



CaixaBank, S.A. Audit and Control Committee Activity Report 2021

December 2021

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This Activity Report was drawn up by the CaixaBank S.A. Audit and Control Committee (hereinafter referred to as the “Committee”) on 14 December 2021, in accordance with the Company By-laws and the Rules of the Board of Directors and will be submitted for approval by the Board of Directors of CaixaBank, S.A. (hereinafter referred to as “CaixaBank” or the “Company”) at its meeting of 15 December 2021.

This Report will be available for consultation on CaixaBank’s corporate website (www.caixabank.com) together with all other documentation made available to the shareholders by the Company for the 2022 Ordinary General Meeting.

CaixaBank, as in the previous year, has maintained sound management of the COVID-19 crisis in 2021. CaixaBank’s governing bodies have adapted their operations and implemented the necessary measures to continue their activities and respect the best practices and recommendations of the health authorities.

During 2021, the Committee has furthered and consolidated the performance of its functions, acting within the scope of its responsibility at all times, adopting all the necessary resolutions and issuing all the relevant reports in accordance with current legislation or as expressly required.

1. Regulation

CaixaBank’s Audit and Control Committee was created in September 2007 by resolution of the Board of Directors.

The Committee’s powers and functioning are described in Article 40.3 of the Company By-laws and Article 14.1 of the Rules of the Board of Directors of CaixaBank.

Until now it has not been deemed necessary for the Committee to have its own regulations, as the Committee’s functioning is governed in sufficient detail by the regulations included in Rules of the Board of Directors.

2. Composition

At December 2021, the Committee's composition was as follows:

Member	Position	Type	Date of first appointment to the Committee	Shareholder he/she represents
Ms Koro Usarraga Unsain	Chairperson ¹	Independent	27-10-2016	-
Mr Francisco Javier Campo García	Member	Independent	30-03-2021	-
Mr Eduardo Javier Sanchiz Irazu ²	Member	Independent	01-02-2018	-
Mr José Serna Masiá	Member	Proprietary	23-03-2017	FB "la Caixa"/Criteria
Ms Cristina Garmendia Mendizábal	Member	Independent	22-05-2020	
Ms Teresa Santero Quintillá	Member	Proprietary	30-03-2021	BFA/FROB

¹Appointed Chairwoman of the Audit and Control Committee on 5 April 2019

²Reappointed as a member of the Committee on 6 April 2018

Table 1: Members of the Audit and Control Committee

The Audit and Control Committee has a total of six members, four of whom are independent members and two of whom are proprietary members, one representing the "la Caixa"/Criteria Caixa Banking Foundation and the other representing BFA Tenedora de Acciones, S.A.U./FROB, respectively.

During 2021, following the merger by absorption of Bankia, S.A. by CaixaBank, the CaixaBank Board of Directors agreed at its meeting of 30 March 2021 to make changes to the composition of the Audit and Control Committee². Specifically, it was agreed to incorporate Mr Francisco Javier Campo García, independent director, and Ms Teresa Santero Quintillá, proprietary director, as members of the Committee, thus increasing the number of Committee members by two.

At December 2021, the diversity in the composition of the Committee is reflected in the following charts:

¹ Appointed Chairwoman of the Audit and Control Committee on 5 April 2019.

²Relevant information https://www.caixabank.com/StaticFiles/pdfs/210330_OIR_Comisiones_es.pdf

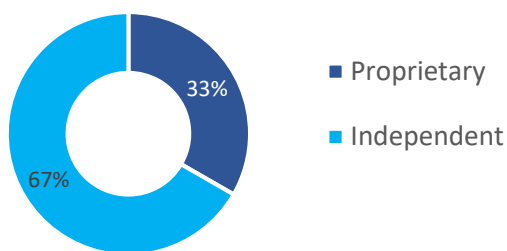


Chart 1: Category of Directors of the Audit and Control Committee

The members of the Committee have been selected taking into consideration their knowledge and experience. As a whole, the Committee members have the necessary expertise for the performance of their duties. For information purposes, the Company’s website <https://www.caixabank.com>, provides information on the professional careers of each of the members of the Committee.

In terms of gender diversity, the percentage of women on the Committee is currently 50% of the members.

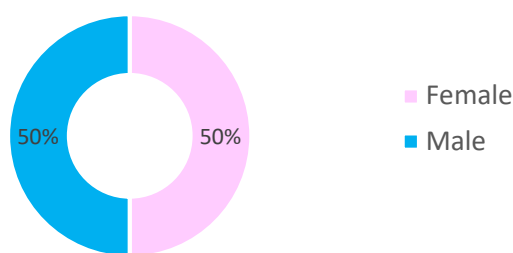


Chart 2: Gender diversity of the Audit and Control Committee

In addition, the length of service of the directors as members of the Committee is as follows:

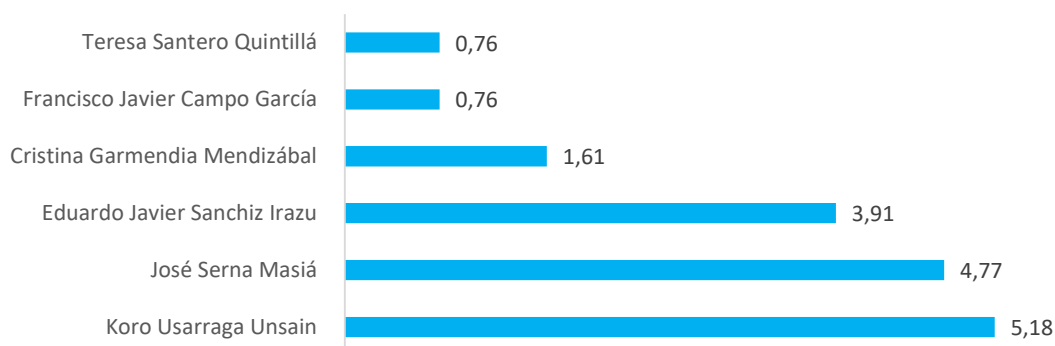


Chart 3: Length of service as members of the Audit and Control Committee

As regards the cross-involvement of the members of the Committee, Ms Koro Usarraga Unsain is also a member of the Executive Committee and of the Risk Committee; Mr Francisco Javier Campo

García is also a member of the Appointments and Sustainability Committee; Mr Eduardo Javier Sanchiz Irazu is both Chairman of the Risk Committee and a member of the Appointments and Sustainability Committee. While Ms Cristina Garmendia Mendizábal is a member of the Remuneration Committee and the Innovation, Technology and Digital Transformation Committee, and Mr José Serna Masiá is a member of the Remuneration Committee.

	Member	Executive C.	Appointments and Sustainability C.	Remuneration C.	Risks C.	Innovation, Technology and Digital Trans. C.
Ms Koro Usarraga Unsain	Member				Member	
Mr Francisco Javier Campo García			Member			
Mr Eduardo Javier Sanchiz Irazu			Member		Chairman	
Mr José Serna Masiá				Member		
Ms Cristina Garmendia Mendizábal				Member		Member
Ms Teresa Santero Quintillá						

Table 2: Cross-involvement members of the Audit and Control Committee.

In accordance with Article 14.1.f) of the Regulations of the Board of Directors, the position of Secretary and Deputy Secretary of the Committee shall be held by the Secretary of the Board of Directors of CaixaBank and the First Deputy Secretary of the Board of Directors of CaixaBank, with the right to speak but not to vote, respectively.

3. The Committee's Functioning

(i) Preparation

In order to prepare the Committee's meetings, its members are provided with the documentation for the meeting (draft agenda, presentations, reports, minutes of the previous meetings and any other supporting documentation) sufficiently in advance of each meeting. Computer tools are used for this purpose to ensure the confidentiality of the information.

The Committee also establishes annual planning that is adapted to the needs that arise during the year. In addition, the Committee monitors the annual programming/planning, as well as the agreements adopted, and the requests made. Similarly, special training sessions specific to the Commission's field have been held as part of the annual planning.

(ii) Attendance

In accordance with its regulations, the Committee meets as necessary for the correct performance of its functions. Its meetings are called at the initiative of its Chairwoman, or on request by two members of the Committee itself, and whenever the Board of Directors or its Chairman request issue of a report or adoption of a proposal.

During 2021, the Committee met in 15 sessions, 4 of which were held exclusively by telematic means in response to the situation caused by COVID-19 and the recommendations established by the health authorities.

In particular, the Committee members' attendance of the meetings, either present or represented by proxy, in person or via telematic means, was as follows in 2021:

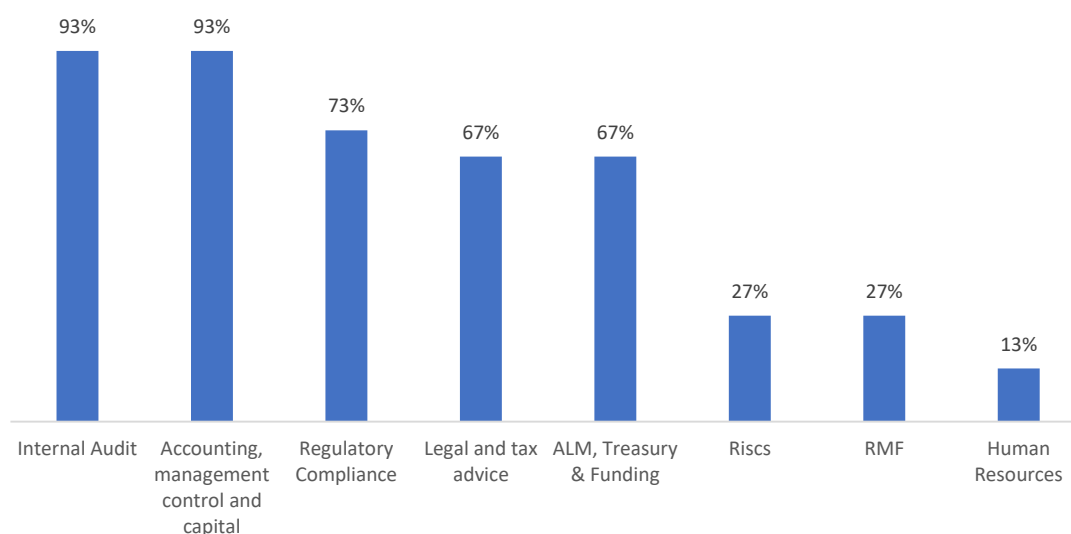
Members	Attendance/Number of meetings
Ms Koro Usarraga	15/15
Mr Eduardo Sanchiz	15/15
Ms Cristina Garmendia	15/15
Mr José Serna	15/15
Ms Teresa Santero ¹	11/15
Mr Francisco Javier Campo ²	11/15

¹ Joined as a member of the Committee on 30 March 2021

² Joined as a member of the Committee on 30 March 2021

Table 3: Attendance members of the Audit and Control Committee

During the meetings, limiting their presence to those items on the agenda within their sphere of competence and in order to inform the members of the Committee, the heads of Accounting, Management Control and Capital, Internal Audit, the Director of Compliance, ALM, Treasury & Funding (treasury stock), Risks (related-party transactions) and RMF have regularly attended as guests. The following chart reflects the departments that regularly attend the Committee meetings.



(iii) Conduct of meetings

The Committee's system determines quoracy of the meetings when the majority of its members are present in person or represented by proxy. Members may delegate their proxy representation to another member. Resolutions are adopted by majority vote of the members attending in person or by proxy, and minutes of the resolutions adopted at each meeting are taken.

The Committee may request the attendance of persons from the organisation whose work is related to its functions, and it may obtain all necessary counselling for it to form an opinion on the matters within its remit. This is managed by the Secretary of the Board.

Similarly, the Committee collaborates with other committees whose activities may be of impact on the risk strategy. This practice is in accordance with the recommendations in the Guidelines on Internal Governance (EBA/GL/2017/11). In this regard, two joint meetings were held with the Risk Committee in 2021 to facilitate interaction and coordination in all aspects related to risk supervision.

There is constant involvement, discussion, and debate between the Committee members on all the items dealt with at the Committee meetings, where the Directors providing different views of each matter.

(iv) Reporting to the Board of Directors

The Committee, through its Chairwoman, explains the activity and the work it performs, during the meetings held by the Board of Directors and provides, where appropriate, recommendations to the Board of Directors in relation to policies and other specific matters.

Likewise, the minutes of the Committee meetings along with the appended documents are made available to all Directors, therefore providing all pertinent explanations at the Board of Directors' meetings.

4. Fulfilment of Duties

The Committee has carried out the following activities in compliance with the basic functions established in Article 14.1 of the Regulations of the Board of Directors of CaixaBank:

(i) Financial and non-financial reporting

The Committee has particularly focused on overseeing the process of drawing up and submitting the mandatory financial reporting, the corporate reporting, and the non-financial reporting. The departments responsible have attended 14 of the 15 meetings held by the Committee in 2021, enabling the Committee to obtain prior knowledge sufficiently in advance on the process of drawing up the interim financial reporting and the individual and consolidated annual accounts.

The Committee acknowledged and approved the principles, valuation criteria, judgements and accounting calculations and practices applied by CaixaBank, overseeing their correct adaptation

to the accounting standards and to the criteria established by the competent regulators and supervisors. All of which has been carried out with the purpose of ensuring the integrity of the accounting and financial reporting systems, including financial and operational control, and compliance with the applicable legislation.

At the meetings held on 17 February, 4 May, 28 July and 27 October 2021, the Committee reported favourably on the respective financial statements at 31 December 2020 and 31 March, 30 June and 30 September 2021, prior to these being drawn up by the Board of Directors. In addition, the European Single Electronic Format (ESEF) has been followed for the preparation of the annual financial information.

The Committee oversaw the effectiveness and functioning of the internal controls carried out in order to reasonably assure the reliability of the financial and non-financial information provided by CaixaBank to the market. The Internal Financial Control Manager submitted its quarterly reports on the functioning of the Financial Information Internal Control System (FIICS). It was concluded that the Company has adequate procedures and the necessary controls to create a robust system, which worked efficiently throughout the financial year. The FIICS is also reviewed by both the internal auditor and the external auditor, who have highlighted that no inconsistencies or incidences have come to light.

The Committee also reviewed and verified the Non-Financial Information Statement included in the Management Report, in particular the main indicators, and monitored the functioning and control environment in place, considering the guidelines and recommendations issued by the supervisor. The Head of Internal Financial Control has submitted his quarterly reports on the functioning of the FIICS, concluding that the Company has adequate procedures and controls in place to configure a robust system, which has operated effectively during the 2021 financial year. In turn, the Non-Financial Information Statement, as established in the regulations, has been subject to specific verification by the external auditor who, prior to issuing its report, has informed the Committee of the review process, its methodology and the scope of its work.

In addition to this, the Committee continuously monitored the evolution of the main figures for the income statement and the balance sheet, and the details of the Group's liquidity and solvency situation. In particular, it has been informed of the Internal Capital Adequacy Assessment Process (hereinafter, "ICAAP") and Internal Liquidity Adequacy Assessment Process (hereinafter, "ILAAP") of the CaixaBank Group for 2021, of the Prudential Relevance Report, and of the conclusions of the work of the Second and Third Lines of Defence on all of them. In accordance with the Pillar III Disclosure Standard, in addition to the Committee's annual verification of the PR report, prior to its approval by the Board of Directors, the Committee has reported on the selection of the Pillar III relevant information that is published on a quarterly basis.

The Committee regularly monitored the main accounting figures, the various audit tests, the contribution to the Single Resolution Fund for the year 2021, the contribution to the Deposit Guarantee Fund, the provisioning and execution of the restructuring plan, the integration and business combination with Bankia, the monitoring of the accounting impacts as a result of the situation caused by COVID-19, especially in the calculation of associated provisions; as well as the allocations for defaults. The Committee has also overseen the procedure and methodology followed for determining the impact, among other matters.

Similarly, the Committee was informed of the relationships with the Single Supervisory Mechanism and of the supervisor's priorities for 2021.

Additionally, the Internal Financial Control Manager has, as Second Line of Defence, reviewed the 2021 Budget generation process, the integration process of Bankia, the reasonableness and suitability of the valuation methodology of the holding impairment risk, as well as the comparison of the hypotheses and the obtained valuation and the robustness of the valuation models for said risk. Having also reviewed the judgements and calculations used in the model for utilisation of deferred tax assets, as well as those used in the valuation and goodwill impairment test reports. The Second Line of Defence has also reviewed the process used for generating the ICAAP and ILAAP prior to its approval, which has been submitted and examined jointly by the Audit and Control Committee and the Risk Committee during one of their collaborative sessions and the PR reporting for 2020; the Recovery Plan; the update of the recalibration provisioning parameters under IFRS 9 and back testing, after this recurring exercise was suspended due to the COVID-19 pandemic, in particular having been informed of the impact and the pertinent adjustments derived from the COVID-19 situation, among others. All of these matters have been reported to the Committee.

It is worth mentioning that the Committee has regularly received thorough and specific information on the entire process involved in the accounting integration of Bankia into CaixaBank, in accordance, at all times, with the supervisor's approach.

(ii) Risk Management and Control

In accordance with Law 10/2014, of 26 June, on regulation, supervision, and solvency of credit institutions, CaixaBank has a Risk Committee whose function is to propose the risk control and management policies and strategies to the Board and provide counselling on the Company's current and future global risk appetite, including assessment of regulatory compliance risk within its sphere of action and decision-making. The Audit Committee also oversees the effectiveness of the Company's internal control and risk management system.

In this respect, and as a consequence of the merger with Bankia, the Committee has reviewed the organisation and structure of Bankia's internal control and regulatory compliance function.

Furthermore, with the aim of adequately performing their functions in 2021, the Risk Committee and the Audit and Control Committee continued with their consolidation strategy regarding their liaison and coordination in all aspects of risk monitoring.

So, the two committees held two joint meetings during the year, at which they reviewed the risk scenarios and CaixaBank's concise statement on the ICAAP, the ILAAP's concise statement, the liquidity contingency plan and the CaixaBank Group's Recovery Plan. Both committees have also examined the relevant revisions of the Second and Third Lines of Defence for each of the above-mentioned subjects.

Additionally, the Committee reported favourably to the Board of Directors on the revision of the Corporate Internal Control Policy, the Financial Asset Classification and Measurement Policy, as well as the Corporate Credit Risk Management Policy.

To conclude, it is also worth noting that the Committee has been informed of the macroeconomic scenarios and forecasts by the Supervisors and Regulators, as well as of the scenarios and internal projections contemplated by the Company.

(iii) Regulatory compliance

The Committee performs a continuous supervisory function for matters relating to the Company's regulatory compliance.

During the year, the Committee was presented with the closing of the corporate challenges of Regulatory Compliance for 2020, as well as the annual report of the function, which includes the most noteworthy aspects and main indicators for 2020, in relation to the Management Model and the Risk Control Environment over which the compliance function is entrusted with the function of Second Line supervision, as well as the main activities carried out during the year. The Committee also participates in the determination of the variable remuneration of the holder of the function, which is approved by the Board at the proposal of the Remuneration Committee, carrying out an annual assessment of the fulfilment of its functions and of the objectives established in relation to variable remuneration. The Committee has also studied the internal and external reports submitted to it by this function. Among the internal reports, of note are the periodic reports on the implementation of the Internal Code of Conduct regarding the Securities Market (ICC); the reports on compliance with the internal Policy and Rules of conduct of the interest rate reference index contribution process and the reports of the Confidential consultation and whistle-blower channel. With regard to external reports, it is worth highlighting the external expert monitoring report, required by Article 29 of Law 10/2020 on the prevention of money laundering and the financing of terrorism.

Thus, during the financial year, the Committee has monitored the progress of the initiatives undertaken in terms of the prevention of money laundering and the financing of terrorism within the Group, by means of the reports provided by the department responsible for the compliance function, which enabled it to be aware of and oversee the update of the Group's prevention system.

The Committee has been informed of the identification and assessment of the risks detected by the function, as well as of the proposed measures deemed appropriate to address them and their effectiveness; of the monitoring of significant subsidiaries, such as BPI, of the conduct risk assessment; of the monitoring of mandatory regulatory training, as well as of the certifications obtained or renewed by the function.

Likewise, the Committee was kept regularly informed of the situation regarding the requirements sent by the different Regulators and Supervisors, the inspection and supervisory actions, and the evolution of the conduct and compliance recommendations.

The Committee has been informed of the functioning of the Company's mechanisms for ensuring confidential communication of possible irregularities, including those of financial and accounting natures, which may be noticed, as well as those pertaining to the volume of consultations and whistle-blowing reports received.

(iv) Internal Audits

Among other functions, the Committee has been entrusted with supervising the efficacy of the internal audit, ensuring the optimal functioning of the information and internal control systems, as well as their independence and the appropriate risk-oriented focus of their working plans. The Committee also participates in the determination of the variable remuneration of the holder of the Internal Audit function, which is approved by the Board at the proposal of the Remuneration Committee, carrying out an annual assessment of the fulfilment of its functions and of the objectives established in relation to variable remuneration.

Thus, the Committee has been informed of the Internal Audit Activity Report for 2020 and of the progress made in relation to the Internal Audit 2019-2021 Strategic Plan, whose principals have guided its action during said period, as one of the fundamental pillars of good governance as is the Third Line of Defence.

The Internal Audit function presented its Annual Internal Audit Plan for 2021, approved by the Board of Directors at the proposal of the Committee, which oversees its compliance, and which also incorporated the degree of compliance with the 2020 Plan. The Internal Audit Department regularly reported on the Plan's progress and the new tasks incorporated over the year, deriving from the Corporate Risk List, and concerned sectoral or individual requirements made by Regulators and Supervisors and requests by either the Management or the Committee itself, and has continued reporting on the internal audit actions relating to the COVID-19 pandemic, focused on supervising the potential appearance of new risks or the criticality of existing ones. Internal Audit also supervised the integration of Bankia into CaixaBank, especially the technological integration, in order to ensure adequate control of the process, reporting regularly to the Committee on the results of its work throughout the year. The Committee was also informed of the Annual Internal Audit Plan for 2022, on which it reported to the Board of Directors prior to its approval.

The Committee also received information on the monographic reviews carried out on a single control environment, including the actions related to COVID-19 during the previous year, cybersecurity, works performed on the Regional Network and the Digital Transformation in the Internal Audit Department; the defined actions plans, monitoring and degree of implementation of the Internal Audit Department's recommendations, and on the actions carried out with regard to the Group, as a function with a corporate scope providing a systematic approach to the assessment and improvement of the risk management and control processes for all the Group's activities and business.

On 27 January 2021, the Committee received the Declaration of Independence of CaixaBank's Internal Audit Function, drawn up in compliance with the Group's Internal Audit Charter.

The Committee was also informed of the degree of achievement of the Internal Audit Function's targets set for the previous year, considering that it satisfactorily complied with and performed this function and approving the targets for 2021.

Finally, the Committee was informed of the meeting held between the Internal Audit Department and ECB and the Bank of Spain, within the framework of recurrent contacts with the Supervisor,

during which they discussed the actions to be performed by the Internal Audit Department in relation to the Bankia integration, among other issues.

(v) Auditor relationship

The auditor PricewaterhouseCoopers Auditors, S.L. (hereinafter referred to as “PwC”), was appointed at the General Shareholders' Meeting as the auditor for CaixaBank and its consolidated Group for the financial years 2018, 2019 and 2020, and reappointed at the General Shareholders' Meeting for the 2021 financial period. The Committee recommended the reappointment of the auditor for the 2022 financial year, after a favourable assessment of the auditor's compliance with the requirements of independence, objectivity, professional capacity, and quality required both legally, for public interest entities, and internally, and this was subsequently agreed by the General Shareholders' Meeting.

The Committee's relationship with CaixaBank's external auditor, PwC, was constant and problem-free throughout the financial year 2021. In accordance with the established schedule, the managers of the PwC external auditor team have attended 9 of the 15 meetings that have been held. Also, at least once a year, the Committee members hold a meeting with the external auditors that is not attended by any of the Company Directors, with the aim of finding out how the auditors perceive the working approach of their different contact persons at CaixaBank and the Company's evolution, and to assess whether the relationship has been satisfactory.

In turn, the external auditor PwC submitted to the Committee an annual plan for the performance of the auditing tasks, including the schedule and approach, detailing the activities and validations to be performed.

The Committee has received the auditor's declaration of independence for the previous year, stating compliance with the applicable independence requirements established in the Audit Law and in Regulation (EU) No. 537/2014, of 16 April. In turn, given the Company's status as a Public Interest Entity, in accordance with auditing regulations, the external auditor has submitted the Additional Report for the Audit and Control Committee for the 2021 financial year.

Similarly, at its meeting held on 17 February 2021, prior to the issue of the audit report on the annual accounts for the financial year 2020, the Committee approved the Report on the Auditors' Independence, in which it expressed its favourable opinion on their independence.

At the meetings held prior to drawing up the mandatory financial reporting, PwC notified the Committee of its preliminary conclusions, together with all significant aspects of which the Committee must be informed, in accordance with the regulatory guidelines for account auditing work. It has also kept the Committee informed at all times of the process of integrating CaixaBank's accounts with Bankia.

In addition, during the year, the Committee received information on any issues that could jeopardise the auditor's independence, with particular attention paid to the actions carried out by the auditor in the integration of Bankia.

Likewise, during the year, the Committee analysed and, where the case may be, authorised, the auditors' provision of non-audit services, after having taken into consideration aspects including the nature of the services, the legally applicable quantitative limits and those voluntarily

established by the and the existence, where the case may be, of any threats to its independence and the safeguarding measures adopted.

(vi) Related party transactions

One of the Committee's functions is to oversee compliance with the regulations on related party transactions and to inform the Board of Directors of all such transactions before they are carried out.

In this respect, the Committee has been informed during the year of the novelties in the regime of related-party transactions, introduced in the Consolidated Text of the Capital Companies Act by Law 5/2021 of 12 April, which amends the Consolidated Text of the Capital Companies Act and other financial regulations, with regard to the promotion of long-term shareholder involvement in listed companies. In order to adapt CaixaBank's internal regulations to the new regulatory framework, and in addition to the amendments made to the By-laws and the Regulations of the Board of Directors, the Committee has reported, prior to approval by the Board of Directors, on CaixaBank's new Protocol on related-party transactions and on the amendment to the Internal Protocol on relations between Caixa d'Estalvis i Pensions de Barcelona, "la Caixa", Criteria Caixa, and CaixaBank.

The Protocol on related-party transactions describes the procedure for the identification, approval, monitoring and control of related-party transactions at CaixaBank and provides for the creation of an operational group, comprising representatives of the relevant departments, responsible for the analysis, monitoring, control, regular reporting, and registration of related-party transactions.

In 2021, the Committee has analysed and reported on the asset transactions carried out with the Company by the members of the Board of Directors, by Senior Managers or related parties. These have, in all cases, been transactions for which the Committee was provided with information related to the market conditions of such transactions and their ordinary nature, where appropriate.

(vii) Regulator communications

The Committee has been periodically informed during the financial year of the developments regarding communications and requirements established by the regulators and supervisors, and of the meetings held by the various managers with the Supervisors. Furthermore, information has also been provided regarding the meeting held by the Chairwoman of the Committee with the Joint Supervisory Team (JST).

(viii) Other issues

In accordance with its annual activity plan, during the year the Committee periodically received the heads of the tax area, who reported, among other matters, on the tax management of the Company's most relevant tax issues, in compliance with its tax obligations, highlighting tax developments and the monitoring of their implementation, the monitoring of the tax management of the merger with Bankia, as well as the relations of the Company and its Group with the Regulators and Supervisors in tax matters. The details of the tax report included in the Management Report accompanying the Company's annual accounts have also been reported; as have the informative disclosures, the presentation of which responds to the work carried out

during 2020, and which include, among other tasks, the monitoring of the new developments to be incorporated by the Tax Administration, the Company's tax management and the main figures of the tax information for 2020.

Also noteworthy is the information provided to the Committee within the scope of the Code of Good Tax Practices and, as a continuation of CaixaBank's commitment to best corporate governance practices in tax matters, the information relating to the preparation and presentation to the AEAT (State Tax Administration Agency), in May 2021, of the Transparency Report for 2020 for the first time, as well as the improvements carried out in the function in order to continue aligning its practices with the best in the market in terms of governance and tax control.

The Committee also received information relating to the main lines of activity of the Business Control Department, along with the achievement of its action plan, its priorities for 2021, the control activities performed throughout the current year, in line with the Annual Planning and the monitoring of its achievement.

5. Annual assessment of the Committee's Functioning

This report has been prepared in accordance with Article 529h of the Capital Companies Act, as part of the annual assessment that the Board of Directors must carry out of its functioning and that of its committees.

The self-assessment exercise gives a positive rating to the development of the Committee's activities in 2021. Furthermore, the Committee considers that the frequency and duration of the meetings held are generally adequate for its proper functioning and for advising the Board of Directors.