CaixaBank

PRESS RELEASE

CaixaBank successfully places its second pound sterling bond valued at £500 million

- ***The bank has closed its second bond issue of 2022, the first issuance in a non-euro market in non-preferred senior format.***
- ***The issuance has been well received by the market, exceeding £1.5 billion in demand.***
- ***With this issuance, CaixaBank resumes its currency diversification strategy and strengthens its compliance with MREL requirements.***

29 March 2022

CaixaBank has closed its second bond issue of 2022, the first of the year in a non-euro currency by placing £500 million in non-preferred senior debt maturing in 6 years with an early redemption option in the last year by the issuer. The bank has capitalised on the positive market conditions to complete this operation, following a period of elevated market volatility.

With this issuance, the bank resumes its strategy of diversifying its funding sources in the capital markets and expanding its investor base. It follows the issuances in pound sterling and Swiss franc carried out in May and June 2021, respectively.

The price has been set at 210 basis points over the UK Treasury (UKT), 20 points under 230 basis points offered in the announcement, with the coupon set at 3.50%. The success of the issuance is reflected in the high level of demand received, which exceeded £1.5 billion pounds, after reviewing the differential.

With this new bond, CaixaBank continues to strengthen its robust position of "bail-in-able" liabilities, comfortably complying with the minimum requirements for own funds and eligible liabilities (MREL) scheduled for 1 January 2024., It also reflects the intention of the bank to continue to proactively build a safety net of "bail-in-able" subordinate debt that increases the protection of senior creditors and depositors. The Non-preferred Senior Debt has a lower order of seniority than the Preferred Senior Debt in the event of resolution or bankruptcy, but a higher order than subordinated debt. It was devised by policymakers with a view to boosting banking solvency and ensure larger amounts of liabilities to enable losses to be absorbed in the event of resolution at a bank.

The entities in charge of the placement were Barclays, BNP Paribas, CaixaBank and HSBC.

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