provision 14.2 of Law 11/2015 and any other obligations which, by law and/or by their terms, and to the extent permitted by Spanish law, rank *pari passu* with the Senior Non-Preferred Obligations.

In the event of insolvency (concurso) of the Issuer, under the currently in force Insolvency Law (as defined below), claims relating to Senior Notes (which are not subordinated pursuant to Article 281 of the Insolvency Law) will be ordinary credits (créditos ordinarios) as defined in the Insolvency Law. Ordinary credits rank below credits against the insolvency estate (créditos contra

la masa) and credits with a privilege (créditos privilegiados) (including, without limitation, any deposits for the purposes of Additional Provision 14.1 of Law 11/2015 (as defined below)), which shall be paid in full before ordinary credits. Ordinary credits rank above subordinated credits and the rights of shareholders.

Pursuant to Article 152 of the Insolvency Law, accrual of interest shall be suspended from the date of declaration of the insolvency of the Issuer. Claims of Senior Noteholders in respect of interest accrued but unpaid as of the commencement of any insolvency procedure of the Issuer shall constitute subordinated claims against the Issuer ranking in accordance with the provisions of Article 281.1.3º of the Insolvency Law (including without limitation, after claims on account of principal in respect of contractually subordinated obligations of the Issuer).

The obligations of the Issuer under the Senior Notes are subject to the Loss Absorbing Power.

2.2 Status of the Tier 2 Subordinated Notes

The payment obligations of the Issuer under Notes that specify their status as Tier 2 Subordinated Notes in the applicable Pricing Supplement ("**Tier 2 Subordinated Notes**") constitute direct, unconditional and subordinated obligations of the Issuer. In accordance with the Insolvency Law and Additional Provision 14.3 of Law 11/2015, but subject to any other ranking that may apply as a result of any mandatory provision of law (or otherwise), upon the insolvency (*concurso*) of the Issuer the payment obligations of the Issuer under the Tier 2 Subordinated Notes, will rank, for so long as the obligations of the Issuer in respect of the relevant Tier 2 Subordinated Notes constitute Tier 2 Instruments of the Issuer:

(i) **senior** to (i) any claims in respect of contractually subordinated obligations of the Issuer qualifying as Additional Tier 1 Instruments; and (ii) any other subordinated obligations which by law and/or by their terms, and to the extent permitted by Spanish law, rank junior to the Issuer's obligations under the relevant Tier 2 Subordinated Notes;

(ii) ***pari passu*** among themselves and with (i) any other claims in respect of contractually subordinated obligations of the Issuer qualifying as Tier 2 Instruments, and (ii) any other subordinated obligations which by law and/or by their terms, and to the extent permitted by Spanish law, rank *pari passu* with the Issuer's obligations under the relevant Tier 2 Subordinated Notes; and

(iii) **junior** to (i) any unsubordinated obligations of the Issuer (including any Senior Non-Preferred Obligations); (ii) any claim in respect of other contractually subordinated obligations of the Issuer not qualifying as Additional Tier 1 Instruments or Tier 2 Instruments, if and as applicable); and (iii) any other subordinated obligations which by law and/or by their terms, and to the extent permitted by Spanish law, rank senior to the Issuer's obligations under the relevant Tier 2 Subordinated Notes.

Tier 2 Subordinated Notes are expected to rank as provided above on the basis that such Notes are intended to qualify as Tier 2 Capital of the Issuer and/or the Group.

The obligations of the Issuer under the Tier 2 Subordinated Notes are subject to the Loss Absorbing Power.

In the Conditions:

"**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 the generality of the foregoing, CRD IV, the BRRD and those regulations, requirements, guidelines and policies relating to capital adequacy, resolution and/or solvency then in effect of the Regulator and / or the Relevant Resolution Authority, in each case to the extent then in effect in Spain (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer and/or the Group).

"**Additional Tier 1 Capital**" means Additional Tier 1 capital (*capital de nivel 1 adicional*) in accordance with Chapter 3 (Additional Tier 1 capital) of Title 1 (Elements of own funds) of part Two (Own Funds and Eligible Liabilities) of the CRR and/or the Applicable Banking Regulations.

"**Additional Tier 1 Instrument**" means any contractually subordinated obligation of the Issuer qualifying as Additional Tier 1 Capital.

"**BRRD**" means Directive 2014/59/EU of May 15, 2014 establishing the framework for the recovery and resolution of credit institutions and investment firms or such other directive as may amend or come into effect in place thereof (including the BRRD II), as implemented into Spanish law by Law 11/2015 and RD 1012/2015, as amended or replaced from time to time and including any other relevant implementing regulatory provisions (in all cases, as amended or replaced from time to time).

"**BRRD II**" means Directive (EU) 2019/879 of the European Parliament and of the Council of May 20, 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms and Directive 98/26/EC.

"**CRD IV**" means any or any combination of the CRD IV Directive, the CRR, and any CRD IV Implementing Measures.

"**CRD IV Directive**" means Directive 2013/36/EU of the European Parliament and of the Council of June 26, 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC or such other directive as may come into effect in place thereof (in all cases, as amended or replaced from time to time, including as amended by the CRD V Directive).

"**CRD IV Implementing Measures**" means any regulatory capital rules implementing the CRD IV Directive or the CRR which may from time to time be introduced, including, but not limited to, delegated or implementing acts (regulatory technical standards) adopted by the European Commission, national laws and regulations, and regulations and guidelines issued by the Regulator, the European Banking Authority or any other relevant authority, which are applicable to the Issuer (on a stand-alone basis) or the Group (on a consolidated basis) including, without limitation, Law 10/2014, as amended or replaced from time to time, RD 84/2015, as amended or replaced from time to time, and any other regulation, circular or guidelines implementing CRD IV (in all cases, as amended or replaced from time to time).

"**CRD V Directive**" means Directive (EU) 2019/878 of the European Parliament and of the Council of May 20, 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures.

"**CRR**" means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of June 26, 2013 on the prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012 or such other regulation as may come into effect in place thereof (in all cases, as amended or replaced from time to time, including as amended by CRR II).

"**CRR II**" means Regulation (EU) 2019/876 of the European Parliament and of the Council of May 20, 2019 amending Regulation (EU) No. 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No. 648/2012.

"**Law 10/2014**" means Law 10/2014, of June 26, on the organization, supervision and solvency of credit institutions (*Ley 10/2014, de 26 de junio, de ordenación, supervisión y solvencia de entidades de crédito*), as amended or replaced from time to time.

"**RD 1012/2015**" means Royal Decree 1012/2015, of November 6, implementing Law 11/2015 (*Real Decreto 1012/2015, de 6 de noviembre, por el que se desarrolla la Ley 11/2015, de 18 de junio, de recuperación y resolución de entidades de crédito y empresas de servicios de inversión, y por el que se*

modifica el Real Decreto 2606/1996, de 20 de diciembre, sobre fondos de garantía de depósitos de entidades de crédito), as amended or replaced from time to time.

"**RD 84/2015**" means Royal Decree 84/2015, of February 13, implementing Law 10/2014 (*Real Decreto 84/2015, de 13 de febrero, por el que se desarrolla la Ley 10/2014, de 26 de junio, de ordenación, supervisión y solvencia de entidades de crédito*), as amended or replaced from time to time.

"**Regulator**" means the European Central Bank or such other or 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.

"**Tier 2 Capital**" means Tier 2 capital (*capital de nivel 2*) in accordance with Chapter 4 (Tier 2 capital) of Title 1 (Elements of own funds) of part Two (Own Funds and Eligible Liabilities) of the CRR and/or the Applicable Banking Regulations.

"**Tier 2 Instrument**" means any contractually subordinated obligation of the Issuer qualifying as Tier 2 Capital.

3 INTEREST

The applicable Pricing Supplement will indicate whether the Notes are Fixed Rate Notes, Fixed Reset Notes or Floating Rate Notes, or a combination of any of the foregoing, all as indicated in the applicable Pricing Supplement.

"**Interest Commencement Date**" shall be, unless otherwise specified in the applicable Pricing Supplement, the Issue Date.

3.1 Interest on Fixed Rate Notes

This Condition 3.1 applies to Fixed Rate Notes only or, in relation to Notes which constitute Fixed Rate Notes for a limited period, with respect to such period only. The applicable Pricing Supplement contains provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 3.1 for full information on the manner in which interest is calculated on Fixed Rate Notes. In particular, the applicable Pricing Supplement will specify the Rate(s) of Interest, the Interest Payment Date(s), the Maturity Date, the Fixed Coupon Amount, any applicable Broken Amount, the Day Count Fraction and any applicable Determination Date.

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrears on the Interest Payment Date(s) in each year up to (and excluding) the Maturity Date.

As used in the Conditions, "**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Pricing Supplement, interest shall be calculated in respect of any period by applying the Rate of Interest to:

(a) in the case of Fixed Rate Notes that are represented by a Global Note, the aggregate outstanding principal amount of the Fixed Rate Notes represented by such Global Note ; or

(b) in the case of Fixed Rate Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of U.S. dollars, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination or Denominations of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above)

for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination or Denominations, without any further rounding.

If the Notes are in definitive form, and if so specified in the applicable Pricing Supplement, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Pricing Supplement, amount to the Broken Amount so specified.

In the Conditions:

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with this Condition 3.1:

(a) if "Actual/360" is specified in the applicable Pricing Supplement, the number of actual days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date divided by 360;

(b) if "Actual/Actual (ICMA)" is specified in the applicable Pricing Supplement:

(i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or

(ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; or

(c) if "30/360" is specified in the applicable Pricing Supplement, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360;

"**Determination Period**" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

"**sub-unit**" means one cent. U.S. dollar.

3.2 Interest on Fixed Reset Notes

This Condition 3.2 applies to Fixed Reset Notes only or, in relation to Notes where the applicable Pricing Supplement specify that this Condition 3.2 applies for a limited period, with respect to such period only. The applicable Pricing Supplement contain provisions applicable to the Initial Interest Rate and the determination of the First Reset Rate and any Subsequent Reset Rate (each as defined below) and must be read in conjunction with this Condition 3.2 for full information on the manner in which interest is calculated on Fixed Reset Notes.

(a) **Rates of Interest and Interest Payment Dates**

Each Fixed Reset Note bears interest:

(i) from (and including) the Interest Commencement Date to (but excluding) the First Reset Date at the rate per annum equal to the Initial Interest Rate (as set forth in the Pricing Supplement);

(ii) from (and including) the First Reset Date to (but excluding) the Second Reset Date or, if none, the Maturity Date (the "**First Reset Period**") at the rate per annum equal to the First Reset Rate; and

(iii) if applicable, from (and including) the Second Reset Date to (but excluding) the first Subsequent Reset Date (as set forth in the applicable Pricing Supplement) or, if none, the Maturity Date, and each successive period from (and including) any Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date or, if none, the Maturity Date (each a "**Subsequent Reset Period**") at the rate per annum equal to the relevant Subsequent Reset Rate (as set forth in the applicable Pricing Supplement),

(in each case rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) (each a "**Rate of Interest**") payable, in each case, in arrears on the Interest Payment Date(s) in each year up to and including the Maturity Date.

The provisions of this Condition 3.2 shall apply, as applicable, in respect of any determination by the Calculation Agent of the Rate of Interest for a Reset Period in accordance with this Condition 3.2 as if the Fixed Reset Notes were Floating Rate Notes. The Rate of Interest for each Reset Period shall otherwise be determined by the Calculation Agent on the relevant Reset Determination Date in accordance with the provisions of this Condition 3.2. Once the Rate of Interest is determined for a Reset Period, the provisions of Condition 3.1 (*Interest on Fixed Rate Notes*) shall apply to Fixed Reset Notes, as applicable, as if the Fixed Reset Notes were Fixed Rate Notes.

In the Conditions:

"**First Reset Rate**" means, in respect of the First Reset Period, the sum of the Reset Margin (as set forth in the applicable Pricing Supplement) and the Reset Reference Rate (as may be adjusted in the applicable Pricing Supplement);

"**Mid-Swap Rate**" means, in relation to a Reset Date and the Reset Period commencing on that Reset Date, the rate for swap transactions in U.S. dollars maturing on the last day of such Reset Period, expressed as a percentage, which appears on the Relevant Screen Page as of approximately 11.00 a.m. in New York City on the relevant Reset Determination Date. If such rate does not appear on the Relevant Screen Page, the Mid-Swap Rate for the Reset Date will be the Reset Reference Bank Rate for the Reset Period, unless a Mid-Swap Rate Event has occurred, in which case the Mid-Swap Rate shall be determined pursuant to Condition 3.2(b);

"**Reference Banks**" means five leading swap dealers in the interbank market for swap transactions in U.S. dollars with an equivalent maturity to the Reset Period as selected by the Issuer;

"**Reference Government Bond Dealer**" means each of five banks selected by the Issuer (following, where practicable, consultation with an investment bank or financial institution of international repute determined to be appropriate by the Issuer), or the affiliates of such banks, which are (i) primary government securities dealers, and their respective successors, or (ii) market makers in pricing corporate bond issues;

"**Reference Government Bond Dealer Quotations**" means, with respect to each Reference Government Bond Dealer and any Reset Determination Date, the arithmetic average (as determined by the Calculation Agent), of the bid and offered prices for the Reset Reference Bond (expressed in each case as a percentage of its principal amount) as of the Reset Determination Time (as set forth in the applicable Pricing Supplement) on such Reset Determination Date and, if

relevant, on a dealing basis for settlement that is customarily used at such time and quoted in writing to the Calculation Agent by such Reference Government Bond Dealer;

"**Relevant Screen Page**" means the display page on the relevant service as specified in the applicable Pricing Supplement or such other page as may replace it on that information service, or on such other equivalent information service as determined by the Calculation Agent, for the purpose of displaying the relevant swap rates for swap transactions in U.S. dollars with an equivalent maturity to the Reset Period;

"**Representative Amount**" means an amount that is representative for a single transaction in the relevant market at the relevant time;

"**Reset Date**" means the First Reset Date, the Second Reset Date and each Subsequent Reset Date, as applicable;

"**Reset Determination Date**" means the second Business Day immediately preceding the relevant Reset Date;

"**Reset Period**" means the First Reset Period or any Subsequent Reset Period, as the case may be;

"**Reset Period Mid-Swap Rate Quotations**" means the arithmetic mean of the bid and offered rates for the annual fixed leg (calculated on the day count basis customary for fixed rate payments in U.S. dollars), of a fixed-for-floating interest rate swap transaction in U.S. dollars with a term equal to the Reset Period commencing on the relevant Reset Date and in a Representative Amount with an acknowledged dealer of good credit in the swap market, where the floating leg (in each case calculated on the day count basis customary for floating rate payments in U.S. dollars), is equivalent to the Rate of Interest that would apply in respect of the Notes if (a) the Reference Rate was the Floating Leg Reference Rate and (b) the Relevant Screen Page was the Floating Leg Screen Page;

"**Reset Reference Bank Rate**" means, in relation to a Reset Date and the Reset Period commencing on that Reset Date, the percentage determined on the basis of the Reset Period Mid-Swap Rate Quotations provided by the Reference Banks at approximately 11.00 a.m. in New York City on the Reset Determination Date. The Calculation Agent will request the principal office of each of the Reference Banks selected by the Issuer to provide a quotation of its rate. If at least three quotations are provided, the rate for the Reset Date will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest). If only two quotations are provided, it will be the arithmetic mean of the quotations provided. If only one quotation is provided, it will be the quotation provided. If no quotations are provided, the Mid-Swap Rate will be the last observable Mid-Swap Rate which appears on the Relevant Screen Page on or after the most recent Reset Date or, if none, the Issue Date, if any, as determined by the Calculation Agent. If no such Mid-Swap Rate was available on the Relevant Screen Page on or after the most recent Reset Date or, if none, the Issue Date, the Mid-Swap Rate will be the Mid-Swap Rate for the immediately preceding Reset Period or, if none, the Mid-Swap Rate which last appeared on the Relevant Screen Page;

"**Reset Reference Bond**" means for any Reset Period a government security or securities issued by the U.S. Government selected by the Issuer (after consultation with an investment bank or financial institution of international repute determined to be appropriate by the Issuer) as having the nearest actual or interpolated maturity comparable with the relevant Reset Period and that (in the opinion of the Issuer) would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issuances of corporate debt securities denominated in U.S. dollars and of a comparable maturity to the relevant Reset Period;

"**Reset Reference Bond Price**" means, with respect to any Reset Determination Date:

(a) if five or more Reference Government Bond Dealer Quotations are received, the arithmetic average (as determined by the Calculation Agent) of the Reference Government Bond Dealer Quotations for such Reset Determination Date, after excluding the highest and lowest of such quotations; or

(b) if fewer than five but more than one Reference Government Bond Dealer Quotations are received, the arithmetic average (as determined by the Calculation Agent) of all such quotations; or

(c) if only one Reference Government Bond Dealer Quotation is received, such quotation; or

(d) if no Reference Government Bond Dealer Quotations are received, the U.S. Treasury Rate, as determined in accordance with limb (3) in the definition of U.S. Treasury Rate;

"**Reset Reference Rate**" means one of (i) the Mid-Swap Rate, or (ii) the U.S. Treasury Rate, as specified in the applicable Pricing Supplement;

"**Subsequent Reset Rate**" means, in respect of any Subsequent Reset Period, the sum of the Reset Margin (as set forth in the applicable Pricing Supplement) and the applicable Reset Reference Rate (as may be adjusted in the applicable Pricing Supplement); and

"**U.S. Treasury Rate**" means, with respect to any Reset Period and related Reset Determination Date, the rate per annum calculated by the Calculation Agent equal to: (i) the average of the yields on actively traded U.S. Treasury securities adjusted to constant maturity, for a maturity comparable with the Reset Period, for the five business days immediately prior to the Reset Determination Date and appearing under the caption "Treasury constant maturities" at the Reset Determination Time on the Reset Determination Date in the applicable most recently published statistical release designated "H.15 Daily Update", or any successor publication that is published by the Board of Governors of the Federal Reserve System that establishes yields on actively traded U.S. Treasury securities adjusted to constant maturity, under the caption "Treasury Constant Maturities", for a maturity comparable with the Reset Period; or (ii) if such release (or any successor release) is not published during the week immediately prior to the Reset Determination Date or does not contain such yields, the rate per annum equal to the semi-annual equivalent yield to maturity of the Reset Reference Bond, calculated using a price for the Reset Reference Bond (expressed as a percentage of its principal amount) equal to the Reset Reference Bond Price for such Reset Determination Date; or (iii) if the U.S. Treasury Rate cannot be determined, for whatever reason, as described under (i) or (ii) above, "U.S. Treasury Rate" means the rate in percentage per annum as notified by the Calculation Agent to the Issuer equal to the yield on U.S. Treasury securities having a maturity comparable with the Reset Period as set forth in the most recently published statistical release designated "H.15 Daily Update" under the caption "Treasury constant maturities" (or any successor publication that is published weekly by the Board of Governors of the Federal Reserve System and that establishes yields on actively traded U.S. Treasury securities adjusted to constant maturity under the caption "Treasury constant maturities" for a maturity comparable with the Reset Period) and as of the Reset Determination Time on the last available date preceding the Reset Determination Date on which such rate was set forth in such release (or any successor release).

(b) **Mid-Swap Rate Discontinuation**

If the Issuer (in consultation with the Calculation Agent) determines that a Mid-Swap Rate Event (as defined below) has occurred in relation to the Mid-Swap Rate, when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Mid-Swap Rate, then the Issuer shall use its reasonable endeavors to appoint an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer and the Independent Adviser (acting in good faith and in a commercially reasonable manner) determining, no later than three Business Days prior to the relevant Reset Determination Date, a Successor Rate, failing which an Alternative Rate (in accordance with (A)(A)below) and, in either case, an Adjustment

Spread if any (in accordance with (B) below) and any Benchmark Amendments (in accordance with (C) below).

(A) **Successor Rate or Alternative Rate**

If the Issuer and the Independent Adviser (acting in good faith and in a commercially reasonable manner):

(i) agree that there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in (B) below) subsequently be used in place of the Mid-Swap Rate to determine the Interest Rate (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the subsequent operation of this Condition 3.2(b)); or

(ii) agree that there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in (B) below) subsequently be used in place of the Mid-Swap Rate to determine the Interest Rate (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the subsequent operation of this Condition 3.2).

If the Issuer (i) is unable to appoint an Independent Adviser or (ii) the Issuer and the Independent Adviser, acting in good faith and in a commercially reasonable manner, do not agree on the selection of a Successor Rate or an Alternative Rate, the fallback provisions set out in Condition 3.2 (*Interest on Fixed Reset Notes*) and the applicable Pricing Supplement, as the case may be, shall continue to apply. For the avoidance of doubt, this Condition 3.2(b) shall apply to the relevant next succeeding Reset Period and any subsequent Reset Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 3.2(b).

(B) **Adjustment Spread**

If the Issuer and the Independent Adviser agree (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be).

(C) **Benchmark Amendments**

If any Successor Rate, Alternative Rate and/or Adjustment Spread is determined in accordance with this Condition 3.2(b) and the Issuer and the Independent Adviser agree: (i) that amendments to these Conditions and/or the Fiscal Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "Benchmark Amendments") and (ii) the terms of the Benchmark Amendments, then the Issuer and the Fiscal and Paying Agent shall, subject to giving notice thereof in accordance with (D) below, without any requirement for the consent or approval of Noteholders, vary these Conditions and/or the Fiscal Agency Agreement to give effect to such Benchmark Amendments with effect from the date specified in such notice.

Notwithstanding any other provision of this Condition 3.2(b), the Calculation Agent or any Paying Agent is not obliged to concur with the Issuer or the Independent Adviser in respect of any changes or amendments as contemplated under this Condition 3.2(b) to which, in the sole opinion of the Calculation Agent or the relevant Paying Agent, as the case may be, would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Calculation Agent or the relevant Paying Agent (as applicable) in the Fiscal Agency Agreement and/or these Conditions.

In connection with any such variation in accordance with this Condition 3.2(b), the Issuer shall comply with the rules of any stock exchange or market on which the Notes are for the time being listed or traded or by which they have been admitted to listing or trading.

Notwithstanding any other provision of this Condition 3.2(b), no Successor Rate or Alternative Rate will be adopted, nor any Adjustment Spread applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to prejudice the treatment

of any relevant Series of Notes as Tier 2 Capital or Eligible Liabilities, in each case of the Issuer or the Group, as applicable, or could reasonably result in the Regulator and/or the Relevant Resolution Authority treating any future Interest Payment Date (including any Reset Date) as the effective maturity of the Notes, rather than the relevant Maturity Date.

Notwithstanding any other provision herein, unless otherwise agreed in writing by the Calculation Agent, in no event shall the Calculation Agent be responsible for determining any Successor Rate, Alternative Rate or substitute for the Mid-Swap Rate, or for making any adjustments to any alternative benchmark or spread thereon, the business day convention, interest determination dates or any other relevant methodology for calculating any such substitute or successor benchmark. In connection with the foregoing the Calculation Agent will be entitled to conclusively rely on any determination made by the Issuer or the Independent Adviser and will have no liability for such actions taken at the direction of the Issuer or the Independent Adviser.

Any determination, decision or election that may be made by the Issuer in connection with a Mid-Swap Rate Event, including any determination with respect to a rate or adjustment or the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer's sole discretion, and, notwithstanding anything to the contrary in the transaction documents, will become effective without consent from any other party. Neither of the Calculation Agent nor the Fiscal and Paying Agent will have any liability for any determination (or anything arising out of or related to such determination) made by or on behalf of the Issuer in connection with a Mid-Swap Rate Event.

(D) **Notice**

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 3.2(b) will be notified promptly by the Issuer to the Paying Agents and, in accordance with Condition 12 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any and will be binding on the Issuer, the Paying Agents and the Noteholders.

No later than the date on which the Issuer notifies the Noteholders of the same, the Issuer shall deliver to the Calculation Agent and the Paying Agents a certificate signed by two authorized signatories of the Issuer:

(i) confirming (A) that a Mid-Swap Rate Event has occurred, (B) the Successor Rate or, as the case may be, the Alternative Rate, (C) any Adjustment Spread and (D) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 3.2(b);

(ii) certifying that the Benchmark Amendments (if any) are necessary to ensure the proper operation of such Successor or Alternative Rate and any Adjustment Spread.

The Agent shall display such certificate at its offices, for inspection by the Noteholders, at all reasonable times during normal business house.

Each of the Fiscal and Paying Agent, the Calculation Agent and the Paying Agents shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Fiscal and Paying Agent's or the Calculation Agent's or the Paying Agents' ability to rely on such certificate as aforesaid) be binding on the Issuer, the Fiscal and Paying Agent, the Calculation Agent, the Paying Agents and the Noteholders.

Notwithstanding any other provision of this Condition 3.2(b), if following the determination of any Successor Rate, Alternative Rate, Adjustment Spread or Benchmark Amendments (if any), in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 3.2(b), the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent in writing as to which alternative course of action to

adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable (other than due to its own negligence, fraud or willful misconduct) to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and (in the absence of such negligence, fraud or willful misconduct) shall not incur any liability for not doing so.

(E) **Survival of Mid-Swap Rate provisions**

Without prejudice to the obligations of the Issuer under (A) to (D) above, the Mid-Swap Rate and the applicable Pricing Supplement, as the case may be, will continue to apply unless and until the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with this Condition 3.2(b).

(F) **Definitions**

In this Condition 3.2(b), the following expressions shall have the following meanings:

"**Adjustment Spread**" means either a spread or quantum (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, quantum, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Mid-Swap Rate with the Successor Rate by any Relevant Nominating Body; or

(ii) (if no such recommendation has been made, or in the case of an Alternative Rate) the Issuer determines, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital market transactions to produce an industry-accepted replacement rate for the Mid-Swap Rate; or

(iii) (if the Issuer determines that no such spread is customarily applied) the Issuer determines, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, is recognized or acknowledged as being the industry standard for over-the counter derivative transactions which reference the Mid-Swap Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or

(iv) if no such spread, quantum, formula or methodology can be determined in accordance with (i) to (iii) above, the Issuer, in its discretion and following consultation with the Independent Adviser, and acting in good faith and in a commercially reasonable manner, determines to be appropriate, to reduce or eliminate to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to the Noteholders as a result of the replacement of the Mid-Swap Rate with the Successor Rate or the Alternative Rate (as the case may be).

"**Alternative Rate**" means an alternative benchmark or screen rate which the Issuer determines, following consultation with the Independent Adviser and acting in good faith and in a commercially reasonable manner, is customary in market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) in U.S. dollars.

"**Benchmark Amendments**" has the meaning given to it in (C) above.

"**Mid-Swap Rate Event**" means:

(i) the Mid-Swap Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or

(ii) a public statement by the administrator of the Mid-Swap Rate that it has ceased or will cease publishing the Mid-Swap Rate permanently or indefinitely or that it will cease to do so by a specified future date (the "**Specified Future Date**") (in circumstances where no successor administrator has been appointed that will continue publication of the Mid-Swap Rate); or

(iii) a public statement by the supervisor of the administrator of the Mid-Swap Rate that the Mid-Swap Rate has been or will, by a Specified Future Date, be permanently or indefinitely discontinued (in circumstances where no successor administrator has been appointed that will continue publication of the Mid-Swap Rate); or

(iv) a public statement by the supervisor of the administrator of the Mid-Swap Rate that the Mid-Swap Rate will, by a Specified Future Date, be prohibited from being used or that its use will be subject to restrictions or adverse consequences; or

(v) a public statement by the supervisor of the administrator of the Mid-Swap Rate that, in the view of such supervisor, such Mid-Swap Rate is or will, by a Specified Future Date, be no longer representative of an underlying market and such representativeness will not be restored (as determined by such supervisor); or

(vi) it has or will become unlawful for any Paying Agent, Calculation Agent, the Issuer or any other party to calculate any payments due to be made to any Noteholder using the Mid-Swap Rate (as applicable) (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable).

Notwithstanding the sub-paragraphs above, where the relevant Mid-Swap Rate Event is a public statement within sub-paragraphs (i), (ii), (i)(iii), (iv) or (v) above and the Specified Future Date in the public statement is more than six months after the date of that public statement, the Mid-Swap Rate Event shall not be deemed occur until the date falling six months prior to such Specified Future Date.

"**Independent Adviser**" means an independent financial institution of recognized standing or an independent financial adviser with appropriate expertise appointed by the Issuer (at its own expense). For the avoidance of doubt, unless otherwise agreed in writing by the Calculation Agent or the Fiscal and Paying Agent, as the case may be, in no event shall the Calculation Agent or the Fiscal and Paying Agent be the Independent Adviser.

"**Relevant Nominating Body**" means, in respect of a benchmark or a screen rate (as applicable):

(i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

"**Successor Rate**" means a successor to or replacement of the Mid-Swap Rate which is formally recommended by any Relevant Nominating Body.

(c) **Notification of First Reset Rate, Subsequent Reset Rate, Rate of Interest and Interest Amount**

In respect of a Reset Period, the Calculation Agent will cause the First Reset Rate or the relevant Subsequent Reset Rate (as the case may be), the relevant Rate of Interest and, the amount of interest ("**Interest Amount**") payable on the Interest Payment Date falling in such Reset Period to be notified to the Issuer, the Fiscal and Paying Agent, the other Paying Agents and any stock exchange or market on which the relevant Reset Notes are for the time being listed or traded or by which they have been admitted to listing or trading

and any other relevant authority, and notice thereof to be published in accordance with Condition 12 (*Notices*) as soon as possible after their respective determination but in no event later than the fourth Business Day thereafter.

(d) **Certificates to be final**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 3.2 by the Calculation Agent shall (in the absence of manifest error) be final and binding on the Issuer and the relevant Noteholders.

(e) **Minimum Rate of Interest and/or Maximum Rate of Interest**

If the applicable Pricing Supplement specify a Minimum Rate of Interest for any Reset Period, then, in the event that the Rate of Interest in respect of such Reset Period determined in accordance with the provisions of paragraph (a) aboveabove is less than such Minimum Rate of Interest, the Rate of Interest for such Reset Period shall be such Minimum Rate of Interest.

If the applicable Pricing Supplement specify a Maximum Rate of Interest for any Reset Period, then, in the event that the Rate of Interest in respect of such Reset Period determined in accordance with the provisions of paragraph (a) aboveabove is greater than such Maximum Rate of Interest, the Rate of Interest for such Reset Period shall be such Maximum Rate of Interest.

3.3 Interest on Floating Rate Notes

(a) **Interest Payment Dates**

This Condition 3.3 applies to Floating Rate Notes only or Notes which constitute Floating Rate Notes for a limited period, with respect to such period only. The applicable Pricing Supplement contains provisions applicable to the determination of floating rate interest and must be read in conjunction with this Condition 3.3 for full information on the manner in which interest is calculated on Floating Rate Notes. In particular, the applicable Pricing Supplement will identify any Specified Interest Payment Date, any Specified Period, the Business Day Convention, any Additional Business Centers, the party who will calculate the amount of interest due if it is not the Calculation Agent, the Margin, any maximum or minimum interest rates and the Day Count Fraction and the Interest Determination Date(s).

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrears on either:

(i) the Specified Interest Payment Date(s) in each year specified in the applicable Pricing Supplement; or

(ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Pricing Supplement, each date (each such date, together with each Specified Interest Payment Date, an "**Interest Payment Date**") which falls the number of months or other period specified as the Specified Period in the applicable Pricing Supplement after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In the Conditions, "**Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If a Business Day Convention is specified in the applicable Pricing Supplement and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(A) in any case where Specified Periods are specified in accordance with Condition 3.3(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (A) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (II) below shall apply *mutatis mutandis* or (B) in the case of (y) above, shall be postponed to the

next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (I) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (II) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

(B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In the Conditions, "**Business Day**" means a day which is both:

(i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Additional Business Center specified in the applicable Pricing Supplement; and

(ii) a day on which commercial banks and foreign exchange markets settle payments are open for general business (including dealing in foreign exchange and foreign currency deposits) in New York City.

(b) **Rate of Interest**

The Rate of Interest for each Interest Period will be the SOFR Benchmark on the relevant Interest Determination Date plus or minus (as indicated in the applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation Agent with the resulting percentage being rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards.

(i) Calculation of the SOFR Benchmark

The "SOFR Benchmark" means, initially, Compounded SOFR Index Rate; provided that if a SOFR Transition Event and related SOFR Replacement Date have occurred with respect to SOFR or the then-current SOFR Benchmark, then SOFR Benchmark means the applicable SOFR Replacement.

"Compounded SOFR Index Rate" means, in relation to an Interest Period, the rate computed by the Calculation Agent in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest seventh decimal place, with 0.00000005 being rounded upwards):

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1\right) \times \frac{360}{d}$$

where:

"**d**" is the number of calendar days from (and including) SOFR Index $_{Start}$ to (but excluding) SOFR Index $_{End}$ (being the number of calendar days in the Observation Period);

"**Interest Determination Date**" means the date that falls "p" U.S. Government Securities Business Days before each Interest Payment Date;

"**SOFR Index$_{Start}$**" is the SOFR Index value for the day which is "p" U.S. Government Securities Business Days preceding the first date of the relevant Interest Period;

"**SOFR Index$_{End}$**" is the SOFR Index value for the day which is "p" U.S. Government Securities Business Days preceding the relevant Interest Payment Date relating to such Interest Period;

"**SOFR Index**" means, with respect to any U.S. Government Securities Business Day:

(i) the SOFR Index value as published by the SOFR Administrator as such index appears on the SOFR Administrator's Website at the SOFR Determination Time; provided that:

(ii) if a SOFR Index value does not so appear as specified in (i) above at the SOFR Determination Time, then (x) if a SOFR Transition Event and its related SOFR Replacement Date have not occurred with respect to SOFR, then Compounded SOFR Index Rate shall be the rate determined pursuant to the "SOFR Index Unavailability" provisions below or (y) if a SOFR Transition Event and its related SOFR Replacement Date have occurred in respect of SOFR, then Compounded SOFR Index Rate shall be the rate determined pursuant to the "SOFR Replacement Provisions" below;

"**SOFR**" means, with respect to any U.S. Government Securities Business Day, the rate determined by the Calculation Agent in accordance with the following provisions:

(i) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the NY Federal Reserve's website on the immediately following U.S. Government Securities Business Day at the SOFR Determination Time.

(ii) if the rate does not so appear, the Secured Overnight Financing Rate published on the NY Federal Reserve's website for the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the NY Federal Reserve's website.

"**NY Federal Reserve's website**" means the website of the Federal Reserve Bank of New York (the "**NY Federal Reserve**"), currently at http://www.newyorkfed.org, or any successor website of the NY Federal Reserve or the website of any successor administrator of the Secured Overnight Financing Rate;

"**Observation Period**" means, in respect of each Interest Period, the period from (and including) the day falling "p" U.S. Government Securities Business Days prior to the first day of the relevant Interest Period to (but excluding) the day falling "p" U.S. Government Securities Business Days prior to the relevant Interest Payment Date for such Interest Period;

"**p**" means two, unless otherwise specified in the applicable Pricing Supplement;

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of SOFR);

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, currently at http://www.newyorkfed.org, or any successor source;

"**SOFR Determination Time**" means, with respect to any U.S. Government Securities Business Day, 3:00 p.m. (New York City time) on such U.S. Government Securities Business Day;

"**U.S. Government Securities Business Day**" means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association (SIFMA) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

Notwithstanding clauses (i) and (ii) of the definition of "SOFR" above, if the Issuer (in consultation with the Calculation Agent) determines on or prior to the relevant Interest Determination Date that a SOFR Transition Event and the related SOFR Replacement Date have occurred with respect to SOFR, then the "SOFR Replacement Provisions" set forth below will thereafter apply to all determinations of the rate of interest payable on the Notes during the relevant Interest Period.

In accordance with and subject to the "SOFR Replacement Provisions" set forth below, after a SOFR Transition Event and related SOFR Replacement Date have occurred, the amount of interest that will be payable for each Interest Period on the Notes will be determined by reference to a rate per annum equal to the SOFR Replacement plus the Margin;

"**Reference Time**" means (i) if the SOFR Benchmark is Compounded SOFR Index Rate, the SOFR Determination Time, and (ii) if the SOFR Benchmark is not Compounded SOFR Index Rate, the time determined by the Issuer (in consultation with the Calculation Agent) in accordance with the SOFR Replacement Conforming Changes.

(ii) SOFR Index Unavailability

If SOFR Index Start or SOFR Index End is not published on the relevant Interest Determination Date and a SOFR Transition Event and its related SOFR Replacement Date have not occurred with respect to SOFR, "Compounded SOFR Index Rate" will mean, for the relevant interest period for which such index is not available, the rate of return on a daily compounded interest investment calculated in accordance with the formula for SOFR Averages, and definitions required for such formula, published on the SOFR Administrator's Website at https:// www.newyorkfed.org/markets/treasury-repo-reference-rates-information (or such successor website). For the purposes of this provision, references in the SOFR Averages compounding formula and related definitions to "calculation period" shall be replaced with "Observation Period" and the words "that is, 30-, 90-, or 180- calendar days" shall be removed. If the daily SOFR ("SOFRi") does not so appear for any day, "i" in the Observation Period, SOFRi for such day "i" shall be SOFR published in respect of the first preceding U.S. Government Securities Business Day for which SOFR was published on the SOFR Administrator's Website.

(iii) SOFR Replacement Provisions

If the Issuer (in consultation with the Calculation Agent), determines at any time prior to the SOFR Determination Time on any U.S. Government Securities Business Day that a SOFR Transition Event and the related SOFR Replacement Date have occurred, the Issuer will appoint an agent (the "Replacement Rate Determination Agent") which will determine the SOFR Replacement. The Replacement Rate Determination Agent may be (x) a leading bank, broker-dealer or benchmark agent in New York City as appointed by the Issuer, (y) the Issuer, (z) an affiliate of the Issuer or the Calculation Agent or (zz) such other entity that the Issuer determines to be competent to carry out such role.

In connection with the determination of the SOFR Replacement, the Replacement Rate Determination Agent will determine appropriate SOFR Replacement Conforming Changes.

Following the designation of a SOFR Replacement, the Issuer (in consultation with the Calculation Agent) may subsequently determine that a SOFR Transition Event and a related SOFR Replacement Date have occurred in respect of such SOFR Replacement, provided that the SOFR Benchmark has already been substituted by the SOFR Replacement and any SOFR Replacement Conforming Changes in connection with such substitution have been applied. In such circumstances, the SOFR Replacement shall be deemed to be the SOFR Benchmark and all relevant definitions shall be construed accordingly.

Notwithstanding any other provision herein, in no event shall the Calculation Agent be responsible for determining any SOFR Replacement or for making any adjustments to any alternative benchmark or spread thereon, the business day convention, interest determination dates or any other relevant methodology for calculating any such substitute or successor SOFR Benchmark. In connection with the foregoing, the Calculation Agent will be entitled to conclusively rely on any determination made by the Issuer or the Replacement Rate Determination Agent and will have no liability for such actions taken at the direction of the Issuer or the Replacement Rate Determination Agent.

Any determination, decision or election that may be made by the Issuer or the Replacement Rate Determination Agent in connection with a SOFR Transition Event or a SOFR Replacement, including any determination with respect to a rate or adjustment or of the occurrence or non-occurrence of any event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the Issuer's or the Replacement Rate

Determination Agent's sole discretion and, notwithstanding anything to the contrary in the transaction documents, will become effective without consent from any other party.

Neither the Calculation Agent nor the Fiscal and Paying Agent will have any liability for any determination made by or on behalf of the Issuer or the Replacement Rate Determination Agent in connection with a SOFR Transition Event or a SOFR Replacement.

In connection with the SOFR Replacement Provisions above, the following definitions shall apply:

"**ISDA Definitions**" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

"**ISDA Fallback Adjustment**" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to SOFR for the applicable tenor;

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of a SOFR Transition Event with respect to SOFR for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"**Relevant Governmental Body**" means the Board of Governors of the Federal Reserve System and/or the NY Federal Reserve or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System and/or the NY Federal Reserve or any successor thereto;

"**SOFR Replacement**" means any one (or more) of the SOFR Replacement Alternatives to be determined by the Replacement Rate Determination Agent as of the SOFR Replacement Date if the Issuer (in consultation with the Calculation Agent) determines that a SOFR Transition Event and its related SOFR Replacement Date have occurred on or prior to the SOFR Determination Time in respect of any determination of the SOFR Benchmark on any U.S. Government Securities Business Day in accordance with:

(a) the order of priority specified SOFR Replacement Alternatives Priority in the applicable Pricing Supplement; or

(b) if no such order of priority is specified, in accordance with the priority set forth below:

(i) Relevant Governmental Body Replacement;

(ii) ISDA Fallback Replacement; and

(iii) Industry Replacement,

provided that, in each case, if the Replacement Rate Determination Agent is unable to determine the SOFR Replacement in accordance with the first SOFR Replacement Alternative listed, it shall attempt to determine the SOFR Replacement in accordance with each subsequent SOFR Replacement Alternative until a SOFR Replacement is determined. The SOFR Replacement will replace the then-current SOFR Benchmark for the purpose of determining the relevant Rate of Interest in respect of the relevant Interest Period and each subsequent Interest Period, subject to the occurrence of a subsequent SOFR Transition Event and related SOFR Replacement Date;

"**SOFR Replacement Alternatives**" means:

(a) the sum of: (i) the alternative rate that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current SOFR Benchmark for the relevant Interest Period and (ii) the SOFR Replacement Adjustment (the "**Relevant Governmental Body Replacement**");

(b) the sum of: (i) the ISDA Fallback Rate and (ii) the SOFR Replacement Adjustment (the "**ISDA Fallback Replacement**"); or

(c) the sum of: (i) the alternative rate that has been selected by the Replacement Rate Determination Agent as the replacement for the then-current SOFR Benchmark for the relevant Interest Period giving due consideration to any industry-accepted rate as a replacement for the then-current SOFR Benchmark for U.S. dollar-denominated floating rate securities at such time and (ii) the SOFR Replacement Adjustment (the "**Industry Replacement**");

"**SOFR Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the Replacement Rate Determination Agent as of the applicable SOFR Replacement Date:

(a) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted SOFR Replacement;

(b) if the applicable Unadjusted SOFR Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(c) the spread adjustment (which may be a positive or negative value or zero) determined by the Replacement Rate Determination Agent giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current SOFR Benchmark with the applicable Unadjusted SOFR Replacement for U.S. dollar-denominated floating rate securities at such time;

"**SOFR Replacement Conforming Changes**" means, with respect to any SOFR Replacement, any technical, administrative or operational changes (including, but not limited to, changes to timing and frequency of determining rates with respect to each interest period and making payments of interest, rounding of amounts or tenors, day count fractions, business day convention and other administrative matters) that the Replacement Rate Determination Agent decides may be appropriate to reflect the adoption of such SOFR Replacement in a manner substantially consistent with market practice (or, if the Replacement Rate Determination Agent determines that adoption of any portion of such market practice is not administratively feasible or if the Replacement Rate Determination Agent determines that no market practice for use of the SOFR Replacement exists, in such other manner as the Replacement Rate Determination Agent determines is reasonably necessary, acting in good faith and in a commercially reasonable manner);

"**SOFR Replacement Date**" means the earliest to occur of the following events with respect to the then-current SOFR Benchmark (including the daily published component used in the calculation thereof):

(a) in the case of sub-paragraphs (a) or (b) of the definition of "SOFR Transition Event" the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of the SOFR Benchmark permanently or indefinitely ceases to provide the SOFR Benchmark (or such component); or

(b) in the case of sub-paragraph (c) of the definition of "SOFR Transition Event" the date of the public statement or publication of information referenced therein; or

(c) in the case of sub-paragraph (d), the last such consecutive U.S. Government Securities Business Day on which the SOFR Benchmark has not been published,

provided that, in the event of any public statements or publications of information as referenced in sub-paragraphs (a) or (b) above, should such event or circumstance referred to in such a public statement or publication occur on a date falling later than three months after the relevant public statement or publication, the SOFR Transition Event shall be deemed to occur on the date falling

three months prior to such specified date (and not the date of the relevant public statement or publication).

For the avoidance of doubt, if the event giving rise to the SOFR Replacement Date occurs on the same day as, but earlier than, the SOFR Determination Time in respect of any determination, the SOFR Replacement Date will be deemed to have occurred prior to the SOFR Determination Time for such determination.

"**SOFR Transition Event**" means the occurrence of any one or more of the following events with respect to the then-current SOFR Benchmark (including the daily published component used in the calculation thereof):

(a) a public statement or publication of information by or on behalf of the administrator of the SOFR Benchmark (or such component, if relevant) announcing that such administrator has ceased or will cease to provide the SOFR Benchmark (or such component, if relevant), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Benchmark (or such component, if relevant);

(b) a public statement or publication of information by the regulatory supervisor for the administrator of the SOFR Benchmark (or such component, if relevant), the central bank for the currency of the SOFR Benchmark (or such component, if relevant), an insolvency official with jurisdiction over the administrator for the SOFR Benchmark (or such component, if relevant), a resolution authority with jurisdiction over the administrator for the SOFR Benchmark (or such component, if relevant) or a court or an entity with similar insolvency or resolution authority over the administrator for the SOFR Benchmark (or such component, if relevant), which states that the administrator of the SOFR Benchmark (or such component, if relevant) has ceased or will cease to provide the SOFR Benchmark (or such component, if relevant) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Benchmark (or such component, if relevant);

(c) a public statement or publication of information by the regulatory supervisor for the administrator of the SOFR Benchmark (or such component, if relevant) announcing that the SOFR Benchmark (or such component, if relevant) is no longer representative, the SOFR Benchmark (or such component, if relevant) has been or will be prohibited from being used or that its use has been or will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or

(d) the SOFR Benchmark is not published by its administrator (or a successor administrator) for six consecutive U.S. Government Securities Business Days; and

"**Unadjusted SOFR Replacement**" means the SOFR Replacement prior to the application of any SOFR Replacement Adjustment.

(iv) Agreement with respect to the SOFR Replacement

By its acquisition of the Notes, each Noteholder (including each holder of a beneficial interest in the Notes) (i) will acknowledge, accept, consent and agree to be bound by the determination of a SOFR Transition Event, a SOFR Replacement Date, the SOFR Replacement, the SOFR Replacement Adjustment and any SOFR Replacement Conforming Changes (including any adjustments thereto), including as may occur without any prior notice from the Issuer and without the need for the Issuer to obtain any further consent from such Noteholders, (ii) will waive any and all claims, in law and/or in equity, against the Paying Agent, the Replacement Rate Determination Agent and/or the Calculation Agent for, agree not to initiate a suit against the Paying Agent, the Replacement Rate Determination Agent and/or the Calculation Agent in respect of, and agree that none of the Paying Agent, the Replacement Rate Determination Agent or the Calculation Agent will be liable for, the determination of or the Issuer's failure or delay to determine any SOFR Transition Event,

any SOFR Replacement Date, any SOFR Replacement, any SOFR Replacement Adjustment and any SOFR Replacement Conforming Changes (including any adjustments thereto), and any losses suffered in connection therewith and (iii) will agree that none of the Paying Agent, the Replacement Rate Determination Agent or the Calculation Agent will have any obligation to determine, confirm or verify any SOFR Transition Event, any SOFR Replacement Date, any SOFR Replacement, any SOFR Replacement Adjustment and any SOFR Replacement Conforming Changes (including any adjustments thereto), including in the event of any failure or delay by the Issuer to determine any SOFR Transition Event, any SOFR Replacement Date, any SOFR Replacement, any SOFR Replacement Adjustment and any SOFR Replacement Conforming Changes (including any adjustments thereto).

(c) **Minimum Rate of Interest and/or Maximum Rate of Interest**

If the applicable Pricing Supplement specify a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) aboveabove is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Pricing Supplement specify a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) aboveabove is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(d) **Determination of Rate of Interest and calculation of Interest Amounts**

The Calculation Agent will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Calculation Agent will calculate the Interest Amount payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

(i) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding principal amount of the Notes represented by such Global Note; or

(ii) in the case of Floating Rate Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of U.S. dollars, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination or Denominations of a Floating Rate Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination or Denominations, without any further rounding.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest in accordance with this Condition 3.3, the actual number of days in the Interest Period divided by 360.

(e) **Notification of Rate of Interest and Interest Amounts**

The Calculation Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer, the Fiscal and Paying Agent, the other Paying Agents and any stock exchange or market on which the relevant Floating Rate Notes are for the time being listed or traded or by which they have been admitted to listing or trading and any other relevant authority, and notice thereof to be published in accordance with Condition 12 (*Notices*) as soon as possible after their respective determination but in no event later than the fourth Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will promptly be notified to each stock exchange or market on which the relevant Floating

Rate Notes are for the time being listed or traded or by which they have been admitted to listing or trading and any other relevant authority, and to the Noteholders in accordance with Condition 12 (*Notices*).

(f) **Certificates to be final**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 3.3 by the Calculation Agent shall (in the absence of manifest error) be final and binding on the Issuer and the relevant Noteholders.

3.4 Accrual of interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

(a) the date on which all amounts due in respect of such Note have been paid; and

(b) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Fiscal and Paying Agent and notice to that effect has been given to the Noteholders in accordance with Condition 12 (*Notices*).

4 PAYMENTS

4.1 Method of payment

Payments of principal in respect of the Notes shall, subject as mentioned below, be made against presentation and surrender of the Note at the specified office of any Paying Agent and in the manner provided in the below paragraph.

Interest on the Notes shall be paid to the person shown on the register of holders of the Notes maintained by the Registrar at the close of business on the fifteenth calendar day before the relevant due date for payment thereof or in the case of Notes to be cleared through DTC, on the first DTC business day before due date for payment thereof (the "Record Date"). For the purposes of this Condition 4.1, "DTC business day" means any day on which DTC is open for business. Payments of interest shall be made in U.S. dollars by check drawn on a bank in New York City and mailed on the business day in the city where the specified office of the Fiscal and Paying Agent is located immediately preceding the relevant due date to the holder, or the first named of joint holders, of the Note appearing in the Register at the close of business on the Record Date at his address shown in the Register on the Record Date and at his risk, or through DTC in accordance with its standard procedures. Upon application of the holder to the specified office of the Fiscal and Paying Agent not less than three business days, in the city where the specified office of such Agent is located, before the due date for any payment of interest in respect of a Note, the payment may be made by transfer to an account in U.S. dollars maintained by the payee with a bank in New York City. Any such application for transfer shall be deemed to relate to all future payments of interest, other than interest due on redemption, in respect of the Notes that become payable to the holder who has made the initial application until such time as the Fiscal and Paying Agent is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Note on redemption will be made in the same manner as payment of the principal amount of such Note.

Noteholders will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Note as a result of a check posted in accordance with this Condition 4 arriving after the due date for payment or being lost in the mail. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Notes.

None of the Issuer or any of the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

The applicable Pricing Supplement may contain provisions for variation of settlement where, for reasons beyond the control of the Issuer or any Noteholder, including, without limitation, unlawfulness, illegality,

impossibility, force majeure, non-transferability or the like, the Issuer is not able to make, or any Noteholder is not able to receive, as the case may be, payment on the due date of any amount of principal or interest due under the Notes.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment or other laws and regulations to which the Issuer or its Agents are subject, but without prejudice to the provisions of Condition 6 (*Taxation*); and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "Code") or otherwise imposed pursuant to Sections 1471 to 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 6 (*Taxation*)) any law implementing an intergovernmental approach thereto.

4.2 General provisions applicable to payments

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of DTC and its participants as the beneficial holder of a particular principal amount of Notes represented by such Global Note must look solely to DTC and its participants, as the case may be, for his share of each payment so made by the Issuer to the holder of such Global Note.

4.3 Payment Day

Except as set forth in Condition 3.3(a) with respect to Floating Rate Notes, if the date for payment of any amount in respect of any Note is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "Payment Day" means any day which (subject to Condition 7 (*Prescription*)) is:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

  (i) in the case of Notes in definitive form only, the relevant place of presentation; or

  (ii) each Additional Financial Center specified in the applicable Pricing Supplement; and

(b) a day on which the Federal Reserve System is open.

4.4 Interpretation of principal and interest

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

(a) any additional amounts which may be payable with respect to principal under Condition 6 (*Taxation*);

(b) the Final Redemption Amount of the Notes;

(c) the Early Redemption Amount of the Notes;

(d) the Optional Redemption Amount(s) (if any) of the Notes; and

(e) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 6 (*Taxation*).

In these Conditions, "Final Redemption Amount" means, in respect of any Note, (i) its principal amount or (ii) such percentage of its principal amount to be determined by the Issuer as may be specified in the applicable Pricing Supplement.

5 REDEMPTION AND PURCHASE

5.1 Redemption at Maturity

Senior Notes will have an original maturity of at least one year from their date of effective disbursement or such minimum or maximum maturity as may be permitted or required from time to time by Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations).

Tier 2 Subordinated Notes will have an original maturity of at least five years from their date of effective disbursement or such minimum or maximum maturity as may be permitted or required from time to time by Applicable Banking Regulations.

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Pricing Supplement on the Maturity Date specified in the applicable Pricing Supplement.

5.2 Redemption for Tax Reasons

Subject to Condition 5.7 (*Early Redemption Amounts*), the Notes may be redeemed at the option of the Issuer in whole, but not in part:

(a) at any time (if this Note is not a Floating Rate Note); or

(b) on any Interest Payment Date (if this Note is a Floating Rate Note),

on giving not less than 10 nor more than 60 calendar days' notice to the Fiscal and Paying Agent and, in accordance with Condition 12 (*Notices*), the Noteholders (which notice shall be irrevocable), if, as a result of any change in, or amendment to, the laws or regulations of any Tax Jurisdiction (as defined in Condition 6 (*Taxation*)) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes of the relevant Series (or if a Tax Jurisdiction has changed since the issue date of the Notes, after the date on which such Tax Jurisdiction became a Tax Jurisdiction):

(i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 6 (Taxation) 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 (as defined in Condition 6 (Taxation)) in respect of any payment of interest to be made on the Notes on the occasion of the next payment due under the Notes or the value of such deduction to the Issuer would be materially reduced; or

(iii) the applicable tax treatment of the Notes would be materially affected,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (i) would be obliged to pay such additional amounts were a payment in respect of the Notes then due, (ii) would no longer be entitled to claim a deduction or the amount of such deduction would be materially reduced or (iii) would be obliged to apply the materially affected applicable tax treatment.

Prior to the giving of any notice of redemption pursuant to this Condition 5.2, the Issuer shall (i) deliver to the Fiscal and Paying Agent to make available at its specified office to the Noteholders a certificate signed by two Directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (ii) use its best efforts to deliver to the Fiscal and Paying Agent to make available at its specified office to the Noteholders an opinion of independent legal advisers of recognized standing to the effect that any of the circumstances referred to in the preceding paragraph prevail and, in the case of Tier 2 Subordinated Notes,

Senior Non-Preferred Notes and Ordinary Senior Notes eligible to comply with MREL Requirements, a copy of the permission of the Regulator and/or the Relevant Resolution Authority, to redemption, if and as required therefor under Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations).

Notes redeemed pursuant to this Condition 5.2 will be redeemed at their Early Redemption Amount referred to in Condition 5.7 (*Early Redemption Amounts*) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

Redemption for taxation reasons in the case of Tier 2 Subordinated Notes, Senior Non-Preferred Notes and Ordinary Senior Notes eligible to comply with MREL Requirements, will be subject to the prior permission of the Regulator and/or the Relevant Resolution Authority if and as required therefor under Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) and may only take place in accordance with Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) in force at the relevant time.

In these Conditions, a "Relevant Resolution Authority" means the Fondo de Resolución Ordenada Bancaria ("**FROB**"), the Single Resolution Board ("SRB") established pursuant to the SRM Regulation and/or any other authority entitled to exercise or participate in the exercise of any Loss Absorbing Power (as defined in Condition 16 (*Loss Absorbing Power*) from time to time.

5.3 Redemption at the Option of the Issuer (Issuer Call)

This Condition 5.3 applies to Notes that are subject to redemption prior to the Maturity Date at the option of the Issuer (other than under any of Conditions 5.2 (Redemption for Tax Reasons), 5.4 (Redemption at the Option of the Issuer (Capital Event): Tier 2 Subordinated Notes), or 5.5 (Redemption at the Option of the Issuer (Eligible Liabilities Event): Tier 2 Subordinated Notes or Senior Notes)), such option being referred to as an Issuer Call.

If Issuer Call is specified as being applicable in the applicable Pricing Supplement, the Issuer may, subject in the case of Tier 2 Subordinated Notes, Senior Non-Preferred Notes and Ordinary Senior Notes eligible to comply with MREL Requirements to compliance with the Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) then in force and subject to the prior permission of the Regulator and/or the Relevant Resolution Authority, if and as required therefor under Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations), having given not less than 10 calendar days' notice to the Noteholders in accordance with Condition 12 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Pricing Supplement together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a principal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Pricing Supplement. In these Conditions, "Optional Redemption Date" means any date so specified in the applicable Pricing Supplement and/or any date falling in the Optional Redemption Period specified in the applicable Pricing Supplement, the first and last days inclusive. In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will:

(i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot or pro rata not more than 30 days prior to the date fixed for redemption and

(ii) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of DTC and in compliance with applicable law.

In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 12 (*Notices*) not less than 10 days prior to the date fixed for redemption.

If Issuer Call is specified as being applicable in the applicable Pricing Supplement, the applicable Pricing Supplement contain provisions applicable to the Issuer Call and must be read in conjunction with this

Condition 5.3 for full information on any Issuer Call. In particular, the applicable Pricing Supplement will identify the Optional Redemption Date(s), the Optional Redemption Amount, any minimum or maximum amount of Notes which can be redeemed and the applicable notice periods.

If Issuer Call is specified as being applicable to Tier 2 Subordinated Notes, redemption of Tier 2 Subordinated Notes at the option of the Issuer pursuant to the Issuer Call will only take place after five years from their date of issuance or such other minimum period permitted under Applicable Banking Regulations.

5.4 Redemption at the Option of the Issuer (Capital Event): Tier 2 Subordinated Notes

If the Notes are Tier 2 Subordinated Notes and Capital Event is specified as applicable in the applicable Pricing Supplement, then upon the occurrence of a Capital Event as a result of a change (or any pending change which the Regulator considers sufficiently certain) in Spanish law or Applicable Banking Regulations or of any change in the official application or interpretation thereof becoming effective on or after the Issue Date of the first Tranche of Notes of the relevant Series (including as a result of the implementation or applicability in Spain on or after the Issue Date of the EU Banking Reforms (as defined below)), the Tier 2 Subordinated Notes 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, and may only take place in accordance with Applicable Banking Regulations in force at the relevant time and subject to the prior permission of the Regulator, if and as required pursuant to such regulations, at any time, on giving not less than 10 nor more than 60 calendar days' notice to the Fiscal and Paying Agent and, in accordance with Condition 12 (*Notices*), the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption).

Tier 2 Subordinated Notes redeemed pursuant to this Condition 5.4 will be redeemed at their Early Redemption Amount referred to in Condition 5.7 (*Early Redemption Amounts*) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

In the Conditions, "**Capital Event**" means the determination by the Issuer after consultation with the Regulator that all or part of the outstanding principal amount of the Tier 2 Subordinated Notes is not or would likely not be 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 Tier 2 Subordinated Notes in such circumstances is permitted under then 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).

5.5 Redemption at the Option of the Issuer (Eligible Liabilities Event): Tier 2 Subordinated Notes or Senior Notes

If the Notes are Tier 2 Subordinated Notes or Senior Notes and Eligible Liabilities Event is specified as applicable in the applicable Pricing Supplement, then upon the occurrence of an Eligible Liabilities Event as a result of a change (or any pending change which the competent authority considers sufficiently certain) in Spanish law or Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) or of any change in the official application or interpretation thereof becoming effective on or after the Issue Date of the first Tranche of Notes of the relevant Series, the relevant Senior Notes or Tier 2 Subordinated Notes, as applicable, 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 (including, for the avoidance of doubt, Applicable MREL Regulations) then in force, and may only take place in accordance with Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) in force at the relevant time and subject to the prior permission of the Regulator and/or the Relevant Resolution Authority, if and as required pursuant to such regulations, at any time, on giving not less than 10 nor more than 60 calendar days' notice to the Fiscal and Paying Agent and, in accordance with Condition 12 (*Notices*), the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption).

Tier 2 Subordinated Notes where the Eligible Liabilities Event has been specified as applicable in the applicable Pricing Supplement may be redeemed pursuant to an Eligible Liabilities Event only after five years from their date of issuance or such other minimum period permitted under Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations).

Senior Notes and Tier 2 Subordinated Notes redeemed pursuant to this Condition 5.5 will be redeemed at their Early Redemption Amount referred to in Condition 5.7 (*Early Redemption Amounts*) together (if appropriate) with interest accrued to (but excluding) the date of redemption.

In the Conditions, "**Eligible Liabilities Event**" means:

(a) in respect of Ordinary Senior Notes eligible to comply with MREL Requirements, the determination by the Issuer after consultation with the Regulator and/or the Relevant Resolution Authority, that all or part of the outstanding principal amount of such Notes will not at any time prior to the Maturity Date fully qualify as MREL-Eligible Senior Preferred Instruments of the Issuer and/or the Group, except where the non-qualification as MREL-Eligible Senior Preferred Instruments is due:

(i) solely to the remaining maturity of such Notes (or effective remaining maturity where the Notes, for example, are subject to an Investor Put) being less than any period prescribed by any applicable eligibility criteria under Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) (or any other regulations applicable in Spain) as of the Issue Date; or

(ii) to the relevant Notes being bought back by or on behalf of the Issuer; or

(iii) to a subordination requirement being applied by the Relevant Resolution Authority for such Notes to be eligible to comply with MREL Requirements; or

(iv) there being insufficient headroom for such Notes to qualify as Eligible Liabilities within prescribed limits established by Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) (or any other regulations applicable in Spain);

(b) in respect of Senior Non-Preferred Notes, the determination by the Issuer after consultation with the Regulator and/or the Relevant Resolution Authority, that all or part of the outstanding principal amount of such Notes will not at any time prior to the Maturity Date fully qualify as MREL-Eligible Senior Non-Preferred Instruments of the Issuer and/or the Group, except where the non-qualification as MREL-Eligible Senior Non-Preferred Instruments is due:

(i) solely to the remaining maturity of such Notes (or effective remaining maturity where the Notes, for example, are subject to an Investor Put) being less than any period prescribed by any applicable eligibility criteria under Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) (or any other regulations applicable in Spain) as of the Issue Date; or

(v) to the relevant Notes being bought back by or on behalf of the Issuer; and

(c) in respect of Tier 2 Subordinated Notes, the determination by the Issuer after consultation with the Regulator and/or the Relevant Resolution Authority, that all or part of the outstanding principal amount of such Notes will not at any time prior to the Maturity Date fully qualify as Eligible Liabilities of the Issuer and/or the Group, except where the non-qualification is due:

(i) solely to the remaining maturity of such Notes (or effective remaining maturity) being less than any period prescribed by any applicable eligibility criteria under Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) (or any other regulations applicable in Spain) as of the Issue Date; or

(vi) to the relevant Notes being bought back by or on behalf of the Issuer.

An Eligible Liabilities Event shall, without limitation, be deemed to have occurred where such non-qualification of Ordinary Senior Notes, Senior Non-Preferred Notes or Tier 2 Subordinated Notes as Eligible Liabilities arises as a result of (a) any Spanish legislation implementing or giving effect to the EU Banking Reforms differing in any respect from the form of the EU Banking Reforms as adopted (including if the EU Banking Reforms are not implemented in full in Spain)

or (b) the official interpretation or application of the EU Banking Reforms or the EU Banking Reforms as implemented in Spain (including any interpretation or pronouncement by any relevant court, tribunal or authority) differing in any respect from the manner in which the EU Banking Reforms have been reflected in the Conditions of the Notes and including, in particular, a determination or interpretation of the existence of an embedded derivative against the literal terms of the last paragraph of Article 72a.2 of CRR.

"**Applicable MREL Regulations**" means at any time the laws, regulations, requirements, guidelines and policies giving effect to the MREL including, without limitation to the generality of the foregoing, CRD IV, the BRRD and those laws, regulations, requirements, guidelines and policies giving effect to the MREL, in each case to the extent then in effect in Spain (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer and/or the Group) (in all cases, as amended from time to time);

"**Eligible Liabilities**" means any liability which complies with the requirements set out in Applicable MREL Regulations to qualify as eligible liabilities for MREL purposes;

"**EU Banking Reforms**" means the CRD V Directive, BRRD II, CRR II and the SRM Regulation II;

"**MREL**" means the "minimum requirement for own funds and eligible liabilities" for credit institutions under the BRRD, set in accordance with Article 45 et seq. of the BRRD (as transposed in Spain), the CRR, Commission Delegated Regulation (EU) 2016/1450 of May 23, 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, or any successor requirement under EU legislation and relevant implementing legislation and regulation in Spain;

"**MREL-Eligible Senior Preferred Instrument**" means an instrument included in the Eligible Liabilities which are available to meet the MREL Requirements for the purposes of the Applicable MREL Regulations where such instrument ranks *pari passu* with the Senior Preferred Obligations of the Issuer;

"**MREL-Eligible Senior Non-Preferred Instrument**" means an instrument included in the Eligible Liabilities which are available to meet the MREL Requirements for the purposes of the Applicable MREL Regulations where such instrument ranks *pari passu* with the Senior Non-Preferred Obligations of the Issuer;

"**MREL Requirements**" means the minimum requirement for own funds and eligible liabilities applicable to the Issuer and/or the Group under Applicable MREL Regulations; and

"**SRM Regulation II**" means Regulation (EU) 2019/877 of the European Parliament and of the Council of May 20, 2019 amending Regulation (EU) No. 806/2014 as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms.

5.6 Redemption at the Option of the Noteholders (Investor Put)

This Condition 5.6 applies to Senior Notes, if specified as being applicable in the applicable Pricing Supplement, and if allowed under the Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations), which are subject to redemption prior to the Maturity Date at the option of the Noteholder, such option being referred to as an "Investor Put". Where the Investor Put is applicable, the applicable Pricing Supplement contain provisions applicable to any Investor Put and must be read in conjunction with this Condition 5.6 for full information on any Investor Put. In particular, the applicable Pricing Supplement will identify the Optional Redemption Date(s), the Optional Redemption Amount and the applicable notice periods.

If Investor Put is specified as being applicable in the applicable Pricing Supplement, upon the holder of any Note giving notice to the Issuer in accordance with Condition 12 (*Notices*) not less than 30 nor more than

60 calendar days (or such other period(s) as may be specified in the applicable Pricing Supplement), the Issuer will, upon the expiry of such notice, redeem such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. No such redemption option will be applicable to any Tier 2 Subordinated Notes, unless as permitted under Applicable Banking Regulations.

If this Note is represented by a Global Note or is in definitive form and held through DTC, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Fiscal and Paying Agent of such exercise in accordance with the standard procedures of DTC (which may include notice being given on his instruction by DTC to the Fiscal and Paying Agent by electronic means) in a form acceptable to DTC, from time to time.

Any such put notice or other notice given in accordance with the standard procedures of DTC given by a holder of any Note pursuant to this Condition 5.6 shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 5.6 and instead to declare such Note forthwith due and payable pursuant to Condition 8 (*Events of Default*).

If this Note is in definitive form and held outside DTC, to exercise the right to require redemption of this Note the holder of this Note must deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent and in which the holder must specify a bank account to which payment is to be made under this Condition 5.6 accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of such notice, be held to its order or under its control.

5.7 Early Redemption Amounts

For the purpose of Conditions 5.2 (*Redemption for Tax Reasons*), 5.4 (*Redemption at the Option of the Issuer (Capital Event): Tier 2 Subordinated Notes)* and 5.5 (*Redemption at the Option of the Issuer (Eligible Liabilities Event): Tier 2 Subordinated Notes or Senior Notes*) above and Condition 8 (*Events of Default*) each Note will be redeemed at its Early Redemption Amount as specified in the applicable Pricing Supplement.

5.8 Purchases

The Issuer or any Subsidiary of the Issuer may purchase Notes at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

In the case of Tier 2 Subordinated Notes, Senior Non-Preferred Notes and Ordinary Senior Notes eligible to comply with MREL Requirements, the purchase of the relevant Notes by the Issuer or any of its Subsidiaries shall take place in accordance with Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) in force at the relevant time and will be subject to the prior permission of the Regulator and/or the Relevant Resolution Authority, if and as required therefor under Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations).

5.9 Cancellation

All Notes which are redeemed will forthwith be cancelled. All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 5.8 (*Purchases*) above shall be forwarded to the Fiscal and Paying Agent and cannot be reissued or resold.

6 TAXATION

6.1 Taxation in Respect of Ordinary Senior Notes

All payments in respect of Ordinary Senior Notes by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts in respect of interest and, if so specified in the

applicable Pricing Supplement, principal (and premium, if any), as shall be necessary in order that the net amounts received by the holders of Ordinary Senior Notes, after such withholding or deduction, shall equal the respective amounts which would otherwise have been receivable in respect of Ordinary Senior Notes, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Ordinary Senior Notes:

(a) presented for payment in Spain; or

(b) to, or to a third party on behalf of, a holder who is liable for such taxes or duties in respect of such Ordinary Senior Note by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Ordinary Senior Note; or

(c) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 4.3 (*Payment Day*)); or

(d) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent; or

(e) to, or to a third party on behalf of, a Spanish-resident legal entity subject to Spanish Corporation Income Tax if the Spanish Tax Authorities determine that the Ordinary Senior Notes do not comply with applicable exemption requirements including those specified in the Reply to a Non-Binding Consultation of the Directorate General for Taxation (*Dirección General de Tributos*) dated July 27, 2004 and require a withholding to be made; or

(f) to, or to a third party on behalf of, a holder in respect of whom the Issuer does not receive such information as may be necessary to allow payments on such Ordinary Senior Note to be made free and clear of withholding tax or deduction on account of any tax imposed by a Tax Jurisdiction, including when the Issuer does not receive such information concerning such holder's identity and tax residence as may be required in order to comply with the procedures that may be implemented to comply with the interpretation of Law 10/2014 and Royal Decree 1065/2007 eventually made by the Spanish Tax Authorities.

6.2 Taxation in Respect of the Senior Non-Preferred Notes and Tier 2 Subordinated Notes

All payments in respect of the Senior Non-Preferred Notes and Tier 2 Subordinated Notes by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer will pay such additional amounts in respect of interest (but not in respect of payments of principal or any premium) as shall be necessary in order that the net amounts received by the holders of Senior Non-Preferred Notes and Tier 2 Subordinated Notes after such withholding or deduction shall equal the amount of interest which would otherwise have been receivable in respect of the Senior Non-Preferred Notes and Tier 2 Subordinated Notes, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Senior Non-Preferred Notes and Tier 2 Subordinated Notes:

(a) presented for payment in Spain; or

(b) to, or to a third party on behalf of, a holder who is liable for such taxes or duties in respect of such Senior Non-Preferred and Tier 2 Subordinated Note by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Senior Non-Preferred Note or Tier 2 Subordinated Note; or

(c) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 4.3 (*Payment Day*)); or

(d) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent; or

(e) to, or to a third party on behalf of, a Spanish-resident legal entity subject to Spanish Corporation Income Tax if the Spanish Tax Authorities determine that the Senior Non-Preferred and Tier 2 Subordinated Notes do not comply with applicable exemption requirements including those specified in the Reply to a Non-Binding Consultation of the Directorate General for Taxation (*Dirección General de Tributos*) dated July 27, 2004 and require a withholding to be made; or

(f) to, or to a third party on behalf of, a holder in respect of whom the Issuer does not receive such information as may be necessary to allow payments on such Senior Non-Preferred and Tier 2 Subordinated Note to be made free and clear of withholding tax or deduction on account of any tax imposed by a Tax Jurisdiction, including when the Issuer does not receive such information concerning such holder's identity and tax residence as may be required in order to comply with the procedures that may be implemented to comply with the interpretation of Law 10/2014 and Royal Decree 1065/2007 eventually made by the Spanish Tax Authorities.

In the Conditions:

"**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Fiscal and Paying Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 12 (*Notices*); and

"**Tax Jurisdiction**" means in respect of a Series of Notes: (i) for so long as CaixaBank, S.A. is the issuer of such Series of Notes or the guarantor pursuant to Condition 15(a)(ii), Spain or any political subdivision or any authority thereof or therein having power to tax; and, (ii) if a substitution of the Issuer under Condition 15 has occurred, the Substituted Debtor's jurisdiction of incorporation or tax residence.

See "*Taxation—Simplified Information Procedures*" *in this Offering Memorandum for a fuller description of certain tax considerations relating to the Notes, the formalities which must be followed in order to claim exemption from withholding tax and for a description of certain disclosure requirements imposed on the Issuer*.

6.3 FATCA Withholding

Notwithstanding any other provision of the Conditions, any amounts to be paid on the Notes by or on behalf of the Issuer, will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the Code, or otherwise imposed pursuant to FATCA or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "FATCA Withholding"). Neither the Issuer nor any other person will be required to pay any additional amounts in respect of FATCA Withholding.

7 PRESCRIPTION

Claims for payment in respect of the Notes will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 6 (*Taxation*) therefor.

8 EVENTS OF DEFAULT

8.1 Events of Default relating to the Notes

If any order is made by any competent court or resolution passed for the winding-up or liquidation of the Issuer (each an "Event of Default"), then any Noteholder of a Series in respect of the Notes of such Series may, by written notice to the Issuer, declare that his Notes or Note (as the case may be) and all interest then accrued but unpaid on such Notes or Note (as the case may be) shall be forthwith due and payable, whereupon the relevant Note(s) shall, to the extent permitted by applicable Spanish law, become immediately due and payable at their Early Redemption Amount together with all accrued interest thereon to the date of repayment without presentment, demand, protest or other notice of any kind, all of which the Issuer expressly waives, anything contained in such Notes to the contrary.

Except as contemplated under this Condition 8.1, each Noteholder (which for these purposes includes each holder of a beneficial interest in the Notes) will under no circumstances be entitled to declare any Notes due and payable, it being therefore understood that the non-performance by the Issuer of its obligations under the Notes will not constitute an Event of Default.

8.2 Green, Social or Sustainability Notes

In the case of any Notes where the applicable Pricing Supplement states that are to be for "green", "social" or "sustainability" projects as described in the "Use of Proceeds" section (the "Green, Social or Sustainability Notes Use of Proceeds Disclosure" and the "Green, Social or Sustainability Notes", as appropriate), no Event of Default shall occur or other claim against the Issuer or right of a holder of, or obligation or liability of the Issuer in respect of, such Green, Social or Sustainability Notes arise as a result of the net proceeds of such Green, Social or Sustainability Notes not being used, any report, assessment, opinion or certification not being obtained or published, or any other step or action not being taken, in each case as set out and described in the Green, Social or Sustainability Notes Use of Proceeds Disclosure.

9 WAIVER OF SET-OFF

No Noteholder may at any time exercise or claim any or all rights of or claims of any Noteholder for deduction, set-off, netting, compensation, retention or counterclaim arising directly or indirectly under or in connection with any Note (the "Waived Set-Off Rights") against any right, claim, or liability the Issuer has or may have or acquire against such Noteholder, directly or indirectly, howsoever arising (and, for the avoidance of doubt, including all such rights, claims and liabilities arising under or in relation to any and all agreements or other instruments of any sort, whether or not relating to such Note) and each Noteholder shall be deemed to have waived all Waived Set-Off Rights to the fullest extent permitted by applicable law in relation to all such actual and potential rights, claims and liabilities. Notwithstanding the preceding sentence, if any of the amounts owing to any Noteholder by the Issuer in respect of, or arising under or in connection with the Notes is discharged by set-off, such Noteholder shall, subject to applicable law, immediately pay an amount equal to the amount of such discharge to the Issuer and, until such time as payment is made, shall hold an amount equal to such amount in trust for the Issuer and accordingly any such discharge shall be deemed not to have taken place.

For the avoidance of doubt, nothing in this Condition 9 is intended to provide, or shall be construed as acknowledging, any right of deduction, set-off, netting, compensation, retention or counterclaim or that any such right is or would be available to any Noteholder of any Note but for this Condition 9.

10 REPLACEMENT OF NOTES

Should any Note be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal and Paying Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require and in accordance with applicable law. Mutilated or defaced Notes must be surrendered before replacements will be issued.

11 AGENTS

The names of the initial Agents and their initial specified offices are set out in the Offering Memorandum, unless otherwise specified in the applicable Pricing Supplement. If any additional Agents are appointed in connection with the Notes, the names of such Agents will be specified in the applicable Pricing Supplement.

The Issuer is entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

(a) there will at all times be a Fiscal and Paying Agent and a Registrar; and

(b) so long as the Notes are listed or traded on any stock exchange or market or admitted to listing or trading by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange, market or other relevant authority.

Notice of any variation, termination, appointment or change in Agents will be given promptly by the Issuer to the Noteholders in accordance with Condition 12 (*Notices*).

In acting under the Fiscal Agency Agreement, the Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholders. *The Fiscal Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.*

12 NOTICES

Notices to Noteholders will be deemed to be validly given if sent by first class mail (or equivalent) or (if posted to an overseas address) by air mail to them (or, in the case of joint Noteholders, to the first-named in the Register) at their respective addresses as recorded in the Register kept by the Registrar, and will be deemed to have been validly given on the fourth Business Day after the date of such mailing or, if posted from another country, on the fifth such day.

All notices regarding Notes, both definitive and global, will be valid if published once in a leading English-language daily newspaper with general circulation in the United States, which is expected to be the Wall Street Journal. Any such notice shall be deemed to be given on the date of such publication or, if published more than once or on different dates, on the date of the first such publication.

Until such time as any definitive Notes are issued and so long as any Global Notes representing the Notes are held in their entirety by or on behalf of DTC, notices to Noteholders may instead of being published or mailed be delivered to DTC for communication by them to the Noteholders. Any such notice shall be deemed to have been given to the Noteholders on the second business day after the day on which the said notice was given to DTC.

In addition, for so long as any Notes are listed or traded on a stock exchange or market or are admitted to listing or trading by another relevant authority and the rules of that stock exchange, market or relevant authority so require, such notice will also be published on the website of the relevant stock exchange, market or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules.

Notices to be given by any Noteholder shall be in writing and given by delivering the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Fiscal and Paying Agent. If the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Fiscal and Paying Agent through DTC, as the case may be, in such manner as the Fiscal and Paying Agent and DTC, as the case may be, may approve for this purpose.

13 MEETINGS OF NOTEHOLDERS AND MODIFICATION

13.1 Meetings of Noteholders

Meetings (including by way of conference call or by use of a videoconference platform) of the Noteholders may be convened in accordance with the provisions of the Fiscal Agency Agreement to consider any matter affecting their interests, including the modification by extraordinary resolution of any of these Conditions or any of the provisions of the Fiscal Agency Agreement (except as indicated below with respect to a Basic Terms Modification). The quorum at any meeting for passing an extraordinary resolution will be one or more persons present holding or representing more than 50 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons present whatever the principal amount of the Notes held or represented by him or them. However, no such amendment or modification will apply, without the consent of each Noteholder affected thereby at any meeting the business of which includes any of the following matters ("**Basic Terms Modification**"):

(a) modification of the Maturity Date of the Notes or reduction or cancellation of the principal amount payable at maturity or redemption; or

(b) reduction or cancellation of the amount payable or modification of the payment date in respect of any interest in respect of the Notes or variation of the method of calculating the rate of interest in respect of the Notes; or

(c) reduction of any Minimum Rate of Interest and/or Maximum Rate of Interest specified in the applicable Pricing Supplement; or

(d) change the place of payment or currency in which the payment of principal or interest is payable; or

(e) modification of the majority required to pass an extraordinary resolution; or

(f) alteration of this provision,

except in each case with respect to any change, modification or amendment as a result of, and to the extent required by, the exercise of the Loss Absorbing Power by the Relevant Resolution Authority with respect to the relevant series of Notes.

Each of (i) a resolution passed at a meeting duly convened and held in accordance with the Fiscal Agency Agreement by a majority consisting of not less than three-fourths of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than three-fourths in principal amount of the Notes for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Fiscal and Paying Agent) by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding, shall, in each case, be effective as an extraordinary resolution of the Noteholders. An extraordinary resolution passed by the Noteholders will be binding on all Noteholders, whether or not they are present at any meeting and whether or not they voted on the resolution.

13.2 Modification

The Agent and the Issuer may agree, without the consent of the Noteholders, to:

(a) any modification of, the Notes or any of the provisions of the Fiscal Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law; or

(b) any modification (except a Basic Terms Modification) of the Notes or the Fiscal Agency Agreement which is not prejudicial to the interests of the Noteholders.

Any modification made in accordance with this Condition 13 shall be binding on the Noteholders and, unless the Fiscal and Paying Agent agrees otherwise, any modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 12 (*Notices*).

14 FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes; provided however that such further notes will not have the same CUSIP, ISIN or other identifying number as the existing Notes of the relevant series unless the further notes are fungible with the existing Notes of the relevant series for U.S. federal income tax purposes.

15 SUBSTITUTION OF THE ISSUER

(a) The Issuer (or any previous substitute under this Condition 15) may, with respect to any Series of Notes, without the further consent of the Noteholders but, subject to such substitution being in compliance with Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) and subject to the prior permission of the Regulator and/or the Relevant Resolution Authority, if and as required therefor under Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations), be replaced and substituted by any of its wholly owned Subsidiaries as the principal debtor in respect of the Notes (the "**Substituted Debtor**"), provided that:

(i) there is no outstanding Event of Default in respect of the Notes and the Issuer (or any previous substitute under this Condition 15) is not in default in respect of any amount payable under any of the relevant Notes;

(ii) the Issuer (or any previous substitute under this Condition 15) and the Substituted Debtor have granted or entered into such other documents (the "**Documents**") as are necessary to give effect to the substitution and in which the Substituted Debtor has undertaken in favor of each Noteholder of the relevant Notes to be bound by these Conditions and the provisions of the Fiscal Agency Agreement as the debtor in respect of such Notes in place of the Issuer (or of any previous substitute under this Condition 15) and pursuant to which the Issuer shall unconditionally and irrevocably guarantee (the "**New Guarantee**") in favor of each Noteholder the payment of all sums payable by the Substituted Debtor as such principal debtor with the Issuer's obligations under the New Guarantee ranking *pari passu* with the Issuer's obligations under the Notes prior to the substitution becoming effective;

(iii) if the Substituted Debtor is organized under the laws of, or resident for tax purposes in a territory (the "**New Residence**") other than that in which the Issuer prior to such substitution was organized or resident for tax purposes (the "**Former Residence**") the Documents contain an undertaking and/or such other provisions as may be necessary to ensure that each Noteholder of the relevant Notes has the benefit of an undertaking in terms corresponding to the provisions of Condition 6 (*Taxation*), with, where applicable, the substitution of references to the Former Residence with references to the New Residence. The Documents also contain a covenant by the Substituted Debtor and the Issuer to indemnify and hold harmless each Noteholder against all taxes or duties which arise by reason of a law or regulation having legal effect or being in reasonable contemplation thereof on the date such substitution becomes effective, which may be incurred or levied against such holder as a result of any substitution pursuant to this Condition 15 and which would not have been so incurred or levied had such substitution not been made (and, without limiting the foregoing, any and all taxes or duties which are imposed on any such Noteholder by any political sub-division or taxing authority of any country in which such Noteholder resides or is subject to any such tax or duty and which would not have been so imposed had such substitution not been made);

(iv) the Documents contain a warranty and representation by the Substituted Debtor and the Issuer that the Substituted Debtor and the Issuer have obtained all necessary governmental approvals and consents for such substitution and for the giving by the Issuer of the New Guarantee in respect of the obligations of the Substituted Debtor and for the performance by each of the

Substituted Debtor and the Issuer of their respective obligations under the Documents and that all such approvals and consents are in full force and effect;

(v) each stock exchange or market on which the relevant Notes are listed or traded has confirmed that, following the proposed substitution of the Substituted Debtor, the relevant Notes will continue to be listed or traded on such stock exchange or market, as the case may be (or the Issuer or the Substituted Debtor is otherwise satisfied of the same);

(vi) a legal opinion shall have been delivered to the Fiscal and Paying Agent (from whom copies will be available) from lawyers of recognized standing in the country of incorporation of the Substituted Debtor and the country which laws governs this Program, confirming, as appropriate, that upon the substitution taking place the Notes are legal, valid and binding obligations of the Substituted Debtor enforceable in accordance with their terms;

(vii) a legal opinion shall have been delivered to the Fiscal and Paying Agent (from whom copies will be available) from lawyers of recognized standing in the country which law governs the Documents that upon the substitution taking place the Documents (including the New Guarantee given by the Issuer in respect of the Substituted Debtor) constitute legal, valid and binding obligations of the Issuer enforceable in accordance with their terms;

(viii) a legal opinion shall have been delivered to the Fiscal and Paying Agent (from whom copies will be available) from lawyers of recognized standing in New York City that upon the substitution taking place the Documents (including the New Guarantee given by the Issuer in respect of the Substituted Debtor) constitute legal, valid and binding obligations of the parties thereto under New York law;

(ix) any rating agency which has issued a rating in connection with the relevant Notes shall have confirmed that following the proposed substitution of the Substituted Debtor, the credit rating of the relevant Notes will remain the same or be improved;

(x) if applicable, the Substituted Debtor has appointed a process agent as its agent in New York to receive service of process on its behalf in relation to any legal proceedings arising out of or in connection with the relevant Notes and the Documents; and

(xi) the substitution complies with all applicable requirements established under the applicable laws.

(b) Upon the execution of the Documents and the delivery of the legal opinions, the Substituted Debtor shall succeed to, and be substituted for, and may exercise every right and power, of the Issuer (or any previous substitute under this Condition 15) under the relevant Notes and the Fiscal Agency Agreement with the same effect as if the Substituted Debtor had been named as the principal debtor in place of the Issuer herein, and the Issuer or any previous substitute under these provisions shall, upon the execution of the Documents be released from its obligations under the relevant Notes and under the Fiscal Agency Agreement, except for any obligations the Issuer may have under the New Guarantee.

(c) After a substitution pursuant to Condition 15 (a) above, the Substituted Debtor may, without the further consent of any Noteholder, effect a further substitution. All the provisions specified in Condition 15 (a) and (b) above shall apply, *mutatis mutandis*, and references in these Conditions to the Issuer shall, where the context so requires, be deemed to be or include references to any such further Substituted Debtor.

(d) After a substitution pursuant to Condition 15 (a) or (c) above any Substituted Debtor may, without the further consent of any Noteholder, reverse the substitution, *mutatis mutandis*, provided the provisions of Condition 15(a) above are satisfied in connection with such reversion.

(e) The Documents shall be delivered to, and kept by, the Fiscal and Paying Agent for so long as any Note remains outstanding and for so long as any claim made against the Substituted Debtor and/or the Issuer by any Noteholder in relation to the Notes or the Documents shall not have been finally adjudicated

or settled or discharged. Copies of the Documents will be available free of charge at the specified office the Fiscal and Paying Agent.

(f) Not later than 15 Business Days after the execution of the Documents, the Substituted Debtor shall give notice thereof to the Noteholders in accordance with Condition 12 (*Notices*).

The substitution of the Issuer with a Substituted Debtor may result in a deemed taxable exchange for U.S. federal income tax purposes.

16 LOSS ABSORBING POWER

16.1 Acknowledgement

Notwithstanding any other term of the Notes or any other agreement, arrangement or understanding between the Issuer and the Noteholders, by its subscription and/or purchase and holding of the Notes, each Noteholder (which for the purposes of this Condition 16 includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents and agrees:

(a) to be bound by the effect of the exercise of the Loss Absorbing Power by the Relevant Resolution Authority, which may include and result in any of the following, or some combination thereof:

(i) the reduction of all, or a portion, of the Amounts Due on a permanent basis;

(ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or another person (and the issue to the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes, in which case the Noteholder agrees to accept in lieu of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;

(iii) the cancellation of the Notes or Amounts Due;

(iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period;

(b) that the terms of the Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Loss Absorbing Power by the Relevant Resolution Authority; and

(c) that it is deemed to have authorized, directed and requested DTC and any direct participant in DTC or other intermediary through which it holds such Notes to take any and all necessary actions, if required, to implement the exercise of the Loss Absorbing Power by the Relevant Resolution Authority with respect to such Notes as may be imposed, without any further action or direction on the part of such holder of Notes.

By its subscription and/or purchase and holding of the Notes, each Noteholder (which for the purposes of this Condition 16 includes each holder of a beneficial interest in the Notes) further agrees to be deemed to have authorized, directed and requested the relevant depository (including, if applicable, DTC) and any direct participant therein or other intermediary through which it holds such Notes to take any and all necessary action, if required, to implement the exercise of the Loss Absorbing Power with respect to the Notes as it may be imposed, without any further action or direction on the part of such Noteholder.

Noteholders (which for the purposes of this Condition 16 includes each holder of a beneficial interest in the Notes) that acquire such Notes in the secondary market or otherwise shall be deemed to acknowledge, agree to be bound by and consent to the same provisions specified herein to the same extent as the Noteholders that acquire such Notes upon their initial issuance, including, without limitation, with respect to the acknowledgement and agreement to be bound by and consent to the terms of the Notes related to the exercise of the Loss Absorbing Power.

16.2 Payment of Interest and Other Outstanding Amounts Due

No repayment or payment of the Amounts Due, if any, on the Notes of any Series, will become due and payable or be paid after the exercise of the Loss Absorbing Power by the Relevant Resolution Authority if and to the extent such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

16.3 Notice to Noteholders

Upon the exercise of any Loss Absorbing Power by the Relevant Resolution Authority with respect to the Notes, the Issuer will make available a written notice to the Noteholders as soon as practicable regarding such exercise of the Loss Absorbing Power. The Issuer will also deliver a copy of such notice to the Fiscal and Paying Agent for information purposes. No failure or delay by the Issuer to deliver a notice to the Noteholders shall affect the validity or enforceability of the exercise of the Loss Absorbing Power.

16.4 Duties of the Agents

Upon the exercise of any Loss Absorbing Power by the Relevant Resolution Authority, (a) the Agents shall not be required to take any directions from Noteholders, and (b) the Fiscal Agency Agreement shall impose no duties upon any of the Agents whatsoever, in each case with respect to the exercise of any Loss Absorbing Power by the Relevant Resolution Authority.

16.5 Proration

If the Relevant Resolution Authority exercises the Loss Absorbing Power with respect to less than the total Amounts Due, unless any of the Paying Agents is otherwise instructed by the Issuer or the Relevant Resolution Authority, any cancellation, write-off or conversion made in respect of the Notes pursuant to the Loss Absorbing Power will be made on a pro-rata basis.

16.6 Condition Exhaustive

The matters set forth in this Condition 16 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer and any Noteholder.

16.7 No Event of Default

None of an amendment, alteration or cancellation of the Notes, a reduction in the Amounts Due, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the Loss Absorbing Power by the Relevant Resolution Authority with respect to the Issuer or the exercise of the Loss Absorbing Power with respect to the Notes will be an Event of Default or otherwise constitute non-performance of a contractual obligation, or entitle the Noteholders to any remedies (including equitable remedies) which are hereby expressly waived.

16.8 Definitions

In this Condition 16:

"**Amounts Due**" means the principal amount of or outstanding amount, together with any accrued but unpaid interest, and additional amounts, if any, due on the Notes under Condition 6 (*Taxation)*. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of the Loss Absorbing Power by the Relevant Resolution Authority;

"**Loss Absorbing Power**" means any power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Spain, relating to (i) the transposition of the BRRD (including but not limited to, Law 11/2015, Royal Decree 1012/2015 and any other implementing regulations) as amended or superseded from time to time, (ii) Regulation (EU) No. 806/2014 of the European Parliament and of the Council of July 15, 2014, establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Resolution Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010 (as amended or superseded from

time to time, including by the SRM Regulation II, the "**SRM Regulation**") and (iii) the instruments, rules and standards created thereunder, pursuant to which any obligation of a Regulated Entity (or an affiliate of such Regulated Entity) can be reduced, cancelled, suspended, modified, or converted into shares, other securities, or other obligations of such Regulated Entity (or affiliate of such Regulated Entity); and

"**Regulated Entity**" means any entity to which BRRD, as implemented in Spain (including but not limited to, by Law 11/2015, Royal Decree 1012/2015 and any other implementing regulations) and as amended or superseded from time to time, or any other Spanish piece of legislation relating to the Loss Absorbing Power, applies, which includes, certain credit institutions, investment firms, and certain of their parent or holding companies.

17 SUBSTITUTION AND VARIATION

17.1 This Condition 17.1 applies to Ordinary Senior Notes eligible to comply with MREL Requirements, Senior Non-Preferred Notes and Tier 2 Subordinated Notes.

If an Alignment Event or circumstance giving rise to the right of the Issuer to redeem the Ordinary Senior Notes eligible to comply with MREL Requirements, Senior Non-Preferred Notes or Tier 2 Subordinated Notes under Condition 5.2 (*Redemption for Tax Reasons*), Condition 5.4 (*Redemption at the Option of the Issuer (Capital Event): Tier 2 Subordinated Notes*) or Condition 5.5 (*Redemption at the Option of the Issuer (Eligible Liabilities Event): Tier 2 Subordinated Notes or Senior Notes*) occurs and is continuing, the Issuer may substitute all (but not some only) of the Notes or vary the terms of all (but not some only) of the Notes, without any requirement for the consent or approval of the Noteholders, so that they are substituted for, or varied to become or remain, Qualifying Notes, subject to giving not less than 10 nor more than 60 calendar days' notice to the Noteholders in accordance with Condition 12 (*Notices*) and the Fiscal and Paying Agent (which notice shall be irrevocable and specify the date for substitution or, as applicable, variation), and subject to obtaining the prior permission of the Regulator and/or Relevant Resolution Authority if and as required therefor under Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) and in accordance with Applicable Banking Regulations (including, for the avoidance of doubt, Applicable MREL Regulations) in force at the relevant time.

Any such notice shall specify the relevant details of the manner in which such substitution or variation shall take effect and where the Noteholders can inspect or obtain copies of the new terms and conditions of the relevant Notes. Such substitution or variation shall be effected without any cost or charge to the Noteholders.

Noteholders (which for the purposes of this Condition 17 includes each holder of a beneficial interest in the Notes) shall, by virtue of subscribing, purchasing and/or holding the relevant Notes, be deemed to accept the substitution or variation of the terms of such Notes and to grant the Issuer full power and authority to take any action and/or execute and deliver any document in the name and/or on behalf of the Noteholder which is necessary or convenient to complete the substitution or variation of the terms of the Notes.

17.2 In the Conditions:

An "**Alignment Event**" is deemed to have occurred if there is a change in, or amendment to, the Applicable MREL Regulations, or any change in the application or interpretation thereof, that results in the requirements for Ordinary Senior Notes to qualify as MREL-Eligible Senior Preferred Instruments, for Senior Non-Preferred Notes to qualify as MREL-Eligible Senior Non-Preferred Instruments and for Tier 2 Subordinated Notes to comply with MREL Requirements being different in any respect from the Conditions, provided that if an event or circumstance which would otherwise constitute an Alignment Event also constitutes an Eligible Liabilities Event, it will be treated as an Eligible Liabilities Event and will not constitute an Alignment Event; and

"**Qualifying Notes**" means, at any time, any securities denominated in U.S. dollars and issued directly by the Issuer that have terms not otherwise materially less favorable to the Noteholders than the terms of the Notes provided that the Issuer shall have delivered a certificate signed by two authorized signatories to that effect to the Noteholders in accordance with Condition 12 (*Notices*) and the Fiscal and Paying Agent not less

than five Business Days prior to (x) in the case of a substitution of the Notes, the issue date of the relevant securities or (y) in the case of a variation of the Notes, the date such variation becomes effective, provided that such securities shall:

(a) (i) in the case of Ordinary Senior Notes eligible to comply with MREL Requirements, contain terms that comply with the then current requirements for MREL-Eligible Senior Preferred Instruments of the Issuer and/or the Group; (ii) in the case of Senior Non-Preferred Notes, contain terms that comply with the then current requirements for MREL-Eligible Senior Non-Preferred Instruments of the Issuer and/or the Group; and (iii) in the case of Tier 2 Subordinated Notes, contain terms which comply with the then current requirements for their inclusion in the Tier 2 Capital of the Issuer and/or the Group, as embodied in the Applicable Banking Regulations; and

(b) carry the same rate of interest as the Notes prior to the relevant substitution or variation; and

(c) have the same denomination and aggregate outstanding principal amount as the Notes prior to the relevant substitution or variation; and

(d) have the same date of maturity and the same dates for payment of interest as the Notes prior to the relevant substitution or variation; and

(e) have a ranking which is the same as or higher than the ranking of the Notes set out in the applicable Pricing Supplement; and

(f) not, immediately following such substitution or variation, be subject to (i) in the case of Senior Notes and Tier 2 Subordinated Notes, an Eligible Liabilities Event or an early redemption right for taxation reasons according to Condition 5.2 (*Redemption for Tax Reasons*); and (ii) in the case of Tier 2 Subordinated Notes, a Capital Event, an Eligible Liabilities Event or an early redemption right for taxation reasons according to Condition 5.2 (*Redemption for Tax Reasons*); and

(g) preserve any existing rights under the Notes to any accrued interest which has not been paid; and

(h) be listed or admitted to trading on any stock exchange or market as selected by the Issuer, if Notes were listed or admitted to trading on a stock exchange or market immediately prior to the relevant substitution or variation.

For the avoidance of doubt, (i) any change in the governing law of the Notes from New York law to Spanish law so that the Notes become again or remain Qualifying Notes shall not be subject to the requirement not to be materially less favorable to the interests of the holders of the Notes, and (ii) any variation in the ranking of the relevant Notes as set out in Condition 2 (*Status of the Senior Notes and Tier 2 Subordinated Notes*) resulting from any such substitution or modification (including, *inter alia*, through the removal of an Issuer Call) shall be deemed not to be materially less favorable to the interests of the Noteholders where the ranking of such Notes following such substitution or modification is at least the same ranking as is applicable to such Notes as set out in the applicable Pricing Supplement on the issue date of such Notes.

18 GOVERNING LAW AND SUBMISSION TO JURISDICTION

18.1 Governing law

The status of the Notes (Condition 2 (*Status of the Senior Notes and Tier 2 Subordinated Notes*), the capacity of the Issuer to issue and execute the Notes and enter into the Fiscal Agency Agreement, the relevant corporate resolutions, and the provisions relating to the exercise and effect of the Loss Absorbing Power by the Relevant Resolution Authority and the acknowledgment of, and consent to, the same of the Notes (Condition 16 (*Loss Absorbing Power*)) and Section 18 of the Fiscal Agency Agreement are governed by, and shall be construed in accordance with, Spanish law. Save as provided above, the Fiscal Agency Agreement, the Notes and any non-contractual obligations arising out of or in connection with the Fiscal Agency

Agreement and the Notes are governed by, and shall be construed in accordance with, the laws of the State of New York. The Notes are issued in accordance with the formalities prescribed by Spanish company law.

18.2 Submission to jurisdiction

(a) Subject to Condition 18.2(c) and (d) belowbelow, the courts of the State of New York and the U.S. federal courts located in The City of New York have exclusive jurisdiction to settle any dispute arising out of or in connection with the Notes, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Notes (a "**Dispute**") and accordingly each of the Issuer and any Noteholders in relation to any Dispute submits to the exclusive jurisdiction of the New York courts.

(b) For the purposes of this Condition 18.2, the Issuer waives any objection to the courts of the State of New York and the U.S. federal courts located in The City of New York on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

(c) Notwithstanding the above, each of the Issuer and any Noteholder submits to the exclusive jurisdiction of the Spanish courts, in particular, to the venue of the city of Valencia, in relation to any dispute arising out of or in connection with the application of any Loss Absorbing Power by the Relevant Resolution Authority (a "**Bail-in Dispute**"). Each of the Issuer and any Noteholder in relation to a Bail-in Dispute further waives any objection to the Spanish courts on the grounds that they are an inconvenient or inappropriate forum to settle any Bail-in Dispute.

(d) To the extent allowed by law, the Noteholders may, in respect of any Dispute or Disputes (other than a Bail-in Dispute), take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

18.3 Appointment of Process Agent

The Issuer appoints Cogency Global Inc. whose registered address is at 122 East 42nd Street, 18th Floor, New York, NY 10168, United States, as its agent upon whom process may be served in any action brought against the Issuer in any U.S. federal or New York State court, and agrees that, in the event of Cogency Global Inc. 122 being unable or unwilling for any reason so to act, it will immediately appoint another person as its agent for service of process in New York in respect of any Dispute (other than a Bail-in Dispute). The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve process in any other manner permitted by law.

18.4 Waiver of Jury Trial

The Issuer, the Noteholders (by purchase of their Notes) and the Agents agree to waive, to the extent permitted by law, any right they may have to trial by jury.

FORM OF PRICING SUPPLEMENT

Form of Fixed Rate Notes Pricing Supplement

Pricing Supplement dated [●]
CAIXABANK, S.A.
U.S.$5,000,000,000
U.S. Medium-Term Note Program

Series No. [●]
Tranche No. [●]
U.S.$[●] [Ordinary Senior/Senior Non-Preferred] Fixed Rate Notes due [●](the "Notes")

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Memorandum dated February 28, 2022 (the "**Offering Memorandum**")[, as supplemented by Supplement No. [●] to the Offering Memorandum dated [●], 20[●] (the "Offering Memorandum Supplement No. [●]"). The Offering Memorandum as supplemented by the Offering Memorandum Supplement No. [●] is herein called the "**Offering Memorandum**"]. This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Offering Memorandum. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Memorandum. This Pricing Supplement completes the Conditions for purposes of the Notes, and in the event of any inconsistency between the Offering Memorandum or the Conditions and this Pricing Supplement, this Pricing Supplement shall prevail. The Offering Memorandum is available from the dealers referred to herein.

Issuer:	CaixaBank, S.A.
Status:	[Ordinary Senior Notes, (i) senior to (A) any Senior Non-Preferred Obligations and (B) any claims against the Issuer qualifying as subordinated claims (créditos subordinados) under Article 281 of the Insolvency Law (or equivalent legal provision which replaces it in the future); and (ii) pari passu among themselves and with any other Senior Preferred Obligations./ Senior-Non-Preferred Notes: (i) senior to any claims against the Issuer qualifying as subordinated claims (créditos subordinados) under Article 281 of the Insolvency Law (or equivalent legal provision which replaces it in the future); (ii) pari passu among themselves and with any other Senior Non-Preferred Obligations; and (iii) junior to any Senior Preferred Obligations.]
Series No.:	[●]
Tranche No.:	[●]
Principal Amount and Currency:	U.S.$[●]
Issue Price:	[●]%
Pricing Date:	[●], 20[●] (T)
Issue Date:	[●], 20[●] [(T+[●])]

Maturity Date:	[●]
Interest Basis:	[●]% Fixed Rate
Interest Payment Dates:	[●], 20[●] in each year, commencing on [●], 20[●] and ending on the Maturity Date
Additional Financial Center:	[●]
Rate of Interest:	[●]% per annum
[Fixed Coupon Amount / Broken Amount:]	U.S.$[●]
Fixed Rate Benchmark Treasury:	UST [●] due [●] ([●])
Margin vs. Benchmark Treasury:	+[●] basis points
Fixed Rate Benchmark Price/Yield:	[●]
Re-Offer Yield:	[●]%
[Day Count Fraction:]	[Actual/360 / Actual/Actual (ICMA) / 30/360]
[Determination Date:]	[●]
[Issuer Call:]	[Early redemption at the option of the Issuer on [●], 20[●](the "**Optional Redemption Date**"), subject to compliance with the Applicable Banking Regulations then in force and subject to the prior permission of the Regulator and/or the Relevant Resolution Authority, if and as required, at the Early Redemption Amount plus accrued and unpaid interest, if any.]
Early Redemption:	Early redemption at the option of the Issuer for certain tax reasons [or upon the occurrence of an Eligible Liabilities Event], subject to compliance with the Applicable Banking Regulations then in force and subject to the prior permission of the Regulator and/or the Relevant Resolution Authority, if and as required, at the Early Redemption Amount plus accrued and unpaid interest, if any.
Early Redemption Amount:	[[●] per Note of [●] Specified Denomination/Calculation Amount]
Substitution and Variation:	If an Alignment Event or circumstance giving rise to the right of the Issuer to redeem the Notes for tax reasons [or upon the occurrence of an Eligible Liabilities Event], the Issuer may substitute all (but not some only) of the Notes or vary the terms of all (but not some only) of the Notes, without any requirement for the consent or approval of the Noteholders, so that they are substituted for, or varied to become or remain, Qualifying Notes.
Listing and Admission to Trading:	Application [has been/will be] made by the Issuer (or on its behalf) to Euronext Dublin for the Notes to be admitted to the Official List of Euronext Dublin and admitted to trading on the Global Exchange Market of Euronext Dublin with effect from the Issue Date.

Governing Law:	New York; except that the status of the Notes, the capacity of the Issuer to issue and execute the Notes and enter into the Fiscal Agency Agreement, the relevant corporate resolutions and the provisions of the Notes and Section 18 of the Fiscal Agency Agreement relating to the exercise and effect of the Loss Absorbing Power by the Relevant Resolution Authority and the acknowledgment of the same are governed by, and shall be construed in accordance with, Spanish law.
Expected Security Ratings*:	[Moody's Investors Service España, S.A.: [●] / S&P Global Ratings Europe Limited: [●] / Fitch Ratings Ireland Limited: [●]]
Form of Issuance:	[Rule 144A/Reg. S]
Form of Notes:	[Regulation S [Global/Master] Note and Rule 144A [Global/Master] Note, each registered in the name of a nominee for DTC]
Method of Distribution:	[Syndicated]
Dealer(s):	[●]
[Rule 144A CUSIP / ISIN:]	[●] / [●]
[Regulation S CUSIP / ISIN:]	[●] / [●]
Loss Absorbing Power:	The Notes may be subject to the exercise of the Loss Absorbing Power by the Relevant Resolution Authority.

* Ratings are not a recommendation to purchase, hold or sell notes, inasmuch as the ratings do not comment as to market price or suitability for a particular investor. The ratings are based upon current information furnished to the rating agencies by the Issuer and information obtained by the rating agencies from other sources. The ratings are only accurate as of the date thereof and may be changed, superseded or withdrawn as a result of changes in, or unavailability of, such information, and therefore a prospective purchaser should check the current ratings before purchasing the notes. Each rating should be evaluated independently of any other rating.

[Purpose of Pricing Supplement

This Pricing Supplement comprises the final terms required for issue and admission to trading on the Global Exchange Market of Euronext Dublin of the Notes described herein pursuant to the U.S.$5,000,000,000 U.S. Medium Term Notes Program of CaixaBank, S.A.]

Settlement

It is expected that delivery of the Notes will be made against payment therefor on or about [●] which will be [●] business days following the date of pricing of the Notes hereof (this settlement cycle being referred to as "T+[●]"). Under Rule 15c6-1 of the Securities Exchange Act of 1934, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade at the commencement of trading will be required, by virtue of the fact that the Notes initially will settle in T+[●], to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement and should consult their own advisor.

Important Information

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S ("**Regulation S**") under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold only (i) outside the United States to non-U.S. persons in reliance on Regulation S and (ii) within the United States to persons who are "qualified institutional buyers" (each, a "**QIB**") within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act and the rules and regulations thereunder, acting for their own account or for the account of one of more QIBs in reliance on Rule 144A. Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. See "*Plan of Distribution*" and "Transfer Restrictions" in the Offering Memorandum for information about eligible offerees and transfer restrictions.

Acknowledgment of Loss Absorbing Power

Notwithstanding any other term of the Notes or any other agreement, arrangement or understanding between the Issuer and the Noteholders, by its subscription and/or purchase and holding of the Notes, each Noteholder (which for these purposes includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents and agrees:

(a) to be bound by the effect of the exercise of the Loss Absorbing Power by the Relevant Resolution Authority, which may include and result in any of the following, or some combination thereof:

   (i) the reduction of all, or a portion, of the Amounts Due on a permanent basis;

   (ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or another person (and the issue to the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes, in which case the Noteholder agrees to accept in lieu of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;

   (iii) the cancellation of the Notes or Amounts Due;

   (iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period;

(b) that the terms of the Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Loss Absorbing Power by the Relevant Resolution Authority; and

(c) that it is deemed to have authorized, directed and requested DTC and any direct participant in DTC or other intermediary through which it holds such Notes to take any and all necessary actions, if required, to implement the exercise of the Loss Absorbing Power by the Relevant Resolution Authority with respect to such Notes as may be imposed, without any further action or direction on the part of such holder of Notes.

By its subscription and/or purchase and holding of the Notes, each Noteholder (which for these purposes includes each holder of a beneficial interest in the Notes) further agrees to be deemed to have authorized,

directed and requested the relevant depository (including, if applicable, DTC) and any direct participant therein or other intermediary through which it holds such Notes to take any and all necessary action, if required, to implement the exercise of the Loss Absorbing Power with respect to the Notes as it may be imposed, without any further action or direction on the part of such Noteholder.

Noteholders (which for these purposes includes each holder of a beneficial interest in the Notes) that acquire such Notes in the secondary market or otherwise shall be deemed to acknowledge, agree to be bound by and consent to the same provisions specified herein to the same extent as the Noteholders that acquire such Notes upon their initial issuance, including, without limitation, with respect to the acknowledgement and agreement to be bound by and consent to the terms of the Notes related to the exercise of the Loss Absorbing Power.

[Inclusion of the following legends and any additional selling restrictions to be analyzed on a case-by-case basis]

[**PROHIBITION OF SALES TO EEA RETAIL INVESTORS –** The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No. 1286/2014, as amended (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[**PROHIBITION OF SALES TO UK RETAIL INVESTORS –** The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended ("**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No. 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

[**MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ("ECPS") ONLY TARGET MARKET –** Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on February 5, 2018 has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU ("**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s']

target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[‘s/s’] target market assessment) and determining appropriate distribution channels.]

[**UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES (“ECPS”) ONLY TARGET MARKET –** Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients, as defined in Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**UK MiFIR**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturer[‘s/s’] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[‘s/s’] target market assessment) and determining appropriate distribution channels.]

Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”) – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the SFA, the Issuer has determined, and hereby notifies all Relevant Persons (as defined in Section 309A of the SFA) that the Notes are [“prescribed capital markets products”]/[capital markets products other than “prescribed capital markets products”] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and [Excluded] / [Specified] Investment Products (as defined in the Monetary Authority of Singapore (the “**MAS**”) Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Amounts payable under the Notes will be calculated by reference to the [●] which is administered by the [●]. The [●] [is/is not] not included in ESMA’s register of administrators and benchmarks under Article 36 of Regulation (EU) No. 2016/1011 (the “**Benchmarks Regulation**”). [As far as the Issuer is aware, SOFR does not fall within the scope of the Benchmarks Regulation by virtue of Article 2 of Benchmarks Regulation.]

Certain of the Dealers are not broker-dealers registered with the SEC, and therefore may not make sales of any Notes in the United States or to U.S. persons except in compliance with applicable U.S. laws and regulations. To the extent that any such Dealer intends to effect sales of the Notes in the United States, it will do so only through one or more affiliated U.S. registered broker dealers, or otherwise as permitted by applicable U.S. law.

The distribution of this Pricing Supplement and the offering of the Notes in certain jurisdictions may be restricted by law and therefore persons into whose possession this Pricing Supplement comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions could result in a violation of the laws of such jurisdiction.

You may obtain a copy of the Offering Memorandum for the U.S.$5,000,000,000 U.S. Medium Term Notes Program of CaixaBank, S.A. from the Dealers referred to herein.

Form of Floating Rate Notes Pricing Supplement

Pricing Supplement dated [●]
CAIXABANK, S.A.
U.S.$5,000,000,000
U.S. Medium-Term Note Program

Series No. [●]
Tranche No. [●]
U.S.$[●] [Ordinary Senior/Senior Non-Preferred] Floating Rate Notes due [●](the "Notes")

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Memorandum dated February 28, 2022 (the "**Offering Memorandum**")[, as supplemented by Supplement No. [●] to the Offering Memorandum dated [●], 20[●] (the "Offering Memorandum Supplement No. [●]"). The Offering Memorandum as supplemented by the Offering Memorandum Supplement No. [●] is herein called the "**Offering Memorandum**"]. This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Offering Memorandum. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Memorandum. This Pricing Supplement completes the Conditions for purposes of the Notes, and in the event of any inconsistency between the Offering Memorandum or the Conditions and this Pricing Supplement, this Pricing Supplement shall prevail. The Offering Memorandum is available from the dealers referred to herein.

Issuer:	CaixaBank, S.A.
Status:	[Ordinary Senior Notes, (i) senior to (A) any Senior Non-Preferred Obligations and (B) any claims against the Issuer qualifying as subordinated claims (créditos subordinados) under Article 281 of the Insolvency Law (or equivalent legal provision which replaces it in the future); and (ii) pari passu among themselves and with any other Senior Preferred Obligations. / Senior-Non-Preferred Notes: (i) senior to any claims against the Issuer qualifying as subordinated claims (créditos subordinados) under Article 281 of the Insolvency Law (or equivalent legal provision which replaces it in the future); (ii) pari passu among themselves and with any other Senior Non-Preferred Obligations; and (iii) junior to any Senior Preferred Obligations.]
Series No.:	[●]
Tranche No.:	[●]
Principal Amount and Currency:	U.S.$[●]
Issue Price:	[●]%
Pricing Date:	[●], 20[●] (T)
Issue Date:	[●], 20[●] [(T+[●])]

Maturity Date:	[●]
Interest Basis:	Compounded SOFR Index Rate [+/-] [●]% Floating Rate
Re-offer Price:	[●]%
Specified Interest Payment Date[s]:	[●], 20[●] in each year, commencing on [●], 20[●] and ending on the Maturity Date, [subject to adjustment in accordance with the Business Day Convention set out below]
[Specified Period:]	[●]
Business Day Convention:	[Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/Preceding Business Day Convention]
[Additional Business Center:]	[●]
Additional Financial Center:	[●]
Rate of Interest:	SOFR Benchmark [plus/minus] the Margin
SOFR Benchmark:	Compounded SOFR Index Rate with [two] U.S. Government Securities Business Days shift Observation Period, unless a SOFR Transition Event occurs
Margin:	[+/-][●]% per annum
[Minimum Rate of Interest:]	[[●]% per annum]
Margin vs. SOFR Benchmark:	+[●] basis points
Day Count Fraction:	[Actual/360]
[Issuer Call:]	[Early redemption at the option of the Issuer on [●], 20[●](the "**Optional Redemption Date**"), subject to compliance with the Applicable Banking Regulations then in force and subject to the prior permission of the Regulator and/or the Relevant Resolution Authority, if and as required, at the Early Redemption Amount plus accrued and unpaid interest, if any.]
Early Redemption:	Early redemption at the option of the Issuer for certain tax reasons [or upon the occurrence of an Eligible Liabilities Event], subject to compliance with the Applicable Banking Regulations then in force and subject to the prior permission of the Regulator and/or the Relevant Resolution Authority, if and as required, at the Early Redemption Amount plus accrued and unpaid interest, if any.
Early Redemption Amount:	[[●] per Note of [●] Specified Denomination/Calculation Amount]

Substitution and Variation:	If an Alignment Event or circumstance giving rise to the right of the Issuer to redeem the Notes for tax reasons [or upon the occurrence of an Eligible Liabilities Event], the Issuer may substitute all (but not some only) of the Notes or vary the terms of all (but not some only) of the Notes, without any requirement for the consent or approval of the Noteholders, so that they are substituted for, or varied to become or remain, Qualifying Notes.
Listing and Admission to Trading:	Application [has been/will be] made by the Issuer (or on its behalf) to Euronext Dublin for the Notes to be admitted to the Official List of Euronext Dublin and admitted to trading on the Global Exchange Market of Euronext Dublin with effect from the Issue Date.
Governing Law:	New York; except that the status of the Notes, the capacity of the Issuer to issue and execute the Notes and enter into the Fiscal Agency Agreement, the relevant corporate resolutions and the provisions of the Notes and Section 18 of the Fiscal Agency Agreement relating to the exercise and effect of the Loss Absorbing Power by the Relevant Resolution Authority and the acknowledgment of the same are governed by, and shall be construed in accordance with, Spanish law.
Expected Security Ratings*:	[Moody's Investors Service España, S.A.: [●] / S&P Global Ratings Europe Limited: [●] / Fitch Ratings Ireland Limited: [●]]
Form of Issuance:	[Rule 144A/Reg. S]
Form of Notes:	[Regulation S [Global/Master] Note and Rule 144A [Global/Master] Note, each registered in the name of a nominee for DTC]
Method of Distribution:	[Syndicated]
Dealer(s):	[●]
[Rule 144A CUSIP / ISIN:]	[●] / [●]
[Regulation S CUSIP / ISIN:]	[●] / [●]
Loss Absorbing Power:	The Notes may be subject to the exercise of the Loss Absorbing Power by the Relevant Resolution Authority.

* Ratings are not a recommendation to purchase, hold or sell notes, inasmuch as the ratings do not comment as to market price or suitability for a particular investor. The ratings are based upon current information furnished to the rating agencies by the Issuer and information obtained by the rating agencies from other sources. The ratings are only accurate as of the date thereof and may be changed, superseded or withdrawn as a result of changes in, or unavailability of, such information, and therefore a prospective purchaser should

check the current ratings before purchasing the notes. Each rating should be evaluated independently of any other rating.

[Purpose of Pricing Supplement

This Pricing Supplement comprises the final terms required for issue and admission to trading on the Global Exchange Market of Euronext Dublin of the Notes described herein pursuant to the U.S.$5,000,000,000 U.S. Medium Term Notes Program of CaixaBank, S.A.]

Settlement

It is expected that delivery of the Notes will be made against payment therefor on or about [●] which will be [●] business days following the date of pricing of the Notes hereof (this settlement cycle being referred to as "T+[●]"). Under Rule 15c6-1 of the Securities Exchange Act of 1934, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade at the commencement of trading will be required, by virtue of the fact that the Notes initially will settle in T+[●], to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement and should consult their own advisor.

Important Information

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S ("**Regulation S**") under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold only (i) outside the United States to non-U.S. persons in reliance on Regulation S and (ii) within the United States to persons who are "qualified institutional buyers" (each, a "**QIB**") within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act and the rules and regulations thereunder, acting for their own account or for the account of one of more QIBs in reliance on Rule 144A. Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. See "*Plan of Distribution*" and "Transfer Restrictions" in the Offering Memorandum for information about eligible offerees and transfer restrictions.

Acknowledgment of Loss Absorbing Power

Notwithstanding any other term of the Notes or any other agreement, arrangement or understanding between the Issuer and the Noteholders, by its subscription and/or purchase and holding of the Notes, each Noteholder (which for these purposes includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents and agrees:

(a) to be bound by the effect of the exercise of the Loss Absorbing Power by the Relevant Resolution Authority, which may include and result in any of the following, or some combination thereof:

(i) the reduction of all, or a portion, of the Amounts Due on a permanent basis;

(ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or another person (and the issue to the Noteholder of such shares, securities or obligations), including by means of an amendment,

modification or variation of the terms of the Notes, in which case the Noteholder agrees to accept in lieu of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;

(iii) the cancellation of the Notes or Amounts Due;

(iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period;

(b) that the terms of the Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Loss Absorbing Power by the Relevant Resolution Authority; and

(c) that it is deemed to have authorized, directed and requested DTC and any direct participant in DTC or other intermediary through which it holds such Notes to take any and all necessary actions, if required, to implement the exercise of the Loss Absorbing Power by the Relevant Resolution Authority with respect to such Notes as may be imposed, without any further action or direction on the part of such holder of Notes.

By its subscription and/or purchase and holding of the Notes, each Noteholder (which for these purposes includes each holder of a beneficial interest in the Notes) further agrees to be deemed to have authorized, directed and requested the relevant depository (including, if applicable, DTC) and any direct participant therein or other intermediary through which it holds such Notes to take any and all necessary action, if required, to implement the exercise of the Loss Absorbing Power with respect to the Notes as it may be imposed, without any further action or direction on the part of such Noteholder.

Noteholders (which for these purposes includes each holder of a beneficial interest in the Notes) that acquire such Notes in the secondary market or otherwise shall be deemed to acknowledge, agree to be bound by and consent to the same provisions specified herein to the same extent as the Noteholders that acquire such Notes upon their initial issuance, including, without limitation, with respect to the acknowledgement and agreement to be bound by and consent to the terms of the Notes related to the exercise of the Loss Absorbing Power.

[*Inclusion of the following legends and any additional selling restrictions to be analyzed on a case-by-case basis*]

[**PROHIBITION OF SALES TO EEA RETAIL INVESTORS –** The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No. 1286/2014, as amended (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[**PROHIBITION OF SALES TO UK RETAIL INVESTORS –** The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms

part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended ("**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No. 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

[**MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ("ECPS") ONLY TARGET MARKET –** Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on February 5, 2018 has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU ("**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET –** Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA") – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the SFA, the Issuer has determined, and hereby notifies all Relevant Persons (as defined in Section 309A of the SFA) that the Notes are ["prescribed capital markets products"]/[capital markets products other than "prescribed capital markets products"] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and [Excluded] / [Specified] Investment Products (as defined in the Monetary Authority of Singapore (the "**MAS**") Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Amounts payable under the Notes will be calculated by reference to the Secured Overnight Financing Rate (SOFR) which is administered by the Federal Reserve Bank of New York. The Federal Reserve Bank of New York is not included in ESMA's register of administrators and benchmarks under Article 36 of Regulation (EU) No. 2016/1011 (the "**Benchmarks Regulation**"). As far as the Issuer is aware, SOFR does not fall within the scope of the Benchmarks Regulation by virtue of Article 2 of Benchmarks Regulation.

Certain of the Dealers are not broker-dealers registered with the SEC, and therefore may not make sales of any Notes in the United States or to U.S. persons except in compliance with applicable U.S. laws and regulations. To the extent that any such Dealer intends to effect sales of the Notes in the United States, it will do so only through one or more affiliated U.S. registered broker dealers, or otherwise as permitted by applicable U.S. law.

The distribution of this Pricing Supplement and the offering of the Notes in certain jurisdictions may be restricted by law and therefore persons into whose possession this Pricing Supplement comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions could result in a violation of the laws of such jurisdiction.

You may obtain a copy of the Offering Memorandum for the U.S.$5,000,000,000 U.S. Medium Term Notes Program of CaixaBank, S.A. from the Dealers referred to herein.

Form of Tier 2 Subordinated Notes Pricing Supplement

Pricing Supplement dated [●]
CAIXABANK, S.A.
U.S.$5,000,000,000
U.S. Medium-Term Note Program

Series No. [●]
Tranche No. [●]
U.S.$[●] Callable Resettable Tier 2 Subordinated Notes due [●](the "Notes")

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Memorandum dated February 28, 2022 (the "**Offering Memorandum**")[, as supplemented by Supplement No. [●] to the Offering Memorandum dated [●], 20[●] (the "Offering Memorandum Supplement No. [●]"). The Offering Memorandum as supplemented by the Offering Memorandum Supplement No. [●] is herein called the "**Offering Memorandum**"]. This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Offering Memorandum. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Memorandum. This Pricing Supplement completes the Conditions for purposes of the Notes, and in the event of any inconsistency between the Offering Memorandum or the Conditions and this Pricing Supplement, this Pricing Supplement shall prevail. The Offering Memorandum is available from the dealers referred to herein.

Issuer:	CaixaBank, S.A.
Status:	Tier 2 Subordinated Notes, (A) senior to (i) any claims in respect of contractually subordinated obligations of the Issuer qualifying as Additional Tier 1 Instruments; and (ii) any other subordinated obligations which by law and/or by their terms, and to the extent permitted by Spanish law, rank junior to the Issuer's obligations under the relevant Tier 2 Subordinated Notes; (B) pari passu among themselves and with (i) any other claims in respect of contractually subordinated obligations of the Issuer qualifying as Tier 2 Instruments, and (ii) any other subordinated obligations which by law and/or by their terms, and to the extent permitted by Spanish law, rank pari passu with the Issuer's obligations under the relevant Tier 2 Subordinated Notes; and (C) junior to (i) any unsubordinated obligations of the Issuer (including any Senior Non-Preferred Obligations); (ii) any claim in respect of other contractually subordinated obligations of the Issuer not qualifying as Additional Tier 1 Instruments or Tier 2 Instruments, if and as applicable); and (iii) any other subordinated obligations which by law and/or by their terms, and to the extent permitted by Spanish law, rank senior to the Issuer's obligations under the relevant Tier 2 Subordinated Notes.
Series No.:	[●]
Tranche No.:	[●]

Principal Amount and Currency:	U.S.$[●]
Issue Price:	[●]%
Pricing Date:	[●], 20[●] (T)
Issue Date:	[●], 20[●] [(T+[●])]
Maturity Date:	[●]
Interest Basis:	The Notes bear interest at the Initial Rate of Interest for the period from and including the Interest Commencement Date, to but excluding the First Reset Date. If the Notes are not redeemed or repurchased and cancelled on the Optional Redemption Date, the Notes will bear interest at the First Reset Rate for the period from and including the First Reset Date to, but excluding, the [Maturity Date].
Interest Payment Dates:	[●], 20[●] in each year, commencing on [●], 20[●] and ending on the Maturity Date
Additional Financial Center:	[●]
Initial Interest Rate:	[●]% per annum
Initial U.S. Treasury Benchmark:	UST [●] due [●] ([●])
Margin vs. Benchmark Treasury:	+[●] basis points
Benchmark Price/Yield:	[●]
Re-Offer Yield:	[●]%
First Reset Date:	[[●]/Optional Redemption Date]
Reset Determination Time:	[●]
Relevant Screen Page:	[●]
Relevant Time:	[●]
Reset Margin:	[●] basis points
Reset Reference Rate:	[●]
First Reset Rate:	The sum of the Reset Margin and the Reset Reference Rate.
Minimum Rate of Interest:	[[●]% per annum]
Day Count Fraction:	[Actual/360]
[Issuer Call:]	[Early redemption at the option of the Issuer on [●], 20[●] (the "**Optional Redemption Date**"), subject to compliance with the Applicable Banking Regulations then in force and subject to the prior permission of the Regulator and/or the Relevant Resolution Authority, if and as required, at the Early Redemption Amount plus accrued and unpaid interest, if any.]

Early Redemption:	Early redemption at the option of the Issuer for certain tax reasons or upon the occurrence of a Capital Event[or an Eligible Liabilities Event], subject to compliance with the Applicable Banking Regulations then in force and subject to the prior permission of the Regulator and/or the Relevant Resolution Authority, if and as required, at the Early Redemption Amount plus accrued and unpaid interest, if any.
Early Redemption Amount:	[[●] per Note of [●] Specified Denomination/Calculation Amount]
Substitution and Variation:	If an Alignment Event or circumstance giving rise to the right of the Issuer to redeem the Notes for tax reasons or upon the occurrence of a Capital Event[or an Eligible Liabilities Event], the Issuer may substitute all (but not some only) of the Notes or vary the terms of all (but not some only) of the Notes, without any requirement for the consent or approval of the Noteholders, so that they are substituted for, or varied to become or remain, Qualifying Notes.
Listing and Admission to Trading:	Application [has been/will be] made by the Issuer (or on its behalf) to Euronext Dublin for the Notes to be admitted to the Official List of Euronext Dublin and admitted to trading on the Global Exchange Market of Euronext Dublin with effect from the Issue Date.
Governing Law:	New York; except that the status of the Notes, the capacity of the Issuer to issue and execute the Notes and enter into the Fiscal Agency Agreement, the relevant corporate resolutions and the provisions of the Notes and Section 18 of the Fiscal Agency Agreement relating to the exercise and effect of the Loss Absorbing Power by the Relevant Resolution Authority and the acknowledgment of the same are governed by, and shall be construed in accordance with, Spanish law.
Expected Security Ratings*:	[Moody's Investors Service España, S.A.: [●] / S&P Global Ratings Europe Limited: [●] / Fitch Ratings Ireland Limited: [●]]
Form of Issuance:	[Rule 144A/Reg. S]
Form of Notes:	[Regulation S [Global /Master] Note and Rule 144A [Global/Master] Note, each registered in the name of a nominee for DTC]
Method of Distribution:	[Syndicated]
Dealer(s):	[●]
[Rule 144A CUSIP / ISIN:]	[●] / [●]
[Regulation S CUSIP / ISIN:]	[●] / [●]
Loss Absorbing Power:	The Notes may be subject to the exercise of the Loss Absorbing Power by the Relevant Resolution Authority.

* Ratings are not a recommendation to purchase, hold or sell notes, inasmuch as the ratings do not comment as to market price or suitability for a particular investor. The ratings are based upon current information furnished to the rating agencies by the Issuer and information obtained by the rating agencies from other

sources. The ratings are only accurate as of the date thereof and may be changed, superseded or withdrawn as a result of changes in, or unavailability of, such information, and therefore a prospective purchaser should check the current ratings before purchasing the notes. Each rating should be evaluated independently of any other rating.

[Purpose of Pricing Supplement

This Pricing Supplement comprises the final terms required for issue and admission to trading on the Global Exchange Market of Euronext Dublin of the Notes described herein pursuant to the U.S.$5,000,000,000 U.S. Medium Term Notes Program of CaixaBank, S.A.]

Settlement

It is expected that delivery of the Notes will be made against payment therefor on or about [●] which will be [●] business days following the date of pricing of the Notes hereof (this settlement cycle being referred to as "T+[●]"). Under Rule 15c6-1 of the Securities Exchange Act of 1934, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade at the commencement of trading will be required, by virtue of the fact that the Notes initially will settle in T+[●], to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement and should consult their own advisor.

Important Information

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S ("**Regulation S**") under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold only (i) outside the United States to non-U.S. persons in reliance on Regulation S and (ii) within the United States to persons who are "qualified institutional buyers" (each, a "**QIB**") within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act and the rules and regulations thereunder, acting for their own account or for the account of one of more QIBs in reliance on Rule 144A. Prospective purchasers are hereby notified that sellers of the Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. See "*Plan of Distribution*" and "*Transfer Restrictions*" in the Offering Memorandum for information about eligible offerees and transfer restrictions.

Acknowledgment of Loss Absorbing Power

Notwithstanding any other term of the Notes or any other agreement, arrangement or understanding between the Issuer and the Noteholders, by its subscription and/or purchase and holding of the Notes, each Noteholder (which for these purposes includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents and agrees:

(a) to be bound by the effect of the exercise of the Loss Absorbing Power by the Relevant Resolution Authority, which may include and result in any of the following, or some combination thereof:

  (i) the reduction of all, or a portion, of the Amounts Due on a permanent basis;

(ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer or another person (and the issue to the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Notes, in which case the Noteholder agrees to accept in lieu of its rights under the Notes any such shares, other securities or other obligations of the Issuer or another person;

(iii) the cancellation of the Notes or Amounts Due;

(iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period;

(b) that the terms of the Notes are subject to, and may be varied, if necessary, to give effect to, the exercise of the Loss Absorbing Power by the Relevant Resolution Authority; and

(c) that it is deemed to have authorized, directed and requested DTC and any direct participant in DTC or other intermediary through which it holds such Notes to take any and all necessary actions, if required, to implement the exercise of the Loss Absorbing Power by the Relevant Resolution Authority with respect to such Notes as may be imposed, without any further action or direction on the part of such holder of Notes.

By its subscription and/or purchase and holding of the Notes, each Noteholder (which for these purposes includes each holder of a beneficial interest in the Notes) further agrees to be deemed to have authorized, directed and requested the relevant depository (including, if applicable, DTC) and any direct participant therein or other intermediary through which it holds such Notes to take any and all necessary action, if required, to implement the exercise of the Loss Absorbing Power with respect to the Notes as it may be imposed, without any further action or direction on the part of such Noteholder.

Noteholders (which for these purposes includes each holder of a beneficial interest in the Notes) that acquire such Notes in the secondary market or otherwise shall be deemed to acknowledge, agree to be bound by and consent to the same provisions specified herein to the same extent as the Noteholders that acquire such Notes upon their initial issuance, including, without limitation, with respect to the acknowledgement and agreement to be bound by and consent to the terms of the Notes related to the exercise of the Loss Absorbing Power.

[*Inclusion of the following legends and any additional selling restrictions to be analyzed on a case-by-case basis*]

[**PROHIBITION OF SALES TO EEA RETAIL INVESTORS –** The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No. 1286/2014, as amended (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[**PROHIBITION OF SALES TO UK RETAIL INVESTORS –** The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail

investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended ("**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No. 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

[**MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ("ECPS") ONLY TARGET MARKET –** Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on February 5, 2018 has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU ("**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET –** Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA") – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the SFA, the Issuer has determined, and hereby notifies all Relevant Persons (as defined in Section 309A of the SFA) that the Notes are ["prescribed capital markets products"]/[capital markets products other than "prescribed capital markets products"] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and [Excluded] / [Specified] Investment Products (as defined in the Monetary Authority of Singapore (the "**MAS**") Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Amounts payable under the Notes will be calculated by reference to the [●] which is administered by the [●]. The [●] [is/is not] not included in ESMA's register of administrators and benchmarks under Article 36 of Regulation (EU) No. 2016/1011 (the "**Benchmarks Regulation**"). [As far as the Issuer is aware, SOFR does not fall within the scope of the Benchmarks Regulation by virtue of Article 2 of Benchmarks Regulation.]

Certain of the Dealers are not broker-dealers registered with the SEC, and therefore may not make sales of any Notes in the United States or to U.S. persons except in compliance with applicable U.S. laws and regulations. To the extent that any such Dealer intends to effect sales of the Notes in the United States, it will do so only through one or more affiliated U.S. registered broker dealers, or otherwise as permitted by applicable U.S. law.

The distribution of this Pricing Supplement and the offering of the Notes in certain jurisdictions may be restricted by law and therefore persons into whose possession this Pricing Supplement comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions could result in a violation of the laws of such jurisdiction.

You may obtain a copy of the Offering Memorandum for the U.S.$5,000,000,000 U.S. Medium Term Notes Program of CaixaBank, S.A. from the Dealers referred to herein.

THE GLOBAL NOTES

The Global Notes may take the form of, or be substituted by, obligations under one or more master notes representing one or more Series of Notes, in accordance with the terms of the Fiscal Agency Agreement. Accordingly, references herein to Global Notes shall be understood to refer to master notes, to the extent applicable and in accordance with the Fiscal Agency Agreement. For the avoidance of doubt, each Series of Notes represented by a master note shall be subject to the provisions of the Fiscal Agency Agreement as a "Global Note" in relation to restrictions on transfers of beneficial interests therein, including without limitation compliance with the terms of the Private Placement Legend to the extent applicable (even if such master note does not physically bear the Private Placement Legend).

Global Notes

Each Series of Notes will be represented by interests in one or more global registered certificates (the "**Global Notes**"), which will be deposited with the Registrar as custodian for DTC and registered in the name of Cede & Co. as nominee of DTC (the "**Relevant Nominee**"). Rule 144A Notes, which are restricted securities within the meaning of Rule 144(a)(3) under the Securities Act, will be evidenced by interests in restricted Global Notes (the "**Restricted Global Notes**") and Regulation S Notes will be evidenced by interests in an unrestricted Global Note (the "**Unrestricted Global Note**"). Interests in a Restricted Global Note will be exchangeable for interests in the Unrestricted Global Note of the same series and vice versa, subject to the restrictions summarized below. The Global Notes may take the form of, or be substituted by, obligations under one or more master notes representing one or more Series of Notes, in accordance with the terms of the Fiscal Agency Agreement.

Investors may hold their interests in the Global Notes directly through DTC, if they are DTC participants, or indirectly through organizations which are participants in DTC. Clearstream, Luxembourg and Euroclear will hold interests in the Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositaries, which are participants in DTC.

Transfers within the Global Notes

Transfers of book-entry interests in the Notes will be effected through the records of DTC and its direct or indirect participants (including if applicable, those of Euroclear or Clearstream Luxembourg) in accordance with the rules and procedures of DTC and its direct and indirect participants (including if applicable, those of Euroclear or Clearstream, Luxembourg), as the case may be, and as more fully described under "Book-entry Procedures and Settlement". Owners of beneficial interests in a Global Note will be entitled to receive physical delivery of definitive certificates only in the circumstances described under "—Registration of Title". Until the Notes are exchanged for definitive certificates, the Global Notes may not be transferred except in whole by DTC to a nominee or successor of DTC.

Subject to the procedures and limitations described below and as described under "Transfer Restrictions", transfers of beneficial interests within a Global Note may be made without delivery to the Issuer or the Registrar of any written certifications or other documentation by the transferor or transferee.

Transfers between Restricted Global Notes and Unrestricted Global Notes

A beneficial interest in a Restricted Global Note may be transferred to a person who wishes to take delivery of such beneficial interest through the Unrestricted Global Note of the same series upon receipt by the Registrar of a written certification (in the form set out in the Fiscal Agency Agreement) from the transferor to the effect that:

- such transfer is being made to a non-U.S. person as defined in Rule 903 or 904 of Regulation S (as applicable); and
- such transfer is being made in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

Prior to the expiration of a distribution compliance period (defined as 40 days after the later of the closing date with respect to the Notes and the completion of the distribution of the Notes), a beneficial interest in an

Unrestricted Global Note may be transferred to a person who wishes to take delivery of such beneficial interest through the Restricted Global Note of the same series upon receipt by the Registrar of a written certification (in the form set out in the Fiscal Agency Agreement) from the transferor to the effect that such transfer is being made:

(1) to a person whom the transferor reasonably believes is a QIB, in a transaction meeting the requirements of Rule 144A; and

(2) in accordance with any applicable securities laws of any state of the United States and any other jurisdiction.

After the expiration of the distribution compliance period, such certification requirements will no longer apply to such transfers, but such transfers will continue to be subject to the transfer restrictions contained in the legend appearing on the face of the Global Note representing such Note.

Any beneficial interest in either a Restricted Global Note or an Unrestricted Global Note that is transferred to a person who takes delivery in the form of a beneficial interest in the other Global Note of the same series will, upon transfer, cease to be a beneficial interest in such Global Note and become a beneficial interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to a beneficial interest in such other Global Note for so long as such person retains such an interest. The costs and expenses of effecting any exchange or registration of transfer pursuant to the foregoing provisions (except for the expenses of delivery by other than regular mail (if any) and, if the Issuer shall so require, the Issuer will bear the payment of a sum sufficient to cover any tax or other governmental charge or insurance charges that may be imposed in relation thereto, which will be borne by the Noteholder).

Accountholders

For so long as any of the Notes are represented by the Global Notes, each person (other than another clearing system) who is for the time being shown in the records of DTC as the holder of a particular aggregate principal amount of such Notes (each an "**Accountholder**") (in which regard any certificate or other document issued by DTC as to the aggregate principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes) shall be treated as the holder of such aggregate principal amount of such Notes (and the expression "Noteholders" and references to "holding of Notes" and to "holder of Notes" shall be construed accordingly) for all purposes other than with respect to payments on such Notes, the right to which shall be vested, as against the Issuer solely in the Relevant Nominee in accordance with and subject to the terms of the Global Notes. Each Accountholder must look solely to DTC for its share of each payment made to the Relevant Nominee.

Cancellation

Cancellation of any Note following its purchase by the Issuer will be effected by reduction in the aggregate principal amount of the Notes in the register of Noteholders and by the annotation of the appropriate schedule to the relevant Global Note.

Payments

Payments on any amounts in respect of any Global Notes will be made by the paying agent to DTC. Payments will be made to beneficial owners of Notes in accordance with the rules and procedures of DTC or its direct and indirect participants as applicable.

Payments of principal and interest in respect of Notes represented by a Global Note will be made upon presentation or, if no further payment falls to be made in respect of the Notes, against presentation and surrender of such Global Note to or to the order of the paying agent or such other agent as shall have been notified to the holders of the Global Notes for such purpose.

Holders of book-entry interests in the Global Notes will receive, to the extent received by the Registrar, all distribution of amounts with respect to book-entry interests in such Notes from the Registrar through DTC.

A record of each payment made will be endorsed on the appropriate schedule to the relevant Global Note by or on behalf of the paying agent and shall be prima facie evidence that payment has been made.

Notices

For so long as the Notes are represented by a Global Note and such Global Note is held by or on behalf of a clearing system, notices to Noteholders may be given by delivery of the relevant notice to that clearing system for communication by it to entitled Accountholders in substitution for notification as required by the terms and conditions set forth in the Fiscal Agency Agreement (see "*Terms and Conditions of the Notes*"). Any such notice shall be deemed to have been given to the Noteholders on the second day after the day on which such notice is delivered to DTC.

For so long as any of the Notes held by a Noteholder are represented by a Global Note, notices to be given by such Noteholder may be given by such Noteholder (where applicable) through DTC and otherwise in such manner as the fiscal agent and DTC may approve for this purpose, provided that any such notices shall also be given in accordance with the rules of any applicable stock exchange on which the Notes are listed or admitted to trading.

Registration of Title

Registration of title to Notes in a name other than that of the Relevant Nominee will not be permitted unless the Issuer is notified by DTC that it is unwilling or unable to continue as a clearing system in connection with a Global Note or DTC ceases to be a clearing agency registered under the Exchange Act, and in each case a successor clearing system is not appointed by the Issuer within 90 days after receiving such notice from DTC or becoming aware that DTC is no longer so registered. In these circumstances, title to a Note may be transferred into the names of holders notified by the Relevant Nominee in accordance with the terms and conditions set forth in the Fiscal Agency Agreement.

The Registrar will not register title to the Notes in a name other than that of the Relevant Nominee for a period of 15 calendar days preceding the due date for any payment of principal or interest in respect of the Notes.

Unless the Issuer has determined otherwise in accordance with applicable law, certificates will be issued upon transfer or exchange of beneficial interests in a Restricted Global Note or an Unrestricted Global Note only upon compliance with the transfer restrictions and procedures described in the Fiscal Agency Agreement and under "Transfer Restrictions". In all cases, certificates delivered in exchange for any Global Note or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by the applicable clearing system.

Each person with a beneficial interest in the Notes must rely exclusively on the rules and procedures of DTC and any agreement with any participant of DTC or any other securities intermediary through which that person holds its interest to receive or direct the delivery or possession of any definitive certificate. If the Issuer issues definitive certificates in exchange for Global Notes, DTC, as holder of the Global Notes, will surrender the Global Notes against receipt of the definitive certificates, cancel the book-entry interests in the Notes and distribute the relative definitive certificates to the persons in the amounts that DTC specifies.

BOOK-ENTRY PROCEDURES AND SETTLEMENT

Book-Entry System

DTC will act as securities depositary for the Global Notes. Unless otherwise specified, the Global Notes will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee).

The Issuer has been advised that DTC is a limited-purpose trust company organized under the laws of the State of New York, a "Banking Organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities that its participants ("**Participants**") deposit with DTC. DTC also facilitates the clearance and settlement among Participants of transactions in such securities through electronic book-entry changes in Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants ("**Direct Participants**") include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to DTC's system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). The rules applicable to DTC and its Participants are on file with the SEC.

Under the rules, regulations and procedures creating and affecting DTC and its operations (the "**Rules**"), DTC will make book-entry transfers of interests in Global Notes among Direct Participants on whose behalf it acts with respect to Global Notes accepted into DTC's book-entry settlement system ("**DTC Certificates**") as described below and receives and transmits distributions of principal and interest on DTC Certificates. Direct Participants and Indirect Participants with which beneficial owners of DTC Certificates have accounts with respect to the DTC Certificates similarly are required to make book-entry transfers and receive payments on behalf of their respective owners. Accordingly, although owners who hold DTC Certificates through Direct Participants or Indirect Participants will not possess the Global Notes, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive and will be able to transfer their interest in respect of DTC Certificates.

Purchases of DTC Certificates under DTC's system must be made by or through Direct Participants, which will receive a credit for the DTC Certificates on DTC's records. The ownership interest of each actual purchaser of each DTC Certificate ("**Beneficial Owner**") is in turn to be recorded on the Direct Participants' and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transactions, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Certificates are to be accomplished by entries made on the books of Participants acting on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Certificates, except in the event that use of the book-entry system for the DTC Certificates is discontinued.

To facilitate subsequent transfers, all DTC Certificates deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of Global Notes with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the DTC Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Certificates are credited, which may or may not be the beneficial owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co.

Neither DTC nor Cede & Co. will consent or vote with respect to DTC Certificates. Under its usual procedures, DTC will mail the Issuer an "Omnibus Proxy" as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Under certain circumstances, DTC may discontinue providing its services as securities depositary with respect to the DTC Certificates at any time by giving the Issuer and the Dealers reasonable notice. Under such circumstances, in the event that a successor securities depository is not obtained, DTC will exchange the DTC Certificates for definitive certificates, which it will distribute to its Participants in accordance with their proportional entitlements and which, if representing interests in a Rule 144A Note, will be legended as set forth under "Transfer Restrictions".

The Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, registered or book-entry definitive certificates will be printed and delivered in exchange for the DTC Certificates held by DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources the Issuer believes to be reliable, but the Issuer takes no responsibility for the accuracy thereof.

Neither the Issuer, nor any of the agents or any Dealer will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a DTC Certificate or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

The address of DTC is 55 Water Street, New York, New York 10041, United States.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system. In addition, Euroclear and Clearstream, Luxembourg participate indirectly in DTC via their respective depositaries.

The address of Euroclear is 1, boulevard du Roi Albert II, B-1210, Brussels, Belgium; the address of Clearstream, Luxembourg is 42, avenue J F Kennedy, L-1855, Luxembourg.

Book-entry Ownership of and Payments in respect of DTC Certificates

The Issuer will apply to DTC in order to have the Notes represented by Global Notes accepted in its book-entry settlement system. Upon the issue of any such Global Notes, DTC or its custodian will credit, on its internal book-entry system, the respective principal amounts of the individual beneficial interests represented by such Global Note to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer. Ownership of beneficial interests in such Global Notes will be limited to Direct Participants or Indirect Participants, including, in the case of any Unrestricted Global Note, the respective depositaries of Euroclear and Clearstream, Luxembourg. Ownership of beneficial interests in a Global Note accepted by DTC will be shown on, and the transfer of such ownership

will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and interest in respect of a Global Note accepted by DTC will be made to the order of DTC or its nominee as the registered holder of such Global Note. The Issuer expects DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The Issuer also expects that payments by Participants to Beneficial Owners of Global Notes will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC, the agents or the Issuer. The Issuer is responsible for the payment of principal, premium, if any, and interest, if any, on the Global Notes to DTC.

Transfers of Notes Represented by Global Notes

Transfers of any interests in a Note represented by Global Notes within DTC will be effected in accordance with DTC's customary rules and operating procedures. Transfers of any interests of Global Notes via Euroclear and Clearstream, Luxembourg will be effected indirectly, first in DTC by Euroclear and Clearstream, Luxembourg, acting through their respective depositaries which participate in DTC, and second in Euroclear and Clearstream, Luxembourg themselves, according to their rules and procedures. The laws in some states within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by Global Notes to such persons may depend upon the ability to exchange such Global Notes for Global Notes in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Notes represented by Global Notes accepted by DTC to pledge such Notes to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Notes may depend upon the ability to exchange such Global Notes for Certificates in definitive form. The ability of any holder of Notes represented by Global Notes accepted by DTC to resell, pledge or otherwise transfer such Notes may be impaired if the proposed transferee of such Notes is not eligible to hold such Notes through a direct or indirect participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to the Notes described under "Transfer Restrictions", cross-market transfers between DTC, on the one hand, and indirectly through Clearstream, Luxembourg or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the fiscal agent and any custodian with whom the relevant Notes have been deposited.

Unless otherwise specified in the applicable terms agreement or after the Issue Date of the Notes, transfers of Global Notes between accountholders in Clearstream, Luxembourg and Euroclear and transfers of Global Notes between participants in DTC will generally have a settlement date three business days after the trade date (T+3); however the Issuer expects that delivery of the Notes offered hereby will be made against payment therefor on or about the fifth business day following the pricing of the Notes (T+5). See "*Plan of Distribution*" for further details. The customary arrangements for delivery versus payment will apply to such transfers.

DTC, Clearstream, Luxembourg and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Global Notes among participants and accountholders of DTC, Clearstream, Luxembourg and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. Neither the Issuer, nor the agents nor any Dealer will be responsible for any performance by DTC or its direct or indirect participants (including, if applicable, those of Euroclear or Clearstream, Luxembourg) or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

TAXATION

The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes. Prospective holders of the Notes should consult their own tax advisors as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of Spain of acquiring, holding and disposing of the Notes and receiving any payments under the Notes. This summary is based upon the law as in effect on the date of this Offering Memorandum and is subject to any change in law that may take effect after such date.

Taxation in Spain

The following is a general description of certain Spanish tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes. Prospective holders of the Notes should consult their own tax advisors as to the consequences under the tax laws of the country of which they are resident for tax purposes and the tax laws of Spain of acquiring, holding and disposing of the Notes and receiving any payments under the Notes. The information contained within this section is based upon the law as in effect on the date of this document and is subject to any change in law that may take effect after such date.

In the event of an issue of unlisted Notes, the applicable tax regime will be set out in the applicable Pricing Supplement.

Introduction

This information has been prepared in accordance with the following Spanish tax legislation in force at the date of this document:

(a) of general application**,** First Additional Provision of Law 10/2014 and Royal Decree 1065/2007, of July 27, 2007 ("**RD 1065/2007**");

(b) for individuals resident for tax purposes in Spain which are subject to the Personal Income Tax ("**PIT**"): (i) Law 35/2006 of November 28, 2006 on the PIT and on the Partial Amendment of the Corporate Income Tax Law, the Non-Residents Income Tax Law and the Net Wealth Tax Law; (ii) Royal Decree 439/2007, of March 30, 2007 promulgating the PIT Regulations; along with (iii) Law 19/1991, of 6 June, on Net Wealth Tax and (iv) Law 29/1987, of December 18, 1987 on the Inheritance and Gift Tax; all as amended from time to time;

(c) for legal entities resident for tax purposes in Spain which are subject to the Corporate Income Tax ("**CIT**"): (i) Law 27/2014, of November 27, 2014 on CIT and (ii) Royal Decree 634/2015, of July 10, 2015 promulgating the CIT Regulations; all as amended from time to time; and

(d) for individuals and entities who are not resident for tax purposes in Spain which are subject to the Non-Resident Income Tax ("**NRIT**") (i) Royal Legislative Decree 5/2004, of March 5, 2004 promulgating the Consolidated Text of the NRIT Law; (ii) Royal Decree 1776/2004 of July 30, 2004 promulgating the NRIT Regulations; along with (iii) Law 19/1991, of 6 June, on Net Wealth Tax and (iv) Law 29/1987, of December 18, 1987 on the Inheritance and Gift Tax; all as amended from time to time.

This analysis is a general description of the tax treatment under the currently in force Spanish legislation, without prejudice of regional tax regimes in the Historical Territories of the Basque Country and the Community of Navarre, or provisions passed by Autonomous Communities which may apply to investors for certain taxes.

Indirect taxation

Whatever the nature and residence of the beneficial owner, the acquisition and transfer of the Notes will be exempt from indirect taxes in Spain, *i.e.*, exempt from Transfer Tax, Stamp Duty and Value Added Tax, in accordance with article 314 of the Consolidated Text of the Spanish Securities Market Law, approved by the Royal Legislative Decree 4/2015, of October 23; as amended from time to time.

Individuals with Tax Residency in Spain

Personal Income Tax (Impuesto sobre la Renta de las Personas Físicas)

Individuals with tax residency in Spain are subject to PIT on a worldwide basis. Accordingly, income obtained from the Notes will be taxed in Spain when obtained by individuals that are considered resident in Spain for tax purposes. The fact that a Spanish company pays interest or guarantees payments under a Note will not lead an individual or entity being considered tax-resident in Spain.

Both interest payments periodically received and income derived from the transfer, redemption or repayments of the Notes obtained by individuals who are resident in Spain constitute a return on investment obtained from the transfer of a person's own capital to third parties in accordance with the provisions of Section 25 of the PIT Law, and therefore must be included in the investor's PIT savings taxable base pursuant to the provisions of the aforementioned law and generally taxed at a flat rate of (i) 19% on the first €6,000; (ii) 21% from €6,001 up to €50,000; (iii) 23% for taxable income between €50,000.01 and €200,000; and (iv) 26% for any amount in excess of €200,000.

As a general rule, both types of income are subject to a withholding tax on account at the rate of 19 per cent.

However, according to Section 44.5 of RD 1065/2007, and in the opinion of the Issuer, the Issuer will pay interest without withholding to individual holders who are resident for tax purposes in Spain provided that the information about the Notes required by Exhibit I is submitted, notwithstanding the information obligations of the Issuer under general provisions of Spanish tax legislation. In addition, income obtained upon transfer, redemption or exchange of the Notes may also be paid without withholding.

Notwithstanding the above, withholding tax at the applicable tax rate of 19% may have to be deducted by other entities (such as depositaries, custodians or financial entities) provided that such entities are resident for tax purposes in Spain or have a permanent establishment in Spain. Amounts withheld may be credited against the final PIT liability.

Net Wealth Tax (Impuesto sobre el Patrimonio)

Net Wealth Tax may be levied in Spain on resident individuals, on a worldwide basis. Law 4/2008, of December 23, 2008, introduced a 100 per cent. relief (*bonificación del 100 por cien*) on the Net Wealth Tax. Although, for the years 2011 to 2020 the Spanish Central Government repealed the 100 per cent. relief (*bonificación del 100 por cien*) of this tax and the Law 11/2020, dated December 30, 2020, has restored it on an indefinite basis, the actual collection of this tax depends on the regulations of each Autonomous Community. Thus, investors should consult their tax advisers according to the particulars of their situation.

Individuals with tax residency in Spain are subject to Net Wealth Tax to the extent that their net worth exceeds €700,000 (subject to any exceptions provided under relevant legislation in an autonomous region (*Comunidad Autónoma*). Therefore, they should take into account the value of the Notes which they hold as of December 31 in each year, the applicable rates ranging between 0.2% and 3.5% although the final tax rates may vary depending on any applicable regional tax laws, and some reductions may apply.

Inheritance and Gift Tax (Impuesto sobre Sucesiones y Donaciones)

Individuals resident in Spain for tax purposes who acquire ownership or other rights over the Notes by inheritance, gift or legacy will be subject to the Spanish Inheritance and Gift Tax in accordance with the applicable Spanish regional and State rules. The applicable tax rates currently range between 0% (full exemption) and 81.6% depending on relevant factors.

Legal Entities with Tax Residency in Spain

Corporate Income Tax (Impuesto sobre Sociedades)

Legal entities with tax residency in Spain are subject to CIT on a worldwide basis.

Both interest received periodically and income derived from the transfer, redemption or repayment of the Notes are subject to CIT at the current general tax rate of 25% in accordance with the rules for this tax. Special rates apply in respect of certain types of entities (such as qualifying collective investment institutions).

Pursuant to Section 61.s of the CIT Regulations, there is no obligation to make a withholding on income obtained by taxpayers subject to Spanish CIT (which for the avoidance of doubt, include Spanish tax resident investment funds and Spanish tax resident pension funds) from financial assets traded on organized markets in OECD countries. However, in the case of Notes held by a Spanish resident entity and deposited with a Spanish resident entity acting as depositary or custodian, payments of interest and income deriving from the transfer may be subject to withholding tax at the current rate of 19 per cent. Such withholding may be made by the depositary or custodian if the Notes do not comply with the exemption requirements specified in the ruling issued by the Spanish Tax Authorities ("**Dirección General de Tributos**") dated July 27, 2004 (that is, placement of the Notes outside of Spain in another OECD country and admission to listing of the Notes on an organized market in an OECD country other than Spain). The amounts withheld, if any, may be credited by the relevant investors against their final CIT liability.

Notwithstanding the above, in accordance with Section 44.5 of RD 1065/2007, and in the opinion of the Issuer, there is no obligation to withhold on income payable to Spanish CIT taxpayers (which for the sake of clarity, include Spanish tax resident investment funds and Spanish tax resident pension funds). Consequently, the Issuer will not withhold tax on income payments to Spanish CIT taxpayers provided that the information about the Notes required by Exhibit I is submitted, notwithstanding the information obligations of the Issuer under general provisions of Spanish tax legislation.

Net Wealth Tax (Impuesto sobre el Patrimonio)

Legal entities resident in Spain for tax purposes are not subject to Net Wealth Tax.

Inheritance and Gift Tax (Impuesto sobre Sucesiones y Donaciones)

Legal entities resident in Spain for tax purposes which acquire ownership or other rights over the Notes by inheritance, gift or legacy are not subject to the Spanish Inheritance and Gift Tax but must include the market value of the Notes in their taxable income for Spanish CIT purposes.

Individuals and Legal Entities with no tax residency in Spain

Non-resident Income Tax (Impuesto sobre la renta de No Residentes)

(a) *With permanent establishment in Spain*

If the Notes form part of the assets of a permanent establishment in Spain of a person or legal entity who is not resident in Spain for tax purposes, the tax rules applicable to income deriving from such Notes are, generally, the same as those previously set out for Spanish CIT taxpayers. See "*Taxation in Spain-Legal Entities with Tax Residency in Spain—Corporate Income Tax (Impuesto sobre Sociedades)*". Ownership of the Notes by investors who are not resident for tax purposes in Spain will not in itself create the existence of a permanent establishment in Spain.

(b) *With no permanent establishment in Spain*

Both interest payments received periodically, and income derived from the transfer, redemption or repayment of the Notes, obtained by individuals or entities who are not resident in Spain for tax purposes and who do not act, with respect to the Notes, through a permanent establishment in Spain, are exempt from NRIT.

In order for the exemption to apply, it is necessary for the Fiscal and Paying Agent to comply with certain information obligations relating to the Notes, in the manner detailed under "*Taxation—Simplified Information Procedures*" below, as laid down in section 44 of RD 1065/2007. If these information obligations are not complied within the manner indicated, the Issuer will withhold at the general rate of 19% and the Issuer will not pay additional amounts.

Holders not resident in Spain for tax purposes and entitled to exemption from NRIT but where the Issuer does not timely receive the information about the Notes in accordance with Exhibit I hereto would have to apply directly to the Spanish tax authorities for any refund to which they may be entitled, according to the procedures set forth in the Spanish NRIT Law.

Net Wealth Tax (Impuesto sobre el Patrimonio)

Individuals who are resident in a country with which Spain has entered into a double tax treaty in relation to Net Wealth Tax would generally not be subject to such tax. Otherwise, non-Spanish resident individuals whose properties and rights located in Spain, or that can be exercised within the Spanish territory exceed €700,000 would be subject during the tax year 2019 to Net Wealth Tax, the applicable rates ranging between 0.2% and 3.5%.

Holders who are not tax resident in Spain may be entitled to apply the specific regulation of the Autonomous Community where their most valuable assets are located and which trigger this Spanish Net Wealth Tax due to the fact that they are located or are to be exercised or must be fulfilled within the Spanish territory.

Individuals that are not resident in Spain for tax purposes but who are resident in an EU or EEA Member State may apply the rules approved by the autonomous region where the assets and rights with more value (i) are located, (ii) can be exercised or (iii) must be fulfilled.

Non-Spanish resident legal entities are not subject to Net Wealth Tax.

Inheritance and Gift Tax (Impuesto sobre Sucesiones y Donaciones)

Individuals not resident in Spain for tax purposes who acquire ownership or other rights over Notes by inheritance, gift or legacy, will be subject to the Spanish Inheritance and Gift Tax in accordance with the applicable Spanish regional and state rules, unless they reside in a country for tax purposes with which Spain has entered into a double tax treaty in relation to Inheritance and Gift Tax. In such case, the provisions of the relevant double tax treaty will apply.

If the provisions of the foregoing paragraph do not apply, such individuals will be subject to Inheritance and Gift Tax in accordance with Spanish legislation.

Generally, non-Spanish tax resident individuals are subject to Spanish Inheritance and Gift Tax according to the rules set forth in the state legislation. However, if the deceased or the donee are not resident in Spain, the applicable rules will be those corresponding to the relevant Autonomous Communities according to the law.

The tax rate, after applying all relevant factors, ranges between 0 per cent. (full exemption) and 81.6 per cent.

Non-Spanish resident legal entities which acquire ownership or other rights over the Notes by inheritance, gift or legacy are not subject to the Spanish Inheritance and Gift Tax. Such acquisitions will be subject to NRIT (as described above), except as provided in any applicable double tax treaty entered into by Spain. In general, double tax treaties provide for the taxation of this type of income in the country of tax residence of the holder.

Tax Rules for Unlisted Notes

Withholding on Account of PIT, CIT and NRIT

If the Notes are not listed on a multilateral trading facility, regulated market or any other organized market in an OECD country on any Payment Date, interest or income from redemption or repayment obtained by holders in respect of the Notes will be subject to withholding tax at the general rate of 19%, except in the case of holders which are: (a) resident in a Member State of the EU or the European Economic Area other than Spain and obtain the interest income either directly or through a permanent establishment located in another Member State of the EU or the European Economic Area, provided that such holders (i) do not obtain the interest income on the Notes through a permanent establishment in Spain and (ii) are not resident of, or are

not located in, nor obtain income through, a non-cooperative jurisdiction for Spanish tax purposes or (b) resident for tax purposes of a country which has entered into a double tax treaty with Spain which provides for an exemption from Spanish tax or a reduced withholding tax rate with respect to interest payable to any holder.

Net Wealth Tax (Impuesto sobre el Patrimonio)

See "*Taxation in Spain Individuals with Tax Residency in Spain—Net Wealth Tax (Impuesto sobre el Patrimonio)*" and "*Taxation in Spain—Individuals and legal entities with no tax residency in Spain—Net Wealth Tax (Impuesto sobre el Patrimonio)*".

Simplified Information Procedures

As described above, interest and other income paid with respect to the Notes will not be subject to Spanish withholding tax unless the procedures for delivering to the Issuer the information described in Exhibit I of this Offering Memorandum are not complied with.

The information obligations to be complied with in order to apply the exemption are those laid down in Section 44 of RD 1065/2007 ("**Section 44**").

In accordance with Section 44, the following information with respect to the Notes must be submitted to the Issuer before the close of business on the Business Day (as defined in the Terms and Conditions) immediately preceding the date on which any payment of interest, principal or of any amounts in respect of the early redemption of the Notes (each, a "**Payment Date**") is due.

Such information comprises:

(a) the identification of the Notes with respect to which the relevant payment is made;

(b) the date on which the relevant payment is made;

(c) the total amount of the relevant payment;

(d) the amount of the relevant payment paid to each entity that manages a clearing and settlement system for securities situated outside of Spain.

In particular, the Fiscal and Paying Agent must certify the information above about the Notes by means of a certificate in the Spanish language, an English language form of which is attached as Exhibit I of this Offering Memorandum.

In light of the above, the Issuer and the Fiscal and Paying Agent have arranged certain procedures to facilitate the collection of information concerning the Notes by the close of business on the Business Day immediately preceding each relevant Payment Date. If, despite these procedures, the relevant information is not received by the Issuer on each Payment Date, such Issuer will withhold tax at the then-applicable rate, generally 19% from any payment in respect of the relevant Notes. The Issuer will not pay any additional amounts with respect to any such withholding.

If, before the tenth day of the month following the month in which interest is paid, the Fiscal and Paying Agent provides such information, the Issuer, will reimburse the amounts withheld.

Prospective holders of the Notes should note that neither the Issuer nor any of the Dealers accepts any responsibility relating to the procedures established for the collection of information concerning the Notes. Accordingly, neither the Issuer nor any of the Dealers will be liable for any damage or loss suffered by any holder who would otherwise be entitled to an exemption from Spanish withholding tax but whose income payments are nonetheless paid net of Spanish withholding tax because these procedures prove ineffective. Moreover, the Issuer will not pay any additional amounts with respect to any such withholding. See "*Risk Factors - Risks related to the Notes - Risks relating to the Spanish withholding tax regime*".

Set out below on page 192 of this Offering Memorandum is Exhibit I. The information set out in Exhibit I has been translated from the original Spanish and has been presented in this document in English only as

the language of this Offering Memorandum is English. However, only the Spanish language text of Exhibit I is recognized under Spanish law. In the event of any discrepancy between the English language translation of the information in Exhibit I appearing herein, and the Spanish language information appearing in the corresponding certificate provided by the Fiscal and Paying Agent to the Issuer, the Spanish language information shall prevail.

The Spanish financial transactions tax (FTT)

Law 5/2020, dated October 15, 2020, on the Tax on Financial Transactions (the "**Spanish FTT Law**") has implemented the tax in Spain (the "**Spanish FTT**").

According to the Spanish FTT Law, the Spanish FTT is aligned with the French and Italian financial transactions taxes. Specifically, the Spanish FTT is levied at a rate of 0.2 per cent. on certain acquisitions of listed shares issued by Spanish companies whose market capitalization exceeds €1 billion, regardless of the jurisdiction of residence of the parties involved in the transaction. The Spanish FTT does not apply in relation to an issue of Notes. However, the Spanish FTT Law could be modified and therefore there can be no assurance that the Spanish FTT would not apply to an issue of Notes in the future.

Noteholders are advised to seek their own professional advice in relation to the Spanish FTT.

U.S. Federal Income Tax Considerations

The following is a summary of certain U.S. federal income tax consequences of the acquisition, ownership and disposition of Notes by a U.S. Holder (as defined below) (other than "—FATCA Withholding" which applies to all holders). This summary does not address the material U.S. federal income tax consequences of every type of Note which may be issued under the Program and the relevant supplement may contain additional or modified disclosure concerning the material U.S. federal income tax consequences relevant to such type of Note as appropriate. This summary deals only with purchasers of Notes that will hold the Notes as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of Notes by particular investors (including consequences under the alternative minimum tax or net investment income tax), and does not address state, local, non-U.S. or other tax laws. This summary also does not discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, individual retirement accounts and other tax-deferred accounts, tax-exempt organizations, dealers in securities or currencies, investors that will hold the Notes as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes, U.S. Holders that are required to take certain amounts into income no later than the time such amounts are reflected on an applicable financial statement, persons that have ceased to be U.S. citizens or lawful permanent residents of the United States, investors holding the Notes in connection with a trade or business conducted outside of the United States, U.S. citizens or lawful permanent residents living abroad or investors whose functional currency is not the U.S. dollar). Moreover, the summary deals only with Notes with a term of 30 years or less. The U.S. federal income tax consequences of owning Notes with a longer term will be discussed in the applicable supplement.

As used herein, the term "U.S. Holder" means a beneficial owner of Notes that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation (or other entity taxable as a corporation) created or organized under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds Notes will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax advisor concerning the U.S. federal income tax consequences to them and their partners of the acquisition, ownership and disposition of Notes by the partnership.

This summary is based on the tax laws of the United States including the Internal Revenue Code of 1986, as amended (the "**Code**"), its legislative history, existing and proposed regulations thereunder, published rulings, court decisions and the income tax treaty between the United States and Spain (the "**Treaty**"), all subject to change at any time, possibly with retroactive effect. No rulings have been requested from the U.S. Internal Revenue Service (the "**IRS**") and there can be no guarantee that the IRS would not challenge, possibly successfully, the treatment described below.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING THE NOTES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, NON-U.S. AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

Characterization of the Notes

There is no direct legal authority as to the proper U.S. federal income tax treatment of an instrument that is denominated as a debt instrument and has significant debt features, but that is subject to statutory bail-in powers such as the Loss Absorbing Power. Therefore, prospective investors should consult their tax advisors as to the proper characterization of the Notes for U.S. federal income tax purposes. The Issuer generally intends to treat the Notes issued under the Program as debt for U.S. federal income tax purposes, unless otherwise indicated in the applicable Pricing Supplement. The following summary applies to Notes that are properly treated as debt for U.S. federal income tax purposes.

Payments of Interest

General

Interest on a Note (including any amounts withheld and any additional amounts paid in respect of Spanish withholding taxes imposed on payments on a Note), other than interest on a "Discount Note" that is not "qualified stated interest" (each as defined below under *"—Original Issue Discount—General"*), will be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, depending on such holder's method of accounting for U.S. federal income tax purposes, reduced by the allocable amount of amortizable bond premium, subject to the discussion below. Interest paid by the Issuer on the Notes and original issue discount ("**OID**"), if any, accrued with respect to the Notes (as described below under *"—Original Issue Discount"*) generally will constitute income from sources outside the United States.

Subject to certain limitations, a U.S. Holder generally will be entitled to a credit against its U.S. federal income tax liability, or a deduction in computing its U.S. federal taxable income, for Spanish income taxes withheld at a rate not in excess of any applicable Treaty rate. Interest generally will constitute "passive category income" for purposes of the foreign tax credit. The rules governing foreign tax credits are complex. Prospective purchasers should consult their tax advisors concerning the foreign tax credit implications of any Spanish withholding taxes. In lieu of claiming a credit, a U.S. Holder may elect to deduct such Spanish taxes in computing its taxable income, subject to generally applicable limitations. An election to deduct foreign taxes instead of claiming foreign tax credits applies to all foreign taxes paid or accrued in the relevant taxable year.

Original Issue Discount

General

The following is a summary of the principal U.S. federal income tax consequences of the ownership of Notes issued with OID. The following summary does not discuss Notes that are characterized as contingent payment debt instruments for U.S. federal income tax purposes. In the event that the Issuer issues contingent payment debt instruments, the applicable supplement will describe the material U.S. federal income tax consequences thereof.

A Note, other than a Note with a term of one year or less taking into account the last possible day on which the Note can be outstanding in accordance with its terms (a "**Short-Term Note**"), will be treated as issued with OID (a "**Discount Note**") if the excess of the Note's "stated redemption price at maturity" over its

issue price is equal to or more than a *de minimis* amount (0.25 per cent. of the Note's stated redemption price at maturity multiplied by the number of complete years to its maturity). An obligation that provides for the payment of amounts other than qualified stated interest before maturity (an "**instalment obligation**") will be treated as a Discount Note if the excess of the Note's stated redemption price at maturity over its issue price is equal to or greater than 0.25 per cent. of the Note's stated redemption price at maturity multiplied by the weighted average maturity of the Note. A Note's weighted average maturity is the sum of the following amounts determined for each payment on a Note (other than a payment of qualified stated interest): (i) the number of complete years from the Issue Date until the payment is made multiplied by (ii) a fraction, the numerator of which is the amount of the payment and the denominator of which is the Note's stated redemption price at maturity. Generally, the issue price of a Note will be the first price at which a substantial amount of Notes included in the issue of which the Note is a part is sold to persons other than bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers. The stated redemption price at maturity of a Note is the total of all payments provided by the Note that are not payments of "qualified stated interest." A qualified stated interest payment generally is any one of a series of stated interest payments on a Note that are unconditionally payable at least annually at a single fixed rate (with certain exceptions for lower rates paid during some periods), or a variable rate (in the circumstances described below under *"—Variable Interest Rate Notes"*), applied to the outstanding principal amount of the Note. Solely for the purposes of determining whether a Note has OID, the Issuer will be deemed to exercise any unconditional call option that has the effect of decreasing the yield on the Note, and the U.S. Holder will be deemed to exercise any put option that has the effect of increasing the yield on the Note.

U.S. Holders of Discount Notes must include OID in income calculated on a constant-yield method before the receipt of cash attributable to the income, and generally will have to include in income increasingly greater amounts of OID over the life of the Discount Notes. The amount of OID includible in income by a U.S. Holder of a Discount Note is the sum of the daily portions of OID with respect to the Discount Note for each day during the taxable year or portion of the taxable year on which the U.S. Holder holds the Discount Note. The daily portion is determined by allocating to each day in any "accrual period" a pro rata portion of the OID allocable to that accrual period. Accrual periods with respect to a Note may be of any length selected by the U.S. Holder and may vary in length over the term of the Note as long as (i) no accrual period is longer than one year and (ii) each scheduled payment of interest or principal on the Note occurs on either the final or first day of an accrual period. The amount of OID allocable to an accrual period equals the excess of (a) the product of the Discount Note's adjusted issue price at the beginning of the accrual period and the Discount Note's yield to maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) over (b) the sum of the payments of qualified stated interest on the Note allocable to the accrual period. The "adjusted issue price" of a Discount Note at the beginning of any accrual period is the issue price of the Note increased by (x) the amount of accrued OID for each prior accrual period and decreased by (y) the amount of any payments previously made on the Note that were not qualified stated interest payments.

Acquisition Premium

A U.S. Holder that purchases a Discount Note for an amount less than or equal to the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, but in excess of its adjusted issue price (any such excess being "acquisition premium") and that does not make the election described below under *"—Election to Treat All Interest as Original Issue Discount"*, is permitted to reduce the daily portions of OID by a fraction, the numerator of which is the excess of the U.S. Holder's basis in the Note immediately after its purchase over the Note's adjusted issue price, and the denominator of which is the excess of the sum of all amounts payable on the Note after the purchase date, other than payments of qualified stated interest, over the Note's adjusted issue price.

Short-Term Notes

In general, an individual or other cash basis U.S. Holder of a Short-Term Note is not required to accrue OID (as specially defined below for the purposes of this paragraph) for U.S. federal income tax purposes unless it elects to do so (but may be required to include any stated interest in income as the interest is received). Accrual basis U.S. Holders and certain other U.S. Holders are required to accrue OID on Short-Term Notes

on a straight-line basis or, if the U.S. Holder so elects, under the constant-yield method (based on daily compounding). In the case of a U.S. Holder not required and not electing to include OID in income currently, any gain realized on the sale or retirement of the Short-Term Note will be ordinary income to the extent of the OID accrued on a straight-line basis (unless an election is made to accrue the OID under the constant-yield method) through the date of sale or retirement. U.S. Holders who are not required and do not elect to accrue OID on Short-Term Notes will be required to defer deductions for interest on borrowings allocable to Short-Term Notes in an amount not exceeding the deferred income until the deferred income is realized.

For purposes of determining the amount of OID subject to these rules, all interest payments on a Short-Term Note are included in the Short-Term Note's stated redemption price at maturity. A U.S. Holder may elect to determine OID on a Short-Term Note as if the Short-Term Note had been originally issued to the U.S. Holder at the U.S. Holder's purchase price for the Short-Term Note. This election will apply to all obligations with a maturity of one year or less acquired by the U.S. Holder on or after the first day of the first taxable year to which the election applies, and may not be revoked without the consent of the **IRS**.

Market Discount

A Note, other than a Short-Term Note, generally will be treated as purchased at a market discount (a "**Market Discount Note**") if the Note's stated redemption price at maturity or, in the case of a Discount Note, the Note's "revised issue price", exceeds the amount for which the U.S. Holder purchased the Note by at least 0.25 per cent. of the Note's stated redemption price at maturity or revised issue price, respectively, multiplied by the number of complete years to the Note's maturity (or, in the case of a Note that is an instalment obligation, the Note's weighted average maturity). If this excess is not sufficient to cause the Note to be a Market Discount Note, then the excess constitutes "*de minimis* market discount" and unless the U.S. Holder makes the election described below under "*—Election to Treat All Interest as Original Issue Discount*," the market discount rules will not apply. For this purpose, the "revised issue price" of a Note generally equals its issue price, increased by the amount of any OID that has accrued on the Note and decreased by the amount of any payments previously made on the Note that were not qualified stated interest payments.

Any gain recognized on the sale or retirement of a Market Discount Note (including any payment on a Note that is not qualified stated interest) generally will be treated as ordinary income to the extent of the accrued market discount on the Note. Alternatively, a U.S. Holder of a Market Discount Note may avoid such treatment by electing to include market discount in income currently over the life of the Note. This election applies to all debt instruments with market discount acquired by the electing U.S. Holder on or after the first day of the first taxable year for which the election is made. This election may not be revoked without the consent of the IRS.

A U.S. Holder of a Market Discount Note that does not elect to include market discount in income currently may be required to defer deductions for interest on borrowings incurred to purchase or carry a Market Discount Note. Such interest is deductible when paid or incurred to the extent of income from the Note for the year. If the interest expense exceeds such income, such excess is currently deductible only to the extent that such excess exceeds the portion of the market discount allocable to the days during the taxable year on which such Note was held by the U.S. Holder.

Market discount will accrue on a straight-line basis unless the U.S. Holder elects to accrue the market discount on a constant-yield method. This election applies only to the Market Discount Note with respect to which it is made and is irrevocable.

Variable Interest Rate Notes

Notes that provide for interest at variable rates ("**Variable Interest Rate Notes**") generally will bear interest at a "qualified floating rate" and thus will be treated as "variable rate debt instruments" under Treasury regulations governing accrual of OID. A Variable Interest Rate Note will qualify as a "variable rate debt instrument" if (a) its issue price does not exceed the total noncontingent principal payments due under the Variable Interest Rate Note by more than a specified *de minimis* amount, (b) it provides for stated interest, paid or compounded at least annually, at (i) one or more qualified floating rates, (ii) a single fixed rate and one or more qualified floating rates, (iii) a single objective rate, or (iv) a single fixed rate and a single objective

rate that is a qualified inverse floating rate, and (c) it does not provide for any principal payments that are contingent (other than as described in (a) above).

A "qualified floating rate" is any variable rate where variations in the value of the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which the Variable Interest Rate Note is denominated. A fixed multiple of a qualified floating rate will constitute a qualified floating rate only if the multiple is greater than 0.65 but not more than 1.35. A variable rate equal to the product of a qualified floating rate and a fixed multiple that is greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate, will also constitute a qualified floating rate. In addition, two or more qualified floating rates that can reasonably be expected to have approximately the same values throughout the term of the Variable Interest Rate Note *(e.g.*, two or more qualified floating rates with values within 25 basis points of each other as determined on the Variable Interest Rate Note's Issue Date) will be treated as a single qualified floating rate. Notwithstanding the foregoing, a variable rate that would otherwise constitute a qualified floating rate but which is subject to one or more restrictions such as a maximum numerical limitation (*i.e.*, a cap) or a minimum numerical limitation (*i.e.*, a floor) may, under certain circumstances, fail to be treated as a qualified floating rate.

An "objective rate" is a rate that is not itself a qualified floating rate but which is determined using a single fixed formula and which is based on objective financial or economic information (*e.g.*, one or more qualified floating rates or the yield of actively traded personal property). A rate will not qualify as an objective rate if it is based on information that is within the control of the Issuer (or a related party) or that is unique to the circumstances of the Issuer (or a related party), such as dividends, profits or the value of the Issuer's stock (although a rate does not fail to be an objective rate merely because it is based on the credit quality of the Issuer). Other variable interest rates may be treated as objective rates if so designated by the IRS in the future. Despite the foregoing, a variable rate of interest on a Variable Interest Rate Note will not constitute an objective rate if it is reasonably expected that the average value of the rate during the first half of the Variable Interest Rate Note's term will be either significantly less than or significantly greater than the average value of the rate during the final half of the Variable Interest Rate Note's term. A "qualified inverse floating rate" is any objective rate where the rate is equal to a fixed rate minus a qualified floating rate, as long as variations in the rate can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate. If a Variable Interest Rate Note provides for stated interest at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period and if the variable rate on the Variable Interest Rate Note's Issue Date is intended to approximate the fixed rate (*e.g.*, the value of the variable rate on the Issue Date does not differ from the value of the fixed rate by more than 25 basis points), then the fixed rate and the variable rate together will constitute either a single qualified floating rate or objective rate, as the case may be.

A qualified floating rate or objective rate in effect at any time during the term of the instrument must be set at a "current value" of that rate. A "current value" of a rate is the value of the rate on any day that is no earlier than 3 months prior to the first day on which that value is in effect and no later than 1 year following that first day.

If a Variable Interest Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof qualifies as a "variable rate debt instrument", then any stated interest on the Note which is unconditionally payable in cash or property (other than debt instruments of the Issuer) at least annually will constitute qualified stated interest and will be taxed accordingly. Thus, a Variable Interest Rate Note that provides for stated interest at either a single qualified floating rate or a single objective rate throughout the term thereof and that qualifies as a "variable rate debt instrument" generally will not be treated as having been issued with OID unless the Variable Interest Rate Note is issued at a "true" discount (i.e., at a price below the Note's stated principal amount) equal to or in excess of a specified *de minimis* amount. OID on a Variable Interest Rate Note arising from "true" discount is allocated to an accrual period using the constant yield method described above by assuming that the variable rate is a fixed rate equal to (i) in the case of a qualified floating rate or qualified inverse floating rate, the value, as of the Issue Date, of the qualified floating rate or qualified inverse floating rate, or (ii) in the case of an objective rate (other than a

qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Note.

In general, any other Variable Interest Rate Note that qualifies as a "variable rate debt instrument" will be converted into an "equivalent" fixed rate debt instrument for purposes of determining the amount and accrual of OID and qualified stated interest on the Variable Interest Rate Note. Such a Variable Interest Rate Note must be converted into an "equivalent" fixed rate debt instrument by substituting any qualified floating rate or qualified inverse floating rate provided for under the terms of the Variable Interest Rate Note with a fixed rate equal to the value of the qualified floating rate or qualified inverse floating rate, as the case may be, as of the Variable Interest Rate Note's Issue Date. Any objective rate (other than a qualified inverse floating rate) provided for under the terms of the Variable Interest Rate Note is converted into a fixed rate that reflects the yield that is reasonably expected for the Variable Interest Rate Note. In the case of a Variable Interest Rate Note that qualifies as a "variable rate debt instrument" and provides for stated interest at a fixed rate (other than a fixed rate for an initial period of one year or less) in addition to either one or more qualified floating rates or a qualified inverse floating rate, the fixed rate is initially converted into a qualified floating rate (or a qualified inverse floating rate, if the Variable Interest Rate Note provides for a qualified inverse floating rate). Under these circumstances, the qualified floating rate or qualified inverse floating rate that replaces the fixed rate must be such that the fair market value of the Variable Interest Rate Note as of the Variable Interest Rate Note's Issue Date is approximately the same as the fair market value of an otherwise identical debt instrument that provides for either the qualified floating rate or qualified inverse floating rate rather than the fixed rate. Subsequent to converting the fixed rate into either a qualified floating rate or a qualified inverse floating rate, the Variable Interest Rate Note is converted into an "equivalent" fixed rate debt instrument in the manner described above.

Once the Variable Interest Rate Note is converted into an "equivalent" fixed rate debt instrument pursuant to the foregoing rules, the amount of OID and qualified stated interest, if any, are determined for the "equivalent" fixed rate debt instrument by applying the general OID rules to the "equivalent" fixed rate debt instrument and a U.S. Holder of the Variable Interest Rate Note will account for the OID and qualified stated interest as if the U.S. Holder held the "equivalent" fixed rate debt instrument. In each accrual period, appropriate adjustments will be made to the amount of qualified stated interest or OID assumed to have been accrued or paid with respect to the "equivalent" fixed rate debt instrument in the event that these amounts differ from the actual amount of interest accrued or paid on the Variable Interest Rate Note during the accrual period.

If a Variable Interest Rate Note, such as a Note the payments on which are determined by reference to an index, does not qualify as a "variable rate debt instrument", then the Variable Interest Rate Note will be treated as a contingent payment debt obligation. The proper U.S. federal income tax treatment of Variable Interest Rate Notes that are treated as contingent payment debt obligations will be more fully described in the applicable supplement.

Amortizable Bond Premium

A U.S. Holder that purchases a Note for an amount in excess of its principal amount, or for a Discount Note, its stated redemption price at maturity, may elect to treat the excess as "amortizable bond premium", in which case the amount required to be included in the U.S. Holder's income each year with respect to interest on the Note will be reduced by the amount of amortizable bond premium allocable (based on the Note's yield to maturity) to that year. Special rules may limit the amount of bond premium that can be amortized during certain accrual periods in the case of Notes that are subject to optional redemption. Any election to amortize bond premium will apply to all bonds (other than bonds the interest on which is excludable from gross income for U.S. federal income tax purposes) held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and is irrevocable without the consent of the IRS. See also *"—Original Issue Discount—Election to Treat All Interest as Original Issue Discount"*.

Election to Treat All Interest as Original Issue Discount

A U.S. Holder may elect to include in gross income all interest that accrues on a Note using the constant-yield method described above under *"—Original Issue Discount—General"*, with certain modifications. For

purposes of this election, interest includes stated interest, OID, *de minimis* OID, market discount, de minimis market discount and unstated interest, as adjusted by any amortizable bond premium or acquisition premium. This election generally will apply only to the Note with respect to which it is made and may not be revoked without the consent of the IRS. If the election to apply the constant-yield method to all interest on a Note is made with respect to a Market Discount Note, the electing U.S. Holder will be treated as having made the election discussed above under *"—Market Discount"* to include market discount in income currently over the life of all debt instruments having market discount that are acquired on or after the first day of the first taxable year to which the election applies. U.S. Holders should consult their tax advisors concerning the propriety and consequences of this election.

Substitution of Issuer

The terms of the Notes provide that, in certain circumstances, the obligations of the Issuer under the Notes may be assumed by another entity. Any such assumption might be treated for U.S. federal income tax purposes as a deemed disposition of Notes by a U.S. Holder in exchange for new notes issued by the new obligor. As a result of this deemed disposition, a U.S. Holder could be required to recognize capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the issue price of the new notes (as determined for U.S. federal income tax purposes), and the U.S. Holder's adjusted tax basis in the Notes and, depending on the facts at the time of the deemed disposition, the new notes may have OID. U.S. Holders should consult their tax advisors concerning the U.S. federal income tax consequences to them of a change in obligor with respect to the Notes.

Sale, Retirement, or Other Taxable Disposition of Notes

A U.S. Holder generally will recognize gain or loss on the sale, retirement or other taxable disposition (including a redemption) of a Note equal to the difference between the amount realized on the sale, retirement or other taxable disposition and the U.S. Holder's adjusted tax basis of the Note. A U.S. Holder's adjusted tax basis in a Note generally will be its cost, increased by the amount of any OID or market discount included in the U.S. Holder's income with respect to the Note and the amount, if any, of income attributable to *de minimis* OID and *de minimis* market discount included in the U.S. Holder's income with respect to the Note, and reduced by (i) the amount of any payments that are not qualified stated interest payments, and (ii) the amount of any amortizable bond premium applied to reduce interest on the Note. The amount realized does not include the amount attributable to accrued but unpaid interest, which will be taxable as interest income to the extent not previously included in income. Except to the extent described above under *"—Original Issue Discount—Market Discount"* or *"—Original Issue Discount—Short Term Notes"*, gain or loss recognized on the sale, retirement or other taxable disposition of a Note will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder's holding period in the Notes exceeds one year. The deductibility of capital losses is subject to significant limitations.

Gain or loss realized by a U.S. Holder on the sale or retirement of a Note generally will be U.S. source. As a result of recent changes to the foreign tax credit rules, any Spanish tax imposed on the sale, retirement or other taxable disposition of Notes by a U.S. Holder is unlikely to be treated as creditable tax for the U.S. Holder. The rules governing foreign tax credits are complex. Prospective purchasers should consult their tax advisors regarding the U.S. federal income tax consequences of any Spanish taxes imposed on disposition gains.

Backup Withholding and Information Reporting

In general, payments of principal and interest and accruals of OID on, and the proceeds from a sale, retirement or other taxable disposition of, the Notes, by a U.S. paying agent or other U.S. intermediary will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding will apply to these payments, including payments of accrued OID, if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or otherwise fails to comply with applicable certification requirements. Certain U.S. Holders are not subject to backup withholding. U.S. Holders should consult their tax advisors about these rules and any other reporting obligations that may apply to the ownership or disposition of Notes, including requirements related to the holding of certain "specified foreign financial assets".

FATCA Withholding

Pursuant to certain provisions of the Code, commonly known as FATCA, a foreign financial institution (as defined by FATCA) may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting or related requirements. The issuer is a foreign financial institution for these purposes. A number of jurisdictions (including Spain) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, proposed U.S. Treasury regulations have been issued that provide that such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register. In the preamble to the proposed regulations, the U.S. Treasury Department indicated that taxpayers may rely on these proposed regulations until the issuance of final regulations. Additionally, Notes that are characterized as debt (or which are not otherwise characterized as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the issuer). Holders should consult their own tax advisors regarding how these rules may apply to their investment in Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of such withholding.

Exhibit I

Anexo al Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos, aprobado por Real Decreto 1065/2007

Modelo de declaración a que se refieren los apartados 3, 4 y 5 del artículo 44 del Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos

Annex to RD 1065/2007, of July 27, approving the General Regulations of the tax inspection and management procedures and developing the common rules of the procedures to apply taxes

Declaration form referred to in paragraphs 3, 4 and 5 of Article 44 of the General Regulations of the tax inspection and management procedures and developing the common rules of the procedures to apply taxes

Don (nombre), con número de identificación fiscal ( )(1), en nombre y representación de (entidad declarante), con número de identificación fiscal ( )(1) y domicilio en ( ) en calidad de (marcar la letra que proceda):

Mr (name), with tax identification number ( )(1), in the name and on behalf of (entity), with tax identification number ( )(1) and address in ( ) as (function – mark as applicable):

(a) **Entidad Gestora del Mercado de Deuda Pública en Anotaciones.**

(a) Management Entity of the Public Debt Market in book-entry form.

(b) **Entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero.**

(b) Entity that manages the clearing and settlement system of securities resident in a foreign country.

(c) **Otras entidades que mantienen valores por cuenta de terceros en entidades de compensación y liquidación de valores domiciliadas en territorio español.**

(c) Other entities that hold securities on behalf of third parties within clearing and settlement systems domiciled in the Spanish territory.

(d) **Agente de pagos designado por el emisor.**

(d) Issuing and Paying Agent appointed by the issuer.

Formula la siguiente declaración, de acuerdo con lo que consta en sus propios registros:

Makes the following statement, according to its own records:

1 **En relación con los apartados 3 y 4 del artículo 44:**

1 In relation to paragraphs 3 and 4 of Article 44:

1.1 **Identificación de los valores………………………………………………**

1.1 Identification of the securities ………………………………………………

1.2 **Fecha de pago de los rendimientos (o de reembolso si son valores emitidos al descuento o segregados)**

1.2 Income payment date (or refund if the securities are issued at discount or are segregated)

1.3 **Importe total de los rendimientos (o importe total a reembolsar, en todo caso, si son valores emitidos al descuento o segregados) ……………………………………**

1.3 Total amount of income (or total amount to be refunded, in any case, if the securities are issued at discount or are segregated)

1.4 Importe de los rendimientos correspondiente a contribuyentes del Impuesto sobre la Renta de las Personas Físicas, excepto cupones segregados y principales segregados en cuyo reembolso intervenga una Entidad Gestora …………………

1.4 Amount of income corresponding to Personal Income Tax taxpayers, except segregated coupons and segregated principals for which reimbursement an intermediary entity is involved ……………

1.5 Importe de los rendimientos que conforme al apartado 2 del artículo 44 debe abonarse por su importe íntegro (o importe total a reembolsar si son valores emitidos al descuento o segregados).

1.5 Amount of income which according to paragraph 2 of Article 44 must be paid gross (or total amount to be refunded if the securities are issued at discount or are segregated).

2 En relación con el apartado 5 del artículo 44.

2 In relation to paragraph 5 of Article 44.

2.1 Identificación de los valores ……………………………………………………

2.1 Identification of the securities…………………………………………………..

2.2 Fecha de pago de los rendimientos (o de reembolso si son valores emitidos al descuento o segregados) ……………………………………………………………

2.2 Income payment date (or refund if the securities are issued at discount or are segregated) ………………………………………………………

2.3 Importe total de los rendimientos (o importe total a reembolsar si son valores emitidos al descuento o segregados …………………………………………………

2.3 Total amount of income (or total amount to be refunded if the securities are issued at discount or are segregated)

2.4 Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero A.

2.4 Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country A.

2.5 Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero B.

2.5 Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country B.

2.6 Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero C.

2.6 Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country C.

Lo que declaro en………………a … de………………de …

I declare the above in …………… on the … of …………… of …

(1) En caso de personas, físicas o jurídicas, no residentes sin establecimiento permanente se hará constar el número o código de identificación que corresponda de conformidad con su país de residencia

(1) In case of non-residents (individuals or corporations) without permanent establishment in Spain it shall be included the number or identification code which corresponds according to their country of residence.

PLAN OF DISTRIBUTION

The Notes are being offered from time to time by the Issuer through the Dealers named in the dealer agreement dated February 28, 2022 (as amended, supplemented or otherwise modified from time to time, the "**Dealer Agreement**") between the Issuer, the Arranger and the Dealers. The Notes may also be sold by or through other dealers not currently parties to, but who may accede to, the Dealer Agreement (such dealers together with the Dealers are referred to as "**Relevant Dealers**") for resale to investors or other purchasers at a fixed offering price or, if so agreed, at varying prices related to prevailing market prices at the time of resale, to be determined by such Relevant Dealers. The Issuer will have the sole right to accept offers to purchase Notes and may reject any proposed purchase of Notes in whole or in part. The Dealer Agreement provides that Notes may be sold by the Issuer to one or more Relevant Dealers as principal on a several basis. Each Relevant Dealer will have the right, in its discretion to reject any proposed purchase of Notes through it in whole or in part.

In addition, the Relevant Dealers may offer the Notes they have purchased as principal to other dealers. The Relevant Dealers may sell Notes to any dealer at a discount and, unless otherwise specified in the applicable Pricing Supplement, such discount allowed to any dealer will not be in excess of the discount to be received by such Relevant Dealer from the Issuer. The Issuer will pay each Relevant Dealer a commission as agreed between them in respect of the Notes subscribed by such Relevant Dealer. The Issuer has agreed to reimburse the Dealers for certain of their activities in connection with the Program.

The Issuer has agreed to indemnify the Dealers against, or to make contributions relating to, certain civil liabilities, including liabilities under the Securities Act.

In connection with an offering of Notes, one or more Relevant Dealers who are acting as active bookrunning lead managers for a syndicated issuance may engage in stabilizing and syndicate covering transactions (the "**Stabilizing Managers**"). If required under applicable law, such transactions will be conducted in accordance with Rule 104 under the Exchange Act. Rule 104 permits stabilizing bids to purchase the underlying security so long as bids do not exceed a specified maximum. Syndicate covering transactions involve purchases of Notes in the open market after the distribution has been completed in order to cover syndicate short positions. Stabilizing and syndicate covering transactions may cause the price of the Notes to be higher than they would otherwise be in the absence of such transactions. These transactions, if commenced, may be discontinued at any time.

In connection with any issue of Notes that are identical in all respects, (each such issue, a "**Tranche**"), the Dealer or Dealers (if any) named as the Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager(s)) in the applicable Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager(s) (or persons acting on behalf of a Stabilizing Manager) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of thirty (30) days after the Issue Date of the relevant Tranche of Notes and sixty (60) days after the date of the allotment of the relevant Tranche of Notes. Any stabilization action or over-allotment must be conducted by the relevant Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager(s)) in accordance with all applicable laws and rules. None of the Issuer, the Group, the Arranger or any of the Dealers makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes.

The Issuer has been advised by the Dealers that they may make a market in the Notes; however, the Dealers are not obligated to do so and the Issuer cannot provide any assurance that a secondary market for the Notes will develop. If an active market for the Notes does not develop, the market price and liquidity of the Notes may be adversely affected. If the Notes are traded they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, our operating performance and financial condition, general economic conditions and other factors.

Notes may be listed on any stock exchange as may be agreed between the Issuer and the Relevant Dealers in respect of each issue. The Issuer may also issue unlisted Notes.

CaixaBank, S.A., in its capacity as a Dealer for the Notes offered hereby, will only offer or sell Notes outside the United States under Regulation S under the Securities Act. CaixaBank, S.A. is not a broker-dealer registered with the SEC and will not be offering or selling securities in the United States or to U.S. nationals or residents.

The Dealers and certain of their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The Dealers and certain of their affiliates have, from time to time, performed, and may in the future perform, various commercial and investment banking and financial advisory services for CaixaBank and its affiliates, for which they received or may in the future receive customary fees and expenses.

In addition, in the ordinary course of their various business activities, the Dealers and certain of their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of CaixaBank or its affiliates. Certain of the Dealers or their affiliates that have a lending relationship with us routinely hedge their credit exposure to us consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities or the securities of our affiliates, including potentially the Notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes offered hereby. The Dealers and certain of their affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Selling Restrictions

Canada

Each Dealer acknowledges that no prospectus has been filed with any securities commission or similar regulatory authority in Canada in connection with the offer and sale of the Notes, the Notes have not been, and will not be, qualified for sale under the securities laws of Canada or any province or territory thereof and no securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon the Offering Memorandum or the merits of the Notes and any representation to the contrary is an offence.

Each Dealer has represented, warranted and agreed that it has not offered, sold or distributed and will not offer, sell or distribute any Notes, directly or indirectly, in Canada or to or for the benefit of any resident of Canada, other than in compliance with applicable securities laws and, without limiting the generality of the foregoing:

(a) any offer or sale of the Notes in Canada will be made only to only to purchasers that are "accredited investors" (as such term is defined in section 1.1 of National Instrument 45-106 Prospectus Exemptions ("**NI 45-106**") or, in Ontario, as such term is defined in section 73.3(1) of the Securities Act (Ontario)), that are also "permitted clients" (as such term is defined in section 1.1 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations), that are purchasing as principal, or are deemed to be purchasing as principal in accordance with applicable Canadian securities laws, and that are not a person created or used solely to purchase or hold the Notes as an "accredited investor" as described in paragraph (m) of the definition of "accredited investor" in section 1.1 of NI 45-106;

(b) it is either (I) appropriately registered under applicable Canadian securities laws in each relevant province or territory to sell and deliver the Notes, (II) such sale and delivery will be made through an affiliate of it that is so registered if the affiliate is registered in a category that permits such sale and has agreed to make such sale and delivery in compliance with the representations, warranties and agreements set out herein, or

(III) it is relying on an exemption from the dealer registration requirements under applicable Canadian securities laws and has complied with the requirements of that exemption; and

(c) it has not and will not distribute or deliver any "offering memorandum" (as defined in relevant Canadian securities laws) in connection with any offering of the Notes in Canada or to a resident of Canada except in compliance with applicable Canadian securities laws.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that:

a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA would not apply to the Issuer if it was not an authorized person; and

b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

Prohibition of Sales to EEA Retail Investors

Unless the Pricing Supplement in respect of any Notes specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the EEA.

For the purposes of this provision the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU; or

(ii) a customer within the meaning of Directive (EU)2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Prohibition of Sales to UK Retail Investors

Unless the Pricing Supplement in respect of any Notes specifies the "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Memorandum as completed by the Pricing Supplement in relation thereto to any retail investor in the United Kingdom.

For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or

(ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the EUWA.

Spain

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that the Notes will not be offered, sold or distributed, nor will any subsequent

resale of Notes be carried out in Spain, except in circumstances that do not require the registration of a prospectus in Spain or without complying with all legal and regulatory requirements under Spanish Securities Laws.

Neither the Notes nor the Offering Memorandum have been or will be registered with the CNMV and therefore the Offering Memorandum is not intended for any public offer of the Notes in Spain that would require the registration of a prospectus with the CNMV. No publicity or marketing of any kind shall be made in Spain in relation to the Notes.

Singapore

This Offering Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA pursuant to Section 275(1) of the SFA), or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that:

a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to "Professional Investors" as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong

Kong (the C(WUMP)O) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "Professional Investors" as defined in the SFO and any rules made under the SFO.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No.25 of 1948, as amended the "**FIEA**") and each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

General

Each Dealer has agreed and each further Dealer appointed under the Program will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Offering Memorandum and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the other Dealers shall have any responsibility therefor.

None of the Issuer and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

TRANSFER RESTRICTIONS

Because of the following restrictions on Rule 144A Notes and Regulation S Notes, purchasers are advised to read the applicable Pricing Supplement carefully and consult legal counsel prior to making any offer, resale, pledge or other transfer of any Rule 144A Notes or Regulation S Notes.

The Notes are subject to restrictions on transfer as summarized below. By purchasing Notes, you will be deemed to have made the following acknowledgements, representations to and agreements with the Issuer and the Dealers:

1. You acknowledge that:
    - the Notes have not been registered under the Securities Act or any other securities laws and are being offered for resale in transactions that do not require registration under the Securities Act or any other securities laws; and
    - unless so registered, the Notes may not be offered, sold or otherwise transferred except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any other applicable securities laws, and, if applicable, in compliance with the conditions for transfer set forth in paragraph (4) below.
2. You represent that you are not an affiliate (as defined in Rule 144) of the Issuer, that you are not acting on the Issuers' behalf, and that:
    - if you are purchasing the Rule 144A Notes, you are a QIB and are purchasing such Notes for your own account or for the account of another QIB, and you are aware that the Dealers are selling such Notes to you in reliance on Rule 144A; or
    - if you are purchasing the Regulation S Notes, you are not a U.S. person (as defined in Regulation S) and are purchasing such Notes in an offshore transaction in accordance with Regulation S.
3. You acknowledge that neither the Issuer nor the Dealers nor any person representing the Issuer or the Dealers has made any representation to you with respect to the Issuer or the offering of the Notes, other than the information contained or incorporated by reference in this Offering Memorandum and any applicable Pricing Supplement. You represent that you are relying only on this Offering Memorandum and any applicable Pricing Supplement in making your investment decision with respect to the Notes. You agree that you have had access to such financial and other information concerning the Issuer and the Notes as you have deemed necessary in connection with your decision to purchase Notes, including an opportunity to ask the Issuer questions and request information.
4. You represent that either (a) you are not and are not purchasing or holding the Notes on behalf of or with "plan assets" of a (i) an employee benefit plan that is subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), (ii) a plan, account or arrangement that is subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the "**Code**"), (iii) a collective investment fund, partnership, separate account or other entity or account whose underlying assets are treated as the assets of such plan, account or arrangement (each, a "**Plan**") or (iv) an employee benefit plan that is a governmental plan (as defined in Section 3(32) of ERISA), non-electing church plan (as defined in Section 3(33) of ERISA) or non-U.S. plan (as described in Section 4(b)(4) of ERISA) (each, a "**Other Plan**"), or (b) your purchase and holding of the Notes does not constitute and will not result in a non-exempt prohibited transaction under Title I of ERISA or Section 4975 of the Code or a violation of any applicable laws substantially similar to such provisions.
5. If you are a purchaser of Rule 144A Notes pursuant to Rule 144A, you represent that you are purchasing such Notes for your own account, or for one or more investor accounts for which you are acting as a fiduciary or agent, in each case not with a view to, or for offer or sale in connection with, any distribution of such Notes in violation of the Securities Act, subject to any requirement of law that the disposition of your property or the property of that investor account or accounts be at all times within your or their control and subject to your or their ability to resell such Notes pursuant to Rule 144A or any other

available exemption from registration under the Securities Act. You further agree, and each subsequent holder of such Notes by its acceptance of such Notes will agree, that such Notes may be offered, sold or otherwise transferred, if prior to the date on which the Issuer determines that the legend to this effect shall be deemed removed from the corresponding 144A global note, only:

- to the Issuer or any of its affiliates;
- pursuant to an effective registration statement under the Securities Act,
- to a QIB in compliance with Rule 144A;
- in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S; or
- pursuant to any other available exemption from registration requirements of the Securities Act;

provided that as a condition to registration of transfer of such Notes, the Issuer or the Fiscal and Paying Agent may require delivery of any documents or other evidence that the Issuer or the Fiscal and Paying Agent each, in their discretion, deem necessary or appropriate to evidence compliance with one of the exemptions referred to above, and, in each case, in accordance with the applicable securities laws of the states of the United States and other jurisdictions.

You also acknowledge that each global certificate in respect of Rule 144A Notes will contain a legend substantially to the following effect:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED, OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER:

1. REPRESENTS THAT IT, AND ANY ACCOUNT FOR WHICH IT IS ACTING, IS A "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT; AND
2. AGREES FOR THE BENEFIT OF THE ISSUER THAT IT WILL NOT OFFER, SELL, PLEDGE, OR OTHERWISE TRANSFER THIS NOTE OR ANY BENEFICIAL INTEREST HEREIN PRIOR TO THE RESALE RESTRICTION TERMINATION DATE (AS DEFINED IN THE NEXT PARAGRAPH), EXCEPT:

a) TO THE ISSUER OR ANY AFFILIATE THEREOF;

b) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT;

c) TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT;

d) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR 904 UNDER REGULATION S UNDER THE SECURITIES ACT; OR

e) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

THE RESALE RESTRICTION TERMINATION DATE WILL BE THE DATE: (i) THAT IS AT LEAST ONE YEAR AFTER THE LAST ORIGINAL ISSUE DATE HEREOF; AND (ii) ON WHICH THE ISSUER DETERMINES THAT THIS LEGEND (OTHER THAN THE FIRST AND FINAL PARAGRAPHS HEREOF) SHALL BE DEEMED REMOVED FROM THIS NOTE.

PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH THE FOREGOING, THE ISSUER AND THE FISCAL AND PAYING AGENT RESERVE THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS, OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. NO REPRESENTATION IS MADE AS TO THE AVAILABILITY OF ANY EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

6. If you are a purchaser of Regulation S Notes pursuant to Regulation S, you will be deemed to:

- acknowledge that such Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority in any jurisdiction and, until so registered, may not be offered, sold, pledged or otherwise transferred within the United States or to, or for the account or benefit of, U.S. persons except as set forth below and
- agree that if you should resell or otherwise transfer such Notes prior to the expiration of a distribution compliance period (defined as forty (40) days after the later of the closing date with respect to the Notes and the completion of the distribution of the Notes), you will do so only (i)(A) to the Issuer or any of its affiliates, (B) pursuant to an effective registration statement under the Securities Act, (C) to a QIB in compliance with Rule 144A, (D) outside the United States in compliance with Rule 903 or 904 under the Securities Act or (E) pursuant to any other available exemption from registration requirements of the Securities Act, and (ii) in accordance with all applicable securities laws of the states of the United States or any other jurisdictions.

You also acknowledge that each global certificate in respect of Regulation S Notes will contain a legend substantially to the following effect:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), AND MAY NOT BE OFFERED, SOLD, PLEDGED, OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE ACQUIRER:

1. REPRESENTS THAT IT IS NOT A U.S. PERSON, IS NOT ACQUIRING THIS NOTE FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION,
2. AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH NOTE ONLY
   a) TO THE ISSUER OR ANY AFFILIATE THEREOF,
   b) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BECOME EFFECTIVE UNDER THE SECURITIES ACT,
   c) FOR SO LONG AS THE NOTES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”), TO A PERSON IT REASONABLY BELIEVES IS A “QUALIFIED INSTITUTIONAL BUYER” AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A,
   d) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 903 OR 904 UNDER REGULATION S UNDER THE SECURITIES ACT, OR
   e) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL

APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION, AND

3. AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS RESTRICTIVE LEGEND. THIS LEGEND, OTHER THAN THE FIRST PARAGRAPH HEREOF, WILL BE REMOVED AFTER 40 CONSECUTIVE DAYS BEGINNING ON AND INCLUDING THE LATER OF (A) THE DAY ON WHICH THE NOTES ARE OFFERED TO PERSONS OTHER THAN DISTRIBUTORS (AS DEFINED IN REGULATION S) AND (B) THE DATE OF THE CLOSING OF THE ORIGINAL OFFERING. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION," "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.

7. You acknowledge that the Issuer, the Dealers and others will rely upon the truth and accuracy of the above acknowledgments, representations and agreements. You agree that if any of the acknowledgments, representations or agreements you are deemed to have made by your purchase of Notes is no longer accurate, you will promptly notify the Issuer and the Dealers. If you are purchasing any Notes as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to each of those accounts and that you have full power to make the above acknowledgments, representations and agreements on behalf of each account.

ADDITIONAL INFORMATION

Authorization

The establishment of the Program was duly authorized by a resolution of the Board of Directors of the Issuer dated January 27, 2022.

Issues of Notes under the Program are required to comply with certain formalities contained in the Spanish Companies Act (*Ley de Sociedades de Capital*), including as of the date of this Offering Memorandum, the execution of a public deed of issuance (*escritura de emisión*).

Board of Directors Information

The business address of each member of the Board of Directors is Calle Pintor Sorolla, 2-4, 46002, Valencia, Spain.

CaixaBank's Board of Directors regulations include rules which are designed to prevent situations where a potential conflict of interest may arise. These regulations provide, among other matters, that directors must abstain from attending and intervening in deliberations and voting on matters in which they are personally interested.

Since January 1, 2022, no director has notified the Issuer of any situation that places him or her in a permanent conflict of interest with the Group. However, on the following occasions, directors abstained from intervening and voting in the deliberation of issues in sessions of the Board of Directors.

Director	Conflict
Mr José Ignacio Goirigolzarri (Chairman)	Abstention from deliberations and voting on the resolutions regarding the bonus scheme and individual business goals corresponding to 2021.
Mr Gonzalo Gortázar (Managing Director)	Abstention from deliberations and voting on the resolutions regarding the bonus scheme and individual business goals corresponding to 2021.
Ms Teresa Santero (Director)	Abstention from deliberations and voting on the resolution regarding the sale of shares in the SAREB to the FROB.

Documents Available

For as long as the Notes are listed on the Official List of Euronext Dublin, copies of the following documents will, when published, be available in hard copies for inspection at the registered office of the Issuer and at the specified offices of the Paying Agent(s) for the time being in United Kingdom:

- the bylaws (with an accurately reproduced English translation thereof) of the Issuer;
- the Consolidated Financial Statements and related auditors' reports together with the 2021 Management Report, in each case together with English translations thereof. The Issuer currently prepares audited consolidated accounts on an annual basis;
- the most recently published audited annual financial statements of the Issuer and the most recently published unaudited quarterly business activity and results report prepared under the management criteria of the Issuer (in each case with an accurately reproduced English translation thereof), in each case together with any audit or limited review report prepared in connection therewith. The Issuer currently prepares unaudited consolidated condensed interim accounts on a half yearly basis;

- the Fiscal Agency Agreement, including the forms of the Global Notes, and the Notes in definitive form;
- a copy of this Offering Memorandum and any supplements hereto; and
- any future offering memorandums, prospectuses, information memoranda, supplements and Pricing Supplement to this Offering Memorandum and any other documents incorporated herein or therein by reference.

Material Adverse Change

There has been no material adverse change in the prospects of the Issuer since December 31, 2021.

There has been no significant change in the financial or trading position of the Group since December 31, 2021 and there has been no significant change in the financial or trading position of the Issuer since December 31, 2021.

Legal and Arbitration Proceedings

Other than as described in "*Description of CaixaBank and Our Business—Litigation*", neither the Issuer nor any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this Offering Memorandum which may have, or have had in such period, a significant effect on the financial position or profitability of the Issuer or the Group.

LEGAL MATTERS

Linklaters, S.L.P. has acted as Spanish and U.S. counsel to the Issuer in connection with the establishment of the Program.

Davis Polk & Wardwell LLP has acted as U.S. counsel to the Dealers in connection with the establishment of the Program.

INDEPENDENT AUDITORS

PricewaterhouseCoopers Auditores, S.L., registered with the Official Registry of Accounting Auditors (ROAC) under number S0242 as stated in their report incorporated by reference herein, has audited our 2021, 2020 and 2019 Consolidated Financial Statements.

ENFORCEMENT OF CIVIL LIABILITIES

We are a Spanish company and substantially all of our assets are located in Spain. In addition, all of our directors and executive officers, as well as our principal shareholder, reside or are located outside of the United States, mainly in Spain. As a result, investors may not be able to effect service of process outside these countries upon us or these persons or to enforce judgments obtained against us or these persons in foreign courts predicated solely upon the civil liability provisions of U.S. securities laws.

Furthermore, there is doubt whether a lawsuit based upon U.S. federal or state securities laws, or the laws of any non-Spanish jurisdiction, could be brought in an original action in Spain and that a foreign judgment based upon such laws would be enforceable in Spain. There is also doubt as to the enforceability of judgments of this nature in several other jurisdictions in which we operate and where our assets are located.

ISSUER

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