

INTERNAL RULES OF CONDUCT

OF UNICAJA BANCO, S.A. IN SECURITIES MARKETS

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TITLE I
GENERAL RULES

Article 1. Scope of application

1. These present Internal Rules of Conduct and accompanying annexes (hereinafter, the 'Rules' or the 'RC') apply to the Bank and to the following persons (hereinafter, 'subject persons'):

- a) Members of the Bank's Board of Directors.
- b) Members of the Bank's Management Committee.
- c) Other officers, employees and legal representatives of the Bank, whose duties are directly related to transactions and activities in the securities markets or give support to them.
- d) Agents and, if applicable, their managers, partners, officers and employees, whose duties are directly related to transactions and activities in securities markets¹.
- e) Other persons belonging to or providing their services in the Bank and who, in the opinion of the Regulatory Compliance Department, must be temporarily subject to these rules due to their participation or knowledge of a transaction related to securities markets.

The Regulatory Compliance Department shall keep an up-to-date comprehensive list of the entities and persons subject to these Rules, and the list will be at the disposal of the governing bodies and supervisory authorities.

2. These present Rules will apply to the activities carried out by the Bank in the securities market.

Article 2. General duties

The subject persons must know, honour and cooperate in applying the securities market legislation in force and concerning their particular field of activity, these present Rules and the applicable internal rules thereon.

¹ They are only subject to the obligations included in the Implementing Rules of the procedures: "Rule on scope of application of the market abuse regulation" and "Rule on the detection, analysis and communication of suspicious orders and transactions" ("*Norma sobre ámbito de aplicación de la normativa sobre abuso de Mercado*" and "*Norma sobre detección, análisis y comunicación de órdenes y operaciones sospechosas*").

TITLE II
PERSONAL ORDERS AND TRANSACTIONS

Article 3. Object

This present title will apply to personal orders and transactions carried out by subject persons with securities or financial instruments traded on regulated markets, MTFs or OTFs, or financial instruments whose underlying is traded on those markets or systems, all of the previous without prejudice to the order or transaction being carried out or executed inside or outside the said markets or systems.

Article 4. Non-speculative behaviour

1. In no event may financial instruments purchased or sold by subject persons' own account be sold or repurchased in the same session or on the same day on which they were first purchased or sold.
2. Subject persons shall not carry out reverse personal transactions on financial instruments of the Bank in the 30 days following each purchase or sale of such instruments, except if previously authorized in writing by the Regulatory Compliance Department because there are exceptional circumstances which justify such transaction.

Article 5. Mandatory mediation

1. The Bank establishes that the transactions carried out by the subject persons must be carried out through the mediation of the Bank or an investment firm or credit institution of its group. The mediation institution shall proceed to execute or transmit for its execution the corresponding orders. The following exceptions apply to this obligation:
 - a) Transactions which cannot be executed through the Bank or a group's entity. This action will require a previous express authorization by the Regulatory Compliance Department.
 - b) The units and shares of harmonized collective investment undertakings, except if the subject person participates in the management of the collective investment undertaking.
2. The subject persons which are subject to the obligation set forth in the paragraph above in two or more institutions, may choose from among them that which will mediate in their transactions.

Once that option has been exercised, it will be considered as permanent and will have to be notified to the Regulatory Compliance Department.

Article 6. Transactions with the Bank's financial instruments

1. Without prejudice to that set forth in the present Rules, the subject persons will abstain from engaging in personal orders and transactions with financial instruments issued by the Bank and traded on a regulated market, MTF or OTF, or whose underlying is traded on the same markets during the following periods:

- a) 30 calendar days before the date of publication of the annual accounts by the Bank's Board of Directors.
 - b) 30 calendar days before the date of publication of the Bank's periodic financial information.
2. The Regulatory Compliance Department will inform the subject persons in advance about the start and end of the restricted periods in accordance with that set forth in section 1.
3. The Regulatory Compliance Department may authorize, exceptionally, the subject persons to engage in the mentioned transactions during the said restricted periods, provided that the requirements in the applicable regulations are met and prior the statement by the applicant confirming that he/she does not have inside information. Additionally, the Regulatory Compliance Department will prepare and keep updated a list of the said subject persons.

Article 7. Order placement

1. The orders of the subject persons shall be placed in writing, by any remote, computer or electronic means that the institution has for that purpose, or by phone if the order is recorded.

The orders formalized through the Bank will be incorporated to a record of orders.

2. The subject persons, when ordering any kind of transaction on financial instruments, will deposit the funds and guarantees established in the specific rules for each kind of transaction and, if applicable, in the contract entered into by the parties. In spot transactions, they must have deposits the margin or provide proof of ownership or acquisition of the corresponding securities or rights.

Article 8. Duties of communication and information

1. The subject persons will make, at the end of each calendar month and provided that no personal transactions have been carried out, a detailed statement addressed to the Bank's Regulatory Compliance Department, which will include all the orders and transactions carried out since the previous statement. The list of orders and transactions will be submitted, in written or electronic format, within the first ten days of the following month, and referred to transactions of the previous month.

Excluded from this obligation are investments in units and shares of harmonized Spanish and European collective investment undertakings, provided that the subject person does not participate in the management of the said collective investment undertakings.

In addition to the previous, the members of the Board of Directors and of the Management Committee, as well as those officers with recurring access to the Bank's relevant information², must report, not later than 3 working days from the date of the transaction, all the personal transactions on the Bank's financial instruments traded on a regulated market, MTF or OTF or whose underlying is traded there in. Later on, they will have to report the subsequent transactions on those instruments, provided that their total value exceeds 5,000 euros within the same calendar year.

² The said officers must have enough power to adopt managing decisions which affect the financial evolution and projection of the issuer.

Also, they have to report those transactions to the CNMV within the 3-day term and in the manner required by the CNMV or by the applicable regulations.

All of the previous will be without prejudice to the obligations to report to the CNMV set forth in the current applicable regulations with regard to the members of the Board of Directors, the Management Committee, officers and persons closely related to all of them.

2. The Management Committee may determine the transactions which, because of their amount or risk, must be authorized prior their execution.

Upon request by the Regulatory Compliance Department, the subject persons may report at any time, with full detail and, if so required, in writing, their personal orders and transactions. This duty to inform may include all the transactions referred to in section 5.1.

3. The monthly reports and written information referred to in paragraphs 1 and 2 above will be filed systematically and separately at least during six years.

The Bank must guarantee their strict confidentiality, without prejudice to its duty to collaborate with judicial and supervisory authorities.

4. For the purposes of this article, the following will be deemed equivalent to personal transactions of the subject persons:

- a) Transactions carried out by a person with whom a subject person has a family relationship.
- b) Transactions carried out by companies with which the subject persons, or the persons indicated in letter a) above, maintain close ties
- c) Transactions carried out through nominee persons.

The subject persons must disclose their personal and business ties mentioned above to the Regulatory Compliance Department, and update the said information, notifying any modification to Regulatory Compliance without delay.

The members of the Board of Directors and of the Management Committee, as well as those officers with recurring access to the Bank's relevant information³, must report to the Regulatory Compliance Department the identity of the persons to whom they are closely related.

Los miembros del Consejo de Administración y del Comité de Dirección, así como los directivos con acceso recurrente a información relevante del Banco³, deberán comunicar al Departamento de Cumplimiento Normativo la identidad de las personas con las que estén estrechamente vinculadas.

Also, they will have to notify in writing to those persons⁴ their obligations under this title and to keep a copy of the notices sent to them.

Article 9. Prohibitions to trade

1. Without prejudice to that set forth in article 6, subject persons shall refrain from placing orders or engaging in transactions on the instruments previously identified by the Regulatory Compliance Department and during the time that this unit specifies.

³ The said officers must have enough power to adopt managing decisions which affect the financial evolution and projection of the issuer.

⁴ Except to those persons subject to parental responsibility and under-age step-children who share household with the subject person.

2. The subject persons which are a part of the units responsible for the preparation, publication or dissemination of reports and recommendations shall refrain from carrying out personal transactions on financial instruments (including the related financial instruments):

- a) When a specific analysis of an issuer or its securities is being carried out, from the moment the analysis begins until the recommendation or comprehensive report has been issued and the recipients have been able to act accordingly.
- b) When the proposed trades in the securities and financial instruments that are the subject of the report or recommendation are contrary to the recommendations themselves, except in exceptional cases and only with the prior approval of the Regulatory Compliance Department.

3. The abstention mentioned in the previous section will not be mandatory when the execution of the transaction is a consequence of commitments or rights acquired prior to the start of work on the report or recommendation, or of transactions to hedge the said commitments, provided that the transaction is not based on knowledge of the results of the report.

4. The provisions of this article will also apply to subject persons in positions hierarchically superior to the units responsible for producing, publishing or disseminating reports and recommendations, where such persons have access to the contents of the reports or recommendations.

Article 10. Investment portfolio discretionary management contracts

1. The subject persons who have entered into a personalized discretionary investment portfolio management contract shall so notify to the Regulatory Compliance Department, attaching a copy of the contract.

Once the Regulatory Compliance Department has received the said copy, it will verify the following:

- a) That the contracting entity is legally authorized to provide the personalized and discretionary investment portfolio management service.
- b) That the contract is intended to be long term.

2. The Regulatory Compliance Department may require the subject persons to which this article makes reference to make a signed statement specifying that investment and divestment decisions regarding the management of their assets are taken without any intervention whatsoever on their part.

3. Once the Regulatory Compliance Department has received the copy of the contract and has carried out the above checks, unless otherwise determined, Articles 4 to 9 will not apply to transactions decided by the portfolio manager concerned, with the exception of that established in section three of article 8.1.

TITLE III
PREVENTION OF MARKET ABUSE

CHAPTER I
INSIDE INFORMATION AND RELEVANT INFORMATION

Section 1. General duties

Article 11. Duty to communicate

The subject persons who have inside information shall communicate this fact to the Regulatory Compliance Department at the earliest opportunity, either directly or through the head of their department or separate area. The communication will include the characteristics of the information, the date when they first knew the information and the financial instruments concerned.

Article 12. Duty to abstain

Any subject person who has information, when they know or ought to know that the information is such, must refrain from the following actions:

- a) Preparing or carrying out on the basis of the said information any kind of order or transaction on financial instruments, as well as any kind of contract, traded or not on a regulated market, MTF or OTF. Also, cancelling or amending orders on financial instruments to which that information relates when the order was placed before the person became aware of the inside information. With regard to the auction of emission allowances or other auctioned products based on them under the Regulation (EU) 1031/2010, the use of inside information shall include submitting, modifying or withdrawing a bid for its own account or for the account of a third party.

The following are exceptions to the above:

- (i) Preparing and carrying out transactions whose existence is, in itself, inside information;
 - (ii) transactions which are carried out to meet an obligation, already due, to acquire or transfer financial instruments, when that obligation is set forth in an agreement concluded before the person concerned possesses the inside information, and provided that it has been notified to the Regulatory Compliance Department;
 - (i) other transactions carried out in accordance with the applicable regulations.
- b) Communicating the said information to third parties, except in the normal exercise of their job, profession or post.
 - c) Recommending a third party to acquire or transfer financial instruments or to make him/her acquire or transfer them based on the said information. Recommending or inducing a third party to cancel or modify an order related to financial instruments the said information makes reference to.

Article 13. Duty to safeguard

1. Subject persons who have inside information have the duty to safeguard it, without prejudice to their duty to disclose it to and to collaborate with judicial and administrative authorities.

In compliance with the previous paragraph, the subject persons shall take the necessary steps to prevent such information from being used dishonestly or unfairly. In the event that inside information is used dishonestly or unfairly, any person who becomes aware of such use shall report it immediately to Regulatory Compliance Department.

2. The heads of separate areas shall establish the necessary security measures to ensure that all physical and electronic media containing inside information are protected against unauthorized access.

3. Surveys or market soundings made by a subject person as part of his/her normal work, profession or faculties shall not be regarded as non-compliance with the duty to safeguard, provided that the said soundings meet the appropriate legal requirements.

Subject to requirements of the applicable regulations at any given time, the Bank may proceed to disclose to certain potential investors certain information prior to the announcement of a transaction, so as to value its interest and conditions, such as its price, volume or potential.

Prior to disclosing the information, the Bank will have to:

- a) Obtain the consent of the person receiving the market sounding for the reception of inside information;
- b) inform the person receiving the market sounding that he/she is not allowed to use the said information, or to try to use it, acquiring, transferring or selling, on his/her own account or on the account of third parties, directly or indirectly, financial instruments related to that information;
- c) inform the person receiving the market sounding that he/she is not allowed to use that information or to try to use it, by cancelling or modifying an order already placed and related to a financial instrument to which the information is related; and
- d) inform the person receiving the market sounding that upon acceptance of the reception of the information, he/she is obliged to keep its confidentiality.

The Bank shall create and keep a record of all the information given to the receiving person and the identity of potential investors to which it has been disclosed, including, although not exclusively, the legal persons and the natural persons acting in the name of the potential investor, as well as the date and time of each communication. The Bank will submit the said record to the CNMV upon its request.

Section 2. Obligations arising from the status of issuer of financial instruments

Article 14. Documentary records

1. The Bank, given its status of issuer of listed financial instruments during the phases of study or negotiation of any kind of legal or financial transaction which may have a significant influence on the quotation of the affected financial instruments, will

prepare, for each transaction, a documentary record of all persons who have access to that information. A copy of the said record will be sent to the Regulatory Compliance Department. The records shall specify:

- a) The identity of the persons, including those who do not belong to the institution.
 - b) The date and time when each person first had access to the inside information.
 - c) The reason for including the person on the list.
 - d) The date on which the list was created and last updated.
 - e) The instruments on which they have inside information.
2. The records will be updated without immediately in the following cases:
- a) When there is a change in the reason for including a person who is already on the list.
 - b) When it is necessary to include a new person in this list.
 - c) When a person on the list no longer has access to inside information. In such case, the date of this circumstance will be indicated.
 - d) When the information is no longer inside information.

Each update shall include the date and time of the change which caused the update.

Article 15. Safeguard of the relevant information

Subject persons who have access to relevant information in the normal exercise of their job, profession or duties will be subject to a duty of confidentiality and shall not disclose such information through any media, including the Internet, nor by any other means, for so long as the information is not made public, in accordance with the provisions of the following article.

Article 16. Disclosure of relevant information

1. Subject persons, during the phases of study or negotiation of any kind of legal or financial transaction which may have a significant influence on the quotation of the affected financial instruments, have the obligation to limit the disclosure of information strictly to the essential persons, internal or external to the organization.

2. The Bank will have to disclose immediately the information in the event that it cannot guarantee its confidentiality. In particular, a relevant fact (*hecho relevante*) will be published in the following cases:

- a) When there are information leaks or rumours or fake or misleading news are spread with regard to the Bank's financial instruments, in those cases where the situation is serious enough to be able to have a material influence on their quotation. Regardless of who caused them, the relevant fact will either confirm their veracity or deny them.

Without prejudice to the above, the spreading of rumors or fake or misleading news, as well as the leak of relevant information, shall be notified to the Regulatory Compliance Department.

- b) When an abnormal change is observed in the trading volumes or prices of financial instruments of the Bank and there are reasonable signs that the

change is due to premature, partial or distorted disclosure of a transaction. The relevant fact shall provide clear and precise details of the transaction of which it is suspected that information has been leaked and of the current status of the transaction, or will contain an objective clarification of the facts, advancing the information to be supplied at a later date.

- c) When a subject person acting in his/her own name or on account of the Bank discloses inside information in the normal exercise of his/her job, profession or duties, complete public disclosure of that information must be made, either simultaneously in the case of an intentional disclosure or promptly in the case of an unintentional disclosure. The provisions of this letter will not apply if the person who receives the information is subject to a duty of confidentiality, regardless of whether the duty is based on a law, on regulations, bylaws or on a contract.

3. The relevant information shall be disclosed to the market immediately by means of a notice to the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*, CNMV).

The communication to the CNMV shall be made at the same time as the information is disclosed by other means and as soon as the fact becomes known, the decision is adopted or the third-party agreement or contract concerned is signed.

4. Responsibility for reporting the relevant information generated in the institution to the CNMV will fall on qualified representatives of the Bank. The contents of the notice shall be truthful, clear, complete and, where the nature of the information so requires, quantified, in such a way that it does not lead to confusion or misunderstanding about the reportable events or facts.

5. The Bank shall take steps to:

- a) Monitor the evolution of the financial instruments in respect of which relevant information has been disclosed and of any news issued by professional financial commentators and the media that may affect them, all with a view to preventing dishonest or unfair use of such information. Where there is a significant change in relevant information that has been disclosed, the change shall be notified to the market in the same way.
- b) Ensure that the disclosure of relevant information to the market is not combined with marketing of the Bank activities in a way that could be misleading.
- c) Keep a record of relevant facts reported to the market
- d) Where financial instruments of the Bank are admitted to trading in one or more regulated markets in the European Union, make diligent efforts to ensure that the disclosure of relevant information is carried out in as synchronized a way as possible among the various categories of investors in all the Member States in which the Bank has applied for, or has resolved to apply for, the admission to trading of the said financial instruments.
- e) Publish the regulatory relevant facts reported to the CNMV on the institution's website and to maintain them there for a period of, at least, five years.

Article 17. Exception to the duty of disclosure to the public

1. The Bank may delay, under its responsibility, the disclosure to the public of inside

information provided that the following conditions are met:

- a) the immediate disclosure may cause a prejudice to the Bank's legitimate interests;
- b) the delay in the disclosure does not lead the public to misleading or misunderstanding;
- c) the Bank is in a condition to ensure the confidentiality of the inside information.

2. In the case of a lengthy process, the Bank may delay, under its responsibility, the public disclosure of the inside information related to that process and its different stages, subject to that established in the section above.

3. Should the Bank delay the disclosure of the inside information, it shall notify that circumstance to the CNMV, immediately after disclosing the information, and shall present a written explanation on the way that the conditions set forth in this present article have been met, except if the CNMV establishes that the said information must be provided only upon its request.

Section 3. Obligations arising from the provision of investment services

Article 18. List of insiders

1. The Bank will prepare and keep updated a list of insiders who have inside information on the occasion of the provision of investment services. The list will include the persons who have had access to such information and the corresponding dates.

2. The Regulatory Compliance Department shall expressly inform those persons included on the records mentioned in article 14.1 and on the lists above of the nature of the information and of their duty of confidentiality and prohibition to use, as well as of the infringements and penalties arising from their inappropriate use. It will also inform the affected parties of their inclusion in the record or list and of the other measures established by the European and Spanish regulations related personal data protection.

3. The data on the records and lists will be kept during six years after the last time they were recorded or updated. They must also be made available to the CNMV upon their request.

Article 19. Establishment of separate areas

1. The Board of Directors or, where applicable, the Management Committee, will establish the separate areas and the subject persons included in each one.

Separate areas will be established for the different department or areas where activities related to securities markets are developed and which must maintain the due separation so as to prevent the flow of inside information and to avoid conflict of interests.

Separate areas will be established, at least, for those departments which carry out activities of own portfolio management, third-party portfolio management and analysis.

2. Each separate area shall have a manager, who will be responsible, within the scope of his/her authority, for ensuring compliance with the provisions of this chapter.
3. The subject persons must be aware of the separate area to which they belong, the other subject persons who belong to the same area, and the identity of the manager responsible for the area.
4. Those providing their services, regardless of their rank, in a given separate area, shall sign a document in which they undertake, with express reference to the separate area concerned, not to use inside information to which they have had access by virtue of their functions for their own benefit, nor to convey such information to persons outside the separate area.

Article 20. Autonomous action of separate areas

1. Without prejudice to the provisions of Articles 22 and 23, the subject persons shall act in such a way that inside information is managed, and decisions are made, autonomously in the separate area to which they belong.
2. An investment decision system shall be defined and approved to ensure that decisions are made autonomously within the separate area.

Article 21. Establishment of barriers

1. The managers of the separate areas and of the Regulatory Compliance Department shall establish barriers between each separate area and the rest of the organization, in accordance with the characteristics of the transactions in which they are involved and the information they use.
2. The Regulatory Compliance Department will conduct regular checks to verify that the transactions carried out in the market on own account or on account of clients, and the personal transactions carried out by subject persons are not affected by unauthorised access to inside information and, in short, to verify that the information barriers are working properly.

Article 22. Transmission of inside information between separate areas

1. Inside information may only be shared between separate areas when this is indispensable for the areas to perform their functions properly, for a particular transaction to be carried out, or decision to be made.
2. The transmission of inside information between separate areas will require prior authorization from the Regulatory Compliance Department.
3. In granting such authorizations, of which a duly individualised record will be kept by the Regulatory Compliance Department, particular attention will be paid to the risk of conflicts of interest. In no event may transmission of information be authorized in violation of confidentiality agreements entered into by the Bank.

Article 23. Transmission of inside information above the barriers

1. Subject persons and bodies hierarchically superior to the managers of the separate areas, including committees or collegiate bodies of which the said area

managers or persons designated by them may be members, will be considered common structures above the separate areas.

2. Within the framework of the relevant decision-making processes, inside information may be transmitted to subject persons situated hierarchically above the separate areas. Where the information is especially relevant or sensitive, such transfer of information shall be notified in advance to the Regulatory Compliance Department.

Article 24. Transmission of inside information to third parties

Should it be necessary to transfer inside information to persons outside the Bank, the recipients of the information shall be required to sign a confidentiality agreement. Such transmissions of information shall be notified in advance to the Regulatory Compliance Department.

CHAPTER II

MARKET MANIPULATION AND SUSPICIOUS TRANSACTIONS

Article 25. Duty to abstain

Subject persons shall refrain from preparing or carrying out market manipulation practices or which distort the free formation of prices. This is also applicable to:

- a) Commodity spot contracts, which are not wholesale energy products, when the transaction, order or action has or may have an effect on the price or value of financial instruments traded on regulated markets, MTFs or OTFs, or of financial products whose value depends on or has an effect on the previous (such as, for instance, Credit Default Swaps or Financial Contracts for Difference);
- b) those financial instruments, including derivative contracts or derivative instruments for the transfer of credit risk, when the transaction, order, offer or action has or may have an effect on the price or value of a derivative spot contract on commodities where the price or value depends on the value of the said instruments; and
- c) Actions related to indexes (benchmarks).

Article 26. Duty to report suspicious transactions

1. The Bank, when it considers that there are reasonable grounds to suspect that an order or transaction with financial instruments employs inside information or involves market manipulation or distorts price formation, shall report it to the CNMV in the shortest term.

2. The notice to be sent to the CNMV shall include the following information:

- a) Description of the orders or transactions, including the type of order and the trading method used.
- b) The grounds for suspicion that the transaction makes use of inside information or constitutes a practice which distorts the free formation of prices.

- c) The identity of the persons on whose behalf the transactions were carried out, and of any others involved in the transactions
- d) Whether the person subject to the obligation to report is acting for his/her own account or for the account of third parties.
- e) Any other pertinent information related to suspicious transactions.

If such information is not available at the time of giving notice, the notice must state the reasons why the transaction is considered to be suspicious, providing supplementary information as soon as it becomes available.

3. Once the notice has been sent, the involved persons will have to remain silent on the said notice.

4. The Regulatory Compliance Department will keep a record of the notices submitted.

CHAPTER III

INVESTMENT REPORTS AND RECOMMENDATIONS

Article 27. Duties of loyalty, impartiality, abstention and information

1. When reports or recommendations are prepared, published or disclosed on companies issuing financial instruments, the subject persons must act with loyalty and impartiality.

2. The Bank and the subject persons which make part of the units responsible for the preparation, publication or disclosure of investment reports and recommendations, shall not accept bonuses from those having a relevant interest in the contents of the report or recommendation.

3. The Bank and the subject persons which make part of the units responsible for the preparation, publication or disclosure of investment reports and recommendations, shall not enter into commitment with the issuers to prepare favourable investment reports or recommendations.

4. The manager of the units mentioned in this article shall submit, at least quarterly, to the Regulatory Compliance Department a schedule with the next reports on specific companies which it intends to prepare in the short future. It will also send them immediately a copy of each published report.

Article 28. Responsibilities of the Regulatory Compliance Department

1. The Regulatory Compliance Department will keep informed and will give advice to the units responsible for the preparation, publication or dissemination of reports and recommendations, on the regulations applicable to their activities and, especially on:

- a) The rules for the impartial preparation of reports and recommendations.
- b) The rules for the information on conflict of interests.
- c) The rules on dissemination of recommendations prepared by a third party.
- d) The rules applicable to non-written recommendations.

2. The reports and recommendation will be submitted, once published, to the Regulatory Compliance Department by the units responsible for their preparation, publication or dissemination.

TITLE IV
OWN SHARES. TREASURY SHARES

Article 29. Rules related to treasury share transactions

1. With regard to treasury shares transactions, the Bank will act always within the limits of the authorization granted by the General Meeting of Shareholders and the transactions shall respond, in any case, to the execution of specific acquisition plans or programmes, so as to deliver own shares in future corporate transactions or to other legitimate admissible purposes in accordance with the applicable regulations, such as to contribute to the liquidity of the trading and regularity in the subscription of the Bank's financial instruments. In no case they shall respond to a purpose of intervention in the process of free price formation or shall have the purpose of favouring certain shareholders.

2. The management of the Bank's treasury shares shall comply with that set forth in the Consolidated Text of the Spanish Securities Market Act (*Texto Refundido de la Ley del Mercado de Valores*) and other applicable regulations, as well as with the criteria that the CNMV may establish from time to time related to the discretionary operation of treasury shares in open market. In particular:

- a) Steps will be taken for the management of treasury shares to be separated from the rest of the activities.
- b) Steps will be taken to prevent decisions on investment or disinvestment on the Bank's shares from being affected by the knowledge of inside information. For that purpose, the management of treasury shares shall be commissioned either to an officer or employee of the Bank who is not in usual contact with inside information, appointed by the Board of Directors following proposal by the Management Committee or other committee appointed to that purpose, and who will act autonomously and independently, or to an institution appointed for that purpose through the subscription of a liquidity contract or under a buyback or stabilization programme, or to a third party in accordance with that established in the applicable regulations.
- c) The daily buying and selling volume shall not result in a controlling position in the trading of shares (as a general rule, it shall not represent more than 15%).
- d) Prices of the orders shall lower or higher -depending on whether they are purchase or sale orders- than the latest highest or lowest price registered in the market, respectively, and registered in the order record, so that treasury shares transactions do not drive the price trend.
- e) No transactions will be made in the opening and closing periods, nor on the occasion of other auctions, except in exceptional cases, due to a justified reason and taking all the necessary measures to prevent transactions from having a decisive influence on the evolution of the auction price (the following specific criteria shall be taken into account: the accumulated volume of the placed orders, including purchases and sales, should not exceed 10 per cent of the theoretical value of the rest of the auction, and market orders or best buy orders should not be placed during these periods).
- f) Save exceptionally and for duly justified reasons, only one market member shall be used to carry out the transactions.

3. Special attention shall be paid to compliance with the duty to notify the treasury shares transactions as per the provisions in force and to duly maintain, control and record the said transactions.

TITLE V
POLICY FOR THE MANAGEMENT OF CONFLICTS OF INTEREST

Article 30. Object

This present title contains the general policy for the prevention and management of conflicts of interest that may arise between the Bank's clients and between the clients and the Bank.

Article 31. Detection of conflicts of interest

In order to identify conflicts of interest that may arise in the provision of investment or ancillary services, or a combination of both, it will be taken into account if the Bank of the subject persons:

- a) are likely to obtain financial gain or avoid financial loss at the client's expense;
- b) have an interest in the result of the service provided to the client or of the transaction carried out in the client's name different from the interest of the client;
- c) have financial or other incentives that may lead them to favour the interests of another client or group of clients above those of the client in question;
- d) carry on the same activity or business as the client;
- e) receive from a person other than the client an incentive related to the service provided to the client, in the form of money, goods or services, other than the standard fee or the cost of the service.

Article 32. Other conflicts of interest

The Bank may determine other types of conflicts of interest which may be incurred by the subject persons as a result of family, economic or professional ties or on any other grounds in respect of a particular action, service or transaction, as well as rules for resolving those conflicts.

Article 33. Duties in relation to conflicts of interest

1. Subject persons will try to avoid conflicts of interests.
2. Subject persons shall disclose any conflicts of interest to which they are effectively subject to the Regulatory Compliance Department and to the head of the appropriate department.

Such disclosure shall be made at the earliest opportunity and in any event before the decision that might be affected by the conflict of interest is made.

Subject persons shall keep the above information updated, giving notice of any change in, or cessation of, any conflict of interest situations already reported.

3. If a subject person is personally affected by a conflict of interest, he/she shall refrain from taking part in preparatory activities and from deciding or casting his/her

vote in situations where the conflict of interest arises and shall disclose the conflict of interest to those who are to make the decision.

Article 34. General rules for resolving conflicts of interest

1. Conflicts of interest shall be resolved by the head of the affected separate area. If a conflict affects several areas, it shall be resolved by the immediate hierarchical superior of all those areas. If none of the above rules can be applied, the conflict shall be resolved by the person designated by the Management Committee.

If there is any doubt as to who has authority in the matter or how the conflict is to be resolved, the Regulatory Compliance Department may be consulted.

2. The following rules shall be followed when resolving conflicts of interest:
 - a) in case of conflict between the Bank and a client, the interest of the client shall be protected.
 - b) In case of conflict between clients:
 - (i) neither party shall be favoured;
 - (ii) in no event may details of transactions carried out by one client be disclosed to another;
 - (iii) clients shall not be encouraged to carry out a transaction with the aim of benefiting another client.
3. If the measures taken by the Bank are insufficient to guarantee, with reasonable certainty, that the risks of harming the interest of clients will be avoided, the Bank shall notify those concerned of the nature and source of the conflict; and the services or transactions in which the conflict of interest arises shall be provided or executed only with the client's consent.
4. The decision on the conflict and any resulting incidents shall be reported to the Regulatory Compliance Department.
5. The Regulatory Compliance Department shall keep an up-to-date record of conflicts of interest that have arisen or of those which are taking place in ongoing services or activities.

Article 35. Specific rules for certain units

Within the separate areas of brokerage and own and third-party portfolio management, reasonable and appropriate measures shall be taken to avoid or reduce conflicts of interest which may arise between clients. To that end:

- a) When the orders or transactions carried out must be allocated among several clients, the allocation shall be based on objective, pre-established criteria. If for any reason the pre-established criterion cannot be applied, the criterion effectively applied shall be set out in writing.
- b) Insofar as possible, and depending on the scale of the abovementioned activities within the entity, the management and the brokerage services shall be separated by markets and clients or groups of clients that share certain characteristics. In particular, institutional clients shall be separated from retail clients.

TITLE VI
APPLICATION OF THE RULES

Article 36. Corporate Intranet

The Regulatory Compliance Department will maintain a website on the Bank's corporate intranet, accessible to all subject persons and containing the following:

- a) The present Rules.
- b) The Regulations implementing the rules' procedures, including those which may be approved for specific areas.
- c) The forms required to comply with the obligations set out in the Rules.
- d) An updated list of separate areas and their heads.

Article 37. Training

1. All the subject persons shall receive training on these Rules, either at the time the Rules come into force or on first becoming subject persons.
2. Furthermore, at intervals to be decided by the Bank, all subject persons shall receive additional, updated training.

Article 38. Non-compliance

Non-compliance with these Rules may result in penalties being imposed under criminal, administrative or labour law.

In particular, breaches involving orders or transactions using inside information or wrongful disclosure of inside information may involve penalties included in the Criminal Code and may involve the administrative penalties that the Bank deems appropriate.

In the field of labour law, penalties will be imposed once evidence has been collected in the ensuing infringement proceedings, which will be conducted in accordance with the appropriate industry regulations.

Article 39. Amendments

Any amendment to these present Rules shall be approved by the Board of Directors and submitted to the CNMV.

Article 40. Information

The Regulatory Compliance Department shall inform the Management Committee quarterly, and the Board of Directors, yearly, on the situation status and compliance with these Rules.

Compliance with these Rules will also be assessed yearly, describing the main incidences.

Transitional provisions

These present Rules shall not be applicable to orders and transactions in OTFs, SME growth markets, emission allowances and auctioned products based thereon until 3 January 2018.

ANNEX 1

DEFINITIONS

1. Separate Area

Separate areas are those departments or areas where activities related to the securities markets are conducted and which, under these Rules, must be separated from other such departments or areas in order to avoid conflicts of interest and prevent improper use or transmission of inside information, so as to ensure that decisions in each such area are made autonomously.

2. Barriers

Barriers are the physical, electronic or other elements and the procedures that must be established in order to keep the effective separation between the areas.

Barriers can be:

- a) Physical barriers, including measures of physical separation and restricted areas.
- b) Barriers to access to information, aimed at protecting documents and physical and electronic files. This involves measures such as the use of access keys, identification with transaction code names, and other similar measures.
- c) Communication barriers, through measures for the control of written, electronic and telephone communications and restriction of comments or communications, among others.

3. Conflict of interest

A conflict of interest arises when, in the opinion of a neutral observer, the impartiality of a subject person may be compromised and the interests of a client may be damaged as a result.

4. Investment portfolio discretionary management contract

An investment portfolio discretionary management contract is a contract under which a subject person gives an entity, legally empowered for that purpose, a mandate to manage all or part of his/her movable assets, including discretionary power to make all decisions in relation to investment, disinvestment and holding of the said instruments and their benefits and returns, without intervention by the subject person.

5. Spot commodity contracts

Contracts for the provision or delivery of a commodity traded on a spot market which is delivered promptly once the transaction is settled, and contracts for the provision or delivery of a commodity which is not a financial instrument, including the futures contracts where the physical delivery takes place.

6. Emission allowances

Emission allowances consisting of units as established for the purposes of compliance with the requirements of the Directive 2003/87/EC (establishing a scheme for emission allowance trading).

7. Commodity derivatives

Commodity derivatives products as per the definition in section (30) of Article 2(1) of the Regulation (EU) 600/2014.

8. Issuing institution

It is an institution which issues or intends to issue any financial instrument in a regulated market, MTF or OTF domiciled in the European Union.

9. Reference index or indexes

Any rating, index or figure published or made available to the public, periodically or regularly calculated by applying a formula and on the basis of one or more assets or prices, including price estimates, current or estimated interest rates or other values, or surveys, and which is used as a reference to calculate the amount to be paid under a financial instrument or to determine the value of a financial instrument.

10. Inside information

1. Inside information is any information of a precise nature, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, or to one or more issuers of the mentioned financial instrument, which has not been made public, and which, if it were made public, would be likely to have a significant influence on their quotation on a regulated market, Multilateral Trading Facility (MTF) or Organized Trading Facility (OTF).

The concept of quotation includes, in addition to that of financial instruments, quotation of derivative instruments related to them.

In relation to commodity derivatives, inside information will include all information of a precise nature, which has not been made public, relating, directly or indirectly to one or more such derivatives or relating directly to the related spot commodity contract, and which, if it were made public, would be likely to have a significant influence on the value of such derivatives or related spot commodity contracts, and where this is information which is reasonably expected to be disclosed or is required to be disclosed in accordance with legal or regulatory provisions, market rules, practice or custom, on the relevant commodity derivatives markets or spot markets.

In relation to emission allowances and auctioned products based thereon, inside information means information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more such instruments, and which, if it were made public, would be likely to have a significant influence on the value of such instruments or on the prices of related derivative financial instruments.

It will be considered that the information can have a significant influence on quotation when the said information could be used by a reasonable investor as a part of the grounds for his/her investment decisions.

The information shall be deemed to be of a precise nature if it indicates a set of circumstances which exists or which may reasonably be expected to come into existence, or an event which has occurred or which may reasonably be expected to occur, where it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices of the corresponding financial instruments, or the related derivative financial instruments.

All of the previous will also be applicable to financial instruments with regard to which a request of admission to trading has been presented in a market or organized trading system.

2. For persons in charge of the execution of orders concerning financial instruments, inside information also includes information transmitted by a client with regard to his/her own pending orders, which is of a precise nature, and related directly or indirectly, to one or more issuers of financial instruments or to one or more financial instruments, and which, if it were made public, would be likely to have a significant influence on the quotation of those financial instruments, on the quotation of the financial instruments related to them or on the price of the related commodity spot contracts.

11. Relevant Information

Relevant information includes all that information whose knowledge may affect an investor reasonably to adopt investment decisions with regard to financial instruments, derivative financial instruments, commodity spot contracts and auctioned products based on emission allowances and which, therefore, can have a significant influence on the price or quotation value on a regulated market, an MTF or an OTF.

12. Harmonized Collective Investment Schemes

Alternative investment funds regulated by the Directive 2011/61/EU on alternative investment fund managers, or any other that may replace it, are not considered harmonized collective investment schemes.

13. Financial instruments

All financial instruments defined in section (15) of Article 4(1) of the Directive 2014/65/EU (MiFID II).

14. Related financial instruments

Instruments whose price is directly affected by fluctuations in the price of another financial instrument which is object of an investment report or recommendation, and which includes a derivative on this latter financial instrument.

15. Market manipulation

Market manipulation refers to the preparation or performance of practices which distort the free price formation. Market manipulation includes:

- a) Transactions or orders, as well as any other actions:
 - Which give or are likely to give, false or misleading signals as to the

supply, demand or price of financial instruments, of commodity spot contracts or of auctioned products based on emission allowances.

- Which secure, by a person, or persons acting in collaboration, the price of one or several financial instruments, of a commodity spot contract or of auctioned products based on emission allowances at an abnormal or artificial level:

unless the person who carried out the transactions or gave the order or engaged in any other conduct establishes that its reasons for so doing are legitimate and the said reasons conform to the accepted market practices in the market in question.

- b) Transaction, orders or other actions that affect or could affect the price of financial instruments, related spot commodity contract or of an auctioned product based on emissions allowances, and which use fictitious devices or any other form of deception or contrivance.
- c) Dissemination of information through any communication media, including the Internet, or through any other medium, that conveys or could convey false or misleading signals as to the demand or the price of a financial instrument, of a related spot commodity contract or of an auctioned product based on emissions allowances, including the dissemination of rumours and fake or misleading news, where the disseminator knows or should know that the information was false or misleading. Also whenever the mentioned acts intend to secure the price.
- d) Transfer of fake or misleading information or provision of false data in relation to an index, where the conveyor of the information or provider of the data knew or should have known that they were false or misleading, or any other conduct that entails manipulation of the calculation of a reference index.

The following conducts, inter alia, will be considered market manipulation as well:

- e) Conduct by a person, or persons acting in collaboration, to secure a dominant position over the supply or demand for a security or financial instrument, for a related spot commodity contract or for an auctioned product based on emissions allowances, which has or could have the effect of fixing, directly or indirectly, purchase or sale prices or creating other unfair trading conditions.
- f) The buying or selling of financial instruments at the opening or close of the market which has or could have the effect of confusing or misleading investors acting on the basis of the displayed prices, including the opening or closing quotes.
- g) The placing of orders on a market or trading venue, including any cancellation or modification thereof, by any available means of trading including electronic means, such as algorithmic and high frequency trading strategies, that produces any of the effects referred to in paragraph 1), subparagraphs a) or b), by:
 - i) Disrupting or delaying the functioning of the trading system of the trading venue, or making it more likely to do so;
 - ii) Making it more difficult for other persons to identify genuine orders on the market or trading system or making it more likely to do so, including entering orders which result in the overloading or destabilisation of the

order book; or

- iii) Creating or making possible the creation of a false or misleading signal about the supply of or demand for, or price of a financial instrument, in particular by entering orders to initiate or exacerbate a trend.
- h) Taking advantage of occasional or regular access to the traditional or electronic media by voicing an opinion about a financial instrument, related spot commodity contract or auctioned product based on emissions allowances (or indirectly about their issuer) while having previously made a bid in relation to that financial instrument, contract or auctioned product based on emissions allowances, and profiting subsequently from the impact of the opinions voiced on the price of that instrument, contract or auctioned product based on emissions allowances, without having simultaneously disclosed that conflict of interest to the public in a proper and effective way.
- i) The buying or selling on the secondary market of emission allowances or related derivatives prior to the auction held pursuant to the Regulation (EU) 1031/2010, with the effect of fixing the auction clearing price for the auctioned products at an abnormal or artificial level or misleading bidders bidding in the auctions.
- j) Any conduct which the Ministry of Economy or the CNMV lists or describes as a practice contrary to free price formation.

16. Commodities

Any commodity as defined in section 1 of Article 2 of the Commission Regulation (EC) 1287/2006.

17. SME growth markets

An MTF registered as SME growth market in accordance with Article 33 of the Directive 2014/65/EU (MiFID II).

18. Regulated market

Multilateral system, operated or managed by market operator, which brings together or allows to bring together, within the system and according to its non-discretionary rules, the different interests of purchase and sale on financial instruments from several third parties to produce contracts with regard to the financial instruments admitted to trading under its rules or systems, and which is authorized and works regularly in accordance with title III of the Directive 2014/65/EU (MiFID II).

19. Spot markets

Commodity market in which commodities are sold in cash and delivered promptly once that the transaction is settled, and other non-financial markets such as those of futures on commodities.

20. MTF

Multilateral trading facility operated by an investment firm or a market operator, which brings together multiple third-party buying and selling interests in financial instruments

–in the system and in accordance with non-discretionary rules – in a way that results in a contract in accordance with Title II of Directive 2014/65/EU (MiFID II).

21. Personal transactions

Personal transactions are those transactions on financial instruments carried out by subject persons with regard to their wealth and outside the scope of the activities assigned to them under their role in the Company.

22. OTF

Organized trading facility means a multilateral system which is not a regulated market or

an MTF and in which multiple third-party buying and selling interests in bonds, structured finance products, emission allowances or third-party derivatives are able to interact in the system in a way that results in a contract in accordance with Title II of Directive 2014/65/EU (MiFID II).

23. Treasury shares transactions

Treasury share transactions will be those, carried out by the Bank or its subsidiary companies, where the Bank's shares are the object of the transaction.

24. Family relations of subject persons

A subject person is considered to have family relations with the following persons:

- a) the spouse or any person with an equivalent relationship under the national laws.
- b) children and step-children in the person's charge,
- c) any other relative who has been living in the same domicile as the subject person for more than one year.

25. Nominee person

Person who carries out transactions in his/her own name for the account of subject persons.

26. Accepted market practices

1. Accepted market practices are those carried out or which can be reasonably expected to be carried out in one more official secondary market and accepted by the ESMA (European Securities and Markets Authority) and the CNMV.

The CNMV, to determine whether a market practice is accepted, shall take into account the following criteria:

- a) The level of transparency of the corresponding market price with regard to the whole market.
- b) The need to preserve the action of the market forces and proper interaction

between supply and demand. For those purposes, the CNMV shall analyze the effect of the corresponding market practice on the main market parameters, such as the specific market conditions prior to the said practice, the weighted average price of a single session or the daily closing price.

- c) The intensity of the impact of the market practice on market liquidity and efficiency.
 - d) The extent to which the market practice takes into account the trading mechanism of the relevant market and enables market participants to react properly and in a timely manner to the new market situation created by that practice.
 - e) The risk represented by the practice for the integrity of the European Union markets directly or indirectly related, whether regulated or not, to the relevant financial instrument.
 - f) The outcome of any investigation of the relevant market practice by the CNMV or any other competent authority or market regulator, in particular whether the relevant market practice breaches rules or regulations designed to prevent market abuse, or codes of conduct, whether on the market in question or on directly or indirectly related markets within the European Union.
 - g) The structural characteristics of the relevant market, including whether it is regulated or not, the types of financial instruments traded and the type of market participants, in particular the relative importance of the participation of retail investors.
2. In no event will a market practice, especially a new or emerging market practice, be considered as non-accepted only due to the fact that the said market practice has not been previously accepted by the CNMV.

27. Investment recommendation

1. Any information intended for the public, recommending or suggesting an investment strategy in relation to financial instruments or to the issuers thereof, including any report on the present or future value or price of such instruments.
2. Information recommending or suggesting an investment strategy will be deemed to include the following:
 - a) Information prepared by an independent analyst, an investment firm, a credit institution, any other person whose main business is to produce investment recommendations or the natural persons working for any of the previous under a contract of employment or otherwise, that, directly or indirectly, expresses a particular investment proposal in respect of a financial instrument or an issuer.
 - b) Information prepared by persons other than the persons referred to in the previous paragraph which directly recommends a particular investment decision in respect of a financial instrument.

28. Market sounding and prospectings

It includes the communication of information, prior to the announcement of a transaction, in order to assess the interest of potential investors with regard to the

potential transaction and its conditions, such as the potential size or price, to one or more potential investors, made by the issuer itself, by a secondary offeror (in the case that the size is different to the ordinary and that it involves a mean of delivery which requires the prior valuation by the potential investor), by a participant in emission allowance markets or by any other third-party on their behalf.

29. Bank's financial instruments

Those financial instruments different from those listed in section 13, issued or guaranteed by the Bank.

30. Close links

A close link will be considered to exist in the following situation:

- a) ownership, directly or indirectly, of 20% or more of the voting rights or capital of a company, or
- b) a control link. It will be considered that there is control when any of the following circumstances occur:
 - a majority of voting rights is held;
 - power is held to appoint or remove a majority of the governing body;
 - there is the possibility to hold, under agreements with third-parties, a majority of the voting rights;
 - a majority of the members of the governing body have been appointed.

31. Persons closely linked to the members of the Board of Directors, Managing Committee and officers, for the purposes of the corresponding sections or Article 8, section 1, paragraph 3 and section 4, paragraph 3:

- a) The spouse or any person deemed equivalent to spouse under the national laws.
- b) Children in the person's charge, according to the national laws.
- c) Any other relative with whom the subject person has been living for one year or more before the date of the personal transaction in question.
- d) Any legal person, trust or association, where a managing position is held by a member of the Board of Directors, a member of the Managing Committee or an officer, or by a person indicated in letters a), b) or c) above or directly or indirectly or indirectly controlled by the said person, or which has been created for the benefit of that person or whose economic interests are to a large extent equivalent to those of the person.

ANNEX 2
APPLICABLE LAWS

1. The main rules of conduct for securities market activities are contained in the following provisions:

- a) Regulation (EU) No 596/2014 of the European Parliament and of the Council, of 16 April 2014 on market abuse (market abuse regulation), as well as all its implementing European regulations and directives.
- b) Consolidated text of the Securities Market Act, approved by Legislative Royal Decree 4/2015 of 23 October.
- c) Royal Decree 217/2008 of 15 February 2008 on the legal regime of investment firms and other entities that provide investment services, and modifying the Regulation of the Law 35/2003 of 4 November on collective investment institutions, approved by Royal Decree 1309/2005 of 4 November.
- d) Real Decreto 1333/2005, de 11 de noviembre, por el que se desarrolla la Ley 24/1988, de 28 de julio, del Mercado de Valores, en materia de abuso de mercado o cualquier otro que lo sustituya.
- e) CNMV Circular 3/1993 of 29 December, of the recording of transactions and keeping of records of orders.
- f) CNMV Circular 1/1996 of 27 March on rules of action, transparency and identification of customers in securities market transactions.
- g) CNMV Circular 2/2000 of 30 May on standard models of contract of customised discretionary portfolio management and other developments of the Order of 7 October 1999, on the development of the general code of conduct and rules of action in investment portfolio management.

2. The rules of conduct in the field of collective investment are contained in the following precepts:

- a) Chapter I of Title VI of the Law 35/2003 of 4 November, on collective investment institutions.
- b) Title VI of the Regulations implementing the Law 35/2003 of 4 November on collective investment institutions, approved by Royal Decree 1309/2005 of 4 November.
- c) Delegated Regulation (EU) 2016/438 of the Commission, of 17 December 2015, complementing the Directive 2009/65/EC of the European Parliament and the Council on the obligations of depositaries.

3. The rules of conduct in the field of pension funds are contained in Articles 85 bis, 85 ter and 85 quater of the Regulations on Pension Plans and Funds enacted by Royal Decree 304/2004 of 20 February 2004.