



Corporate Governance Policy of Grupo Unicaja Banco, S.A.

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1. Introduction

The corporate governance of credit institutions has received priority attention from national and European regulators and supervisors, as well as from the institutions themselves.

In this context, there is a requirement to have procedures that define and ensure the establishment of a sound and effective internal governance system, that is proportionate to the nature, scale and complexity of the risks inherent in the business model and activities of the institutions.

The specific regulations for credit institutions, in relation to the definition of the corporate governance model of the institutions, determine that such system must comprise:

- (i) A clear organizational structure, with well-defined transparent and consistent lines of responsibility, to ensure the good internal functioning and an appropriate information and documentation flow;
- (ii) Measures to ensure that the individual and collective suitability assessments of the management body are carried out effectively, and that selection and suitability assessment process for key function holders are carried out.
- (iii) An overall risk strategy, with efficient procedures for the identification, management, control and communication of the risk they are exposed to or may be, and measures to ensure that the management body devotes sufficient time;
- (iv) Appropriate internal control mechanisms, including sound administrative and accounting procedures, as well as independent internal risk management, compliance and audit functions, that work properly and have sufficient authority, stature and resources to carry out their responsibilities;
- (v) Remuneration policies and practices that are compatible with non-discrimination in terms of gender and with a sound and efficient risk management.

Consequently, the “Corporate Governance Policy” or the “Policy” is configured as the cornerstone of the corporate governance model of institutions and it must include the fundamental aspects and commitments of institutions in this matter.

This Policy incorporates the contents established for an internal governance policy detailed in the Annex to the Guidelines on Internal Governance of the European Banking Authority (EBA/GL/2021/05), in its latest version.

2. Subject matter of the Policy

The subject matter of this Policy is to define the corporate governance system of Grupo Unicaja Banco, S.A. (hereinafter, “Unicaja Banco”, the “Company” or the “Institution”), establishing the necessary premises to ensure that the Institution’s corporate governance model guarantees its sound and prudent management at all times.

The Policy is part of the Institution’s corporate governance framework and, therefore, is complemented by the regulations contained in the rest of the Institution’s manuals, policies and procedures, which integrate principles, values and organizational criteria that constitute the minimum framework of mandatory compliance for the Institution.

In this regard, it is crucial to ensure that the Institution’s Board of Directors, in its capacity as guarantor of the corporate governance system, monitors both the application of the model and that it is capable of addressing any deficiencies that may arise in the development of Unicaja Banco's activity.

3. Guiding principles

Unicaja Banco's corporate governance model is governed by the following guiding principles:

- (i) Proportionality: the Institution's corporate governance and internal control procedures are exhaustive and proportionate to the nature, scale and complexity of the risks that are inherent in the business model and activities developed by Unicaja Banco.
- (ii) Operational efficiency: a clear governance framework and adequate to the Institution's structure, business and risks.
- (iii) Appropriate and diverse qualification of the Board of Directors: the members of the Board of Directors must be qualified, understand their role in the Institution's corporate governance model and be able to exercise robust and objective judgment about the affairs affecting Unicaja Banco, being able to have sufficient means and resources to carry out a monitoring of the application and effectiveness of the Institution's corporate governance framework.
- (iv) Sound, diligent, and consistent risk management: risks are identified, monitored and controlled at an Institution's level. The internal control and risk management infrastructure must be commensurate with changes in the risk profile, environment and industry practices.
- (v) Internal control: the Institution develops an adequate internal management and control model including the three key control functions.
- (vi) Transparency: the Institution arranges for compliance with the highest levels of transparency, objectivity and professionalism when applying the corporate governance system, clearly and consistently communicating strategies, policies and procedures to all the staff.
- (vii) Ethic and sustainable action: the Institution maintains an ethic and sustainable action that considers the different stakeholders present in its activity and in accordance with the Sustainable Development Goals.
- (viii) Promotion and protection of shareholders' rights: the Institution develops an appropriate communication with shareholders, promoting shareholders' rights and fostering participation and involvement.

4. Shareholding and Group structure

Shareholding structure

The information on the shareholding structure is available on Unicaja Banco's corporate website <https://www.unicajabanco.com/es/inversores-y-accionistas/informacion-general/la-accion-y-su-capital-social>.

Capital structure

The share capital of Unicaja Banco amounts to 663,708,369.75 euros, divided into 2,654,833,479 shares, with a nominal value of 25 eurocents (€ 0.25) each, all of the same class and series. The said shares are fully subscribed and completely paid out, represented by book entries. The Company's shares are officially quoted on the stock exchanges of Madrid, Barcelona, Bilbao and Valencia, and included in the Spanish stock exchange system (S.I.B.E. -Sistema de Interconexión Bursátil- or Continuous Market).

Group structure

Unicaja Banco is the parent company of a consolidated group comprising several companies as subsidiaries, associates and multi-group entities, in accordance with Bank of Spain Circular 4/2017.

5. Structure of corporate governance regulations

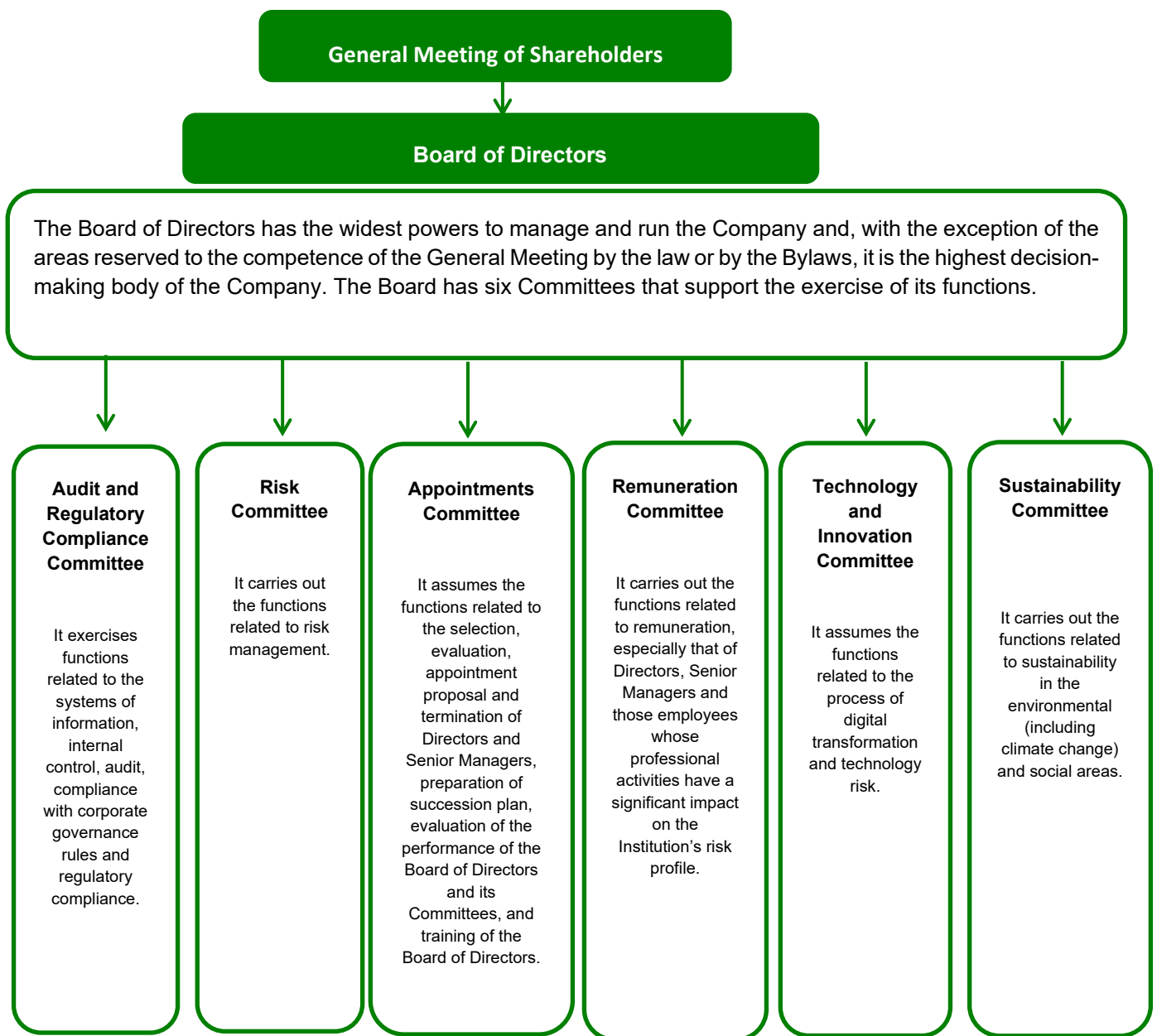
Unicaja Banco has developed a set of regulations, policies and internal procedures that complement the provisions of the Law and regulate the composition and functioning of the Company's governing bodies, such as the General Meeting of Shareholders, the Board of Directors and its support Committees. The said regulations are:

- The **Bylaws** as the essential framework for the functioning and organization of the Company and its governing bodies.
- The **Regulations of the General Meeting of Shareholders**, which aims to regulate the functioning of the General Meeting of Shareholders and the exercise therein of shareholders' rights.
- The **Board of Directors Regulations**, which includes the basic rules on the organization and functioning of the Board of Directors and its support Committees, as well as the rules of conduct of its members.
- The **Regulations of the Audit and Regulatory Compliance Audit**, which includes the rules on the organization and functioning of the Audit and Regulatory Compliance Committee itself, as well as the rules of conduct of its members. With its approval, the Institution assumes the recommendations and principles of the Technical Guide 3/2017, of 27 June, of the Comisión Nacional del Mercado de Valores, on Audit Committees at Public-Interest Companies.

These regulations are periodically reviewed and updated to adapt to the best corporate governance practices and, in any case, when there are regulatory changes that so require it.

6. Governing bodies of the Institution

6.1. Corporate governance structure



6.2. General Meeting of Shareholders

It is the highest decision-making body of Unicaja Banco for matters within its competence. The General Meeting of Shareholders makes decisions on the matters attributed to it by the Law, the Bylaws or the General Meeting Regulations, and on any other matter that may be submitted to its decision by the Board of Directors or by the shareholders in the cases provided for by Law.

The Institution has a **Policy for the communication and contact with shareholders, institutional investors and proxy advisors**, with the purpose of developing the communication with shareholders and investors, both domestic and international, generating confidence and preserving, at any time, the legitimate interests of institutional investors, shareholders and proxy advisors. This Policy is based on the following principles:

- a) Protection of the legitimate interests of shareholders, providing them with updated information of the Company, adjusted to the applicable regulations.
- b) Transparency and equitable treatment to all shareholders in the same position.
- c) Strict compliance with that set forth in the applicable regulations on treatment of inside information, and the regulations on market abuse.

This policy is available on the Institution's corporate website.

6.3 Board of Directors

The management of the Institution is entrusted to the Board of Directors, which has the statutory function of defining a system of corporate governance to ensure a sound and prudent management of the institution, and which must include the appropriate division of functions in the organization and the prevention of conflicts of interest. The Board of Directors will oversee the implementation of the said system and will be responsible for it.

The Board of Directors of Unicaja Banco will have the following positions:

- **Executive Chair:** the Chair exercises the highest representation of the Company, and in the exercise of his/her position, he/she carries out, among others, the duty to chair the General Meeting and the Board of Directors.

The Board of Directors may delegate to the Chair executive permanent duties in the terms provided for in the bylaws.

Currently, the Executive Chair has received delegation of the highest powers to manage the Institution, providing him with broad representation powers.

- **CEO.** The Board shall appoint in any case a CEO, providing him/her with the powers that it deems convenient. Those powers reserved to the Board by the Law, the bylaws or the Board Regulations shall not be delegated.

Currently, the CEO has received delegation of the highest powers to manage the Institution, providing him with broad representation powers.

- **Lead Director:** In the case that the Chair has the consideration of executive director, the Board of Directors shall necessarily appoint a Lead Director.

Currently, as the Chair has the condition of executive director, the Board of Directors has covered this position with the designation of one of the independent directors.

- **Vice-Chair:** Prior report from the Appointments Committee, one or more Vice-Chairs may be designated, determining their order of preference.

Currently, the Board of Directors has designated a Non-executive Vice-Chair, who will replace the Chair in case of sickness or absence.

- **Secretary:** A secretary, who may or may not be a director, will be designated, with the function of assisting the Chair and providing for the good functioning of the Board, duly reflecting in the minutes the development of the meetings and the content of the deliberations, as well as certifying the resolutions of the body.

Currently, the Board of Directors has appointed a member of the Board of Directors as Secretary of the Board.

- **Vice-Secretary:** The Board of Directors may appoint, prior report from the Appointments Committee, a Vice-Secretary, who may or may not be director. His/her function will be to assist the Secretary of the Board of Directors or to replace him/her in the performance of his/her duties in case of absence.

Currently, the Board of Directors has appointed a non-director Vice-Secretary.

Without prejudice to that set forth in the sections below, the Board of Directors is governed by that established in the applicable Law, the bylaws, the Institution's Board Regulations and the other internal regulations on corporate governance, especially with regard to composition and functioning, appointment and termination of directors, directors' obligations and duties and remuneration of directors.

6.3.1. Composition

The Board of Directors shall be composed of a minimum of eight members and a maximum of fifteen members, and the General Meeting shall determine the specific number of directors.

The current number of members of the Board of Directors set by the General Meeting is fifteen members.

The Directors are appointed by the General Meeting to hold office during the term set in the Bylaws (3 years) and they can be re-elected once or more times for periods of the same duration. The designation of directors designated by the Board by co-option will be understood as made until the date of the first General Meeting held, which will have the power to ratify or revoke the appointments.

In the exercise of its functions of proposal to the General Meeting and of co-option for the designation of directors, the Board of Directors endeavours to ensure:

a) That non-executive Directors constitute a broad majority of the Board, and that the number of executive Directors is the minimum required to cover the corresponding functions for the best development of the Company. It also arranges for the percentage of proprietary directors with regard to the total of non-executive directors is not higher than the existing ratio between the Company's capital represented by those directors and the rest of the capital

Proprietary directors are those members who hold a shareholding interest equal to or greater than that legally considered as significant at any given time or who have been designated due to their status as shareholders, even if their shareholding interest does not reach such amount, as well as those who represent the aforementioned shareholders. However, if any of these directors performs, at the same time, management functions in the Institution or in the Group, he/she shall be considered as an executive director.

b) That an appropriate number of independent directors is integrated in the Board of Directors to comply with the corporate purposes, representing at least, one third of the directors

Independent directors are those who, appointed on the basis of their personal and professional qualifications, can perform their duties without being conditioned by relationships with the Company or its Group, its significant shareholders, its managers or with the other directors. Those who have been directors for a continuous period of more than twelve years, or those who are in any of the other situations established for these purposes in the applicable legislation, shall not be considered as independent directors.

The information on the composition of the Board of Directors, position, status, date of the first appointment and that of the last re-election, professional profile of each director and Unicaja Banco's shares and share options that they hold is permanently updated on the Institution's corporate website.

c) That the overall composition of the Board of Director ensures that it possesses collectively the knowledge, experience and competences required to effectively manage the Board's capacity to make independent and autonomous decisions for the benefit of the Institution

d) That the Board composition favors diversity of gender, age, experience and knowledge, and that it has not implicit bias that may imply any discrimination and, in particular, that it facilitates the selection of female directors.

6.3.2. Selection criteria

The initial and the continuous suitability assessment of the members of the "Subject Group" (Colectivo Sujeto) shall be based on the criteria of commercial and professional good repute, honesty and integrity, as well as on the suitable knowledge, experience and competences required to perform their duties.

Additionally, in the case of the members of the Board of Directors, they must act, in particular, with independence of mind to assess and discuss effectively the decisions of the management body in its management function and other relevant managerial decisions when necessary, as well as to supervise and oversee effectively the management decision-making.

All the members of the Institution's Subject Group will be persons of recognized commercial and professional good repute.

- i. Commercial and professional **good repute** concurs in those persons who have shown a personal, commercial and professional conduct that casts no doubt on their ability to pursue sound and prudent management of the Company.

In particular, they will have at all times good repute and honesty and integrity, to ensure the sound and prudent management of the Company. An appointee shall be considered of good repute if there is no evidence to suggest otherwise and no reason to have reasonable doubt about this. The principle of proportionality shall not be applied to the assessment of good repute.

- ii. The members of the Subject Group shall have the **appropriate knowledge and experience**, as well as the **competences and skills** required to perform their duties.

For the assessment of the knowledge, experience and personal and organizational skills of the candidates or the members of the Subject Group, the following aspects shall be assessed, following the principle of proportionality and taking into account the nature, scale and complexity of the Company:

- a. General academic and specialized technical training, taking into account both theoretical training and knowledge acquired in the exercise of responsibilities. Regardless of the above, other training actions that can be accredited will be valued.
- b. Experience: experience gained in previous positions.
- c. Personal and organizational skills: skills and competences gained in previous positions.

It will be considered that they have the appropriate knowledge and experience to perform their duties in the Company those persons who have received education of the appropriate level and profile, as well as gained practical experience from their previous positions and over sufficient periods of time, all of which must allow them to understand the Company's activities and main risks

- iii. The members of the Board of Directors must be **ready to exercise good governance of the Company and have the capacity to act with independent judgment and formal independence**.

Members must: (i) devote sufficient time to their duties; (ii) not maintain continuous structural conflicts between their interests and those of the Company; (iii) observe the limitations on membership on Boards of Directors established by the applicable regulations; and (iv) have independence of ideas, avoiding "group thinking". In the case of the members of the Board in their supervisory function, they must also be formally independent.

- iv. In addition to the individual assessment of each candidate for Director, the Appointments Committee shall analyze the **overall composition of the Board of Directors** to ensure that it collectively has sufficient knowledge, experience and competences. For those purposes, the skills that the Board as a whole possesses shall be taken into account, comparing the actual skills with those required to adequately understand the Company's activities, including its main risks, and to ensure the effective capacity of the Board of Directors to make decisions independently and autonomously for the benefit of the Company.

For those purposes, the Institution has the following Policies:

- **Policy for the Suitability Assessment of the members of the Board of Directors, Directors General and Similar Officers and other Key Staff for the Development of the Financial Activity**, whose subject matter is to set the criteria and systems that Unicaja Banco takes into account in the selection process and ongoing assessment of the suitability of the group subject to it.

This Policy also includes an **Addendum for the update of the suitability assessment of the Group Subject to the Policy**, with the aim of setting a series of models and profiles that will be taken into account in the assessment and revaluation of the Subject Group and which will be updated on an ongoing basis in accordance with the circumstances required at any time.

- **Policy for the Selection and Appointment of Directors**, to ensure that the procedures for the selection and renewal of the members of the Board of Directors seek to favour a balanced composition of the Board and its Committees.

According to this Policy, vacancies in the Board of Directors will be covered considering the following criteria: (i) for executive directors, internal sources will be first considered; (ii) for proprietary directors, those shareholders with the right to appoint directors may propose the appointment of the persons that they consider; and (iii) for independent directors, external sources, headhunters or independent experts will be used in the first place, without prejudice to the fact that the potential candidates proposed by directors and who meet the suitability criteria may be considered.

- **Policy for the Diversity of the Board of Directors**, whose goal is to ensure that the procedure for the selection of directors promotes a diverse and balanced composition of the Board of Directors and its Committees, taking into account topics such as education and professional experience, age, gender, disabilities and measures to adopt for its implementation, if any.
- **Succession Policy**, to ensure an efficient and ordered succession of directors and of the different positions held in the Board of Directors and its support committees.
- **Policy for the Training of the Board of Directors**, whose purpose is to define the training programs in order to ensure that the members of the Board of Directors have at all times the necessary knowledge, skills and abilities to carry out their supervisory and management duties in an objective and independent manner. On an annual basis, the specific training needs of the directors are assessed and a specific training plan is developed for the Board of Directors, as well as another reinforced plan for the members of the Audit and Regulatory Compliance and Risk Committees.
- **Procedure for the Assessment of the Collective Suitability of the Board of Directors**, whose goal is the assessment or reassessment of the suitability of the Board of Directors as a whole.
- **Procedure for the Assessment of the Functioning of the Board of Directors and its Committees, and certain positions**, aimed at the analysis of the functioning, during the previous year, of the Board of Directors of Unicaja Banco, S.A., its support Committees, and certain positions, with the purpose of preparing proposals that will result, respectively, in the improvement of their activity and in their greater efficiency, simultaneously complying with the regulations on the regulation, supervision and solvency of credit institutions.

6.3.3. Functioning

Unicaja Banco's Board of Directors assumes the duties of supervision, management, control and representation of the Institution, attributed by the corporate law and by those laws that are specific for credit institutions, as well as by the Bylaws and the Regulations of the Board of Directors.

The core of its mission integrates the approval of the Company's strategy and the organization required for its implementation, as well as the supervision and control of compliance with the objectives by the Senior Management, and respect for the corporate purpose and interests.

The Board of Directors meets in ordinary sessions as stipulated in the bylaws and, in addition, whenever deemed appropriate by its Chair, who is empowered to call a Board meeting, at his own initiative or at the request of at least one third of directors. The Lead Director is especially empowered to, among other actions, request the calling of a Board meeting.

The Board prepares an indicative program of dates and matters at the beginning of the year, which may be modified by resolution of the Board itself or by decision of the Chair.

The Board of Directors Regulations detail a formal catalog of matters reserved to its exclusive competence, without prejudice to other functions provided for by law or the Bylaws.

Directors shall comply with the duties imposed by law, the bylaws and the company's regulations with fidelity to the corporate interest. Likewise, they shall keep secret the deliberations of the Board of Directors and of the bodies they are part of, as well as the information, data, reports or background information to which they have had access in the exercise of their office, even when they have left office, except in the cases provided for by law.

6.4. Board Committees

6.4.1. Executive Committee

The bylaws and the regulations of the board of directors foresee the possibility of constituting an Executive Committee, although currently the Board of Directors has not decided its constitution.

6.4.2. Audit and Regulatory Compliance Committee

The Audit and Regulatory Compliance Committee supports the Board of Directors in its oversight duties by periodically reviewing the process of preparing the economic and financial information, the internal audit and Regulatory Compliance functions, and the independence of the external auditor. The bylaws, the regulations of the board of directors and the regulations of the Audit and Regulatory Compliance Committee detail the functions of the Audit and Regulatory Compliance Committee, without prejudice to any other functions that may be attributed to it by law.

The Committee will be composed of a minimum of three and a maximum of five directors, appointed for a period not exceeding their term of office as directors and notwithstanding with the possibility to be re-elected as long as they are re-elected as directors.

All the members of the Committee shall be non-executive directors and its majority, at least, and, in any case, the Chair, shall be independent directors. The members of the Committee and, especially its Chair, shall be appointed taking into account their knowledge and experience in the areas of accounting, audit or risk management.

The members of the Audit and Regulatory Compliance Committee have, individually and as a whole, the necessary knowledge and experience to adequately perform their duties and, in particular, knowledge and experience in accounting, auditing, finance, risk control and management, business, financial regulation, regulatory compliance, and at least one of them must have experience in information technology.

The composition of the Audit and Regulatory Compliance Committee and its Regulations are permanently updated on the Institution's corporate website.

The Board of Directors appoints a Chair from among the independent directors who make part of the Committee. The directors who have exercised the position of Chair of the Committee shall not be able to hold the said position in the following year after the end of their term of office.

The Board of Directors also appoints a Secretary for the Committee, who may or not be a Committee member and who will assist the Chair and must provide for the good functioning of the Committee. The Secretary will reflect in the minutes the development of the meetings.

The Audit and Regulatory Compliance Committee will meet at least quarterly and, additionally, as often as necessary, in the view of its Chair, for compliance with the functions it has been charged with, or upon request of two of its members.

The Committee has sufficient resources to comply with its duties. For the treatment of certain more complex issues, the Committee may request advice, legal opinions or reports from external experts, in accordance with the economic resources available.

The Board of Directors and the Institution's Senior Management are responsible for ensuring that the Committee has access to the Institution's own information in an adequate, timely and sufficient manner.

The Committee has the power to summon any employee or officer of the Institution, who shall have the duty to cooperate with the Committee and provide it with all information necessary for the performance of its duties.

For the proper fulfillment of its functions, the Audit and Regulatory Compliance Committee communicates periodically, usually through its Chair, among others:

- With executive directors, separately or jointly.
- With the Board of Directors, reporting, at the first Board meeting following each Committee meeting, on the matters discussed and the decisions adopted by the Committee.

The Committee submits an annual report on its activities and functioning to the Board of Directors.

If required to do so, the Committee shall report to the General Meeting of Shareholders on matters within its competence and, in particular, on the result of the audit of the financial statements, explaining how it has contributed to the integrity of the financial information and the role it has played in this process.

For the proper fulfillment of its functions, the Committee must establish an effective and regular communication channel with its usual interlocutors, mainly, among others:

- a) The Institution's Senior Management, in particular, with the Directorates General and the other Directorates that make up the Steering Committee.
- b) The heads of the internal control functions: Global Risk Control, Internal Audit and Regulatory Compliance.
- c) The statutory auditor. The Board's relations with the statutory auditor shall be channeled through the Committee. Communication between the Committee and the statutory auditor must be fluid and continuous. The Committee shall regularly request information from the statutory auditor on the audit plan, its execution and any other matters related to the auditing process.

Without prejudice to the above, the Committee's communication with the auditor must be respectful of the principle of independence and the auditor's duty not to participate in any way in the management of the Institution or in the decision-making of any of its bodies, including the Committee itself.

At the end of the audit, the Committee should review with the statutory auditor the significant findings derived from its work, as well as the content of the audit report and the additional report to the Committee.

6.4.3. Risk Committee

The Board of Directors has set up a Risk Committee which assumes the functions applicable to it in accordance with the regulations in force. The bylaws and the regulations of the Board of Directors detail the functions of the Risk Committee, without prejudice to any other functions that may be attributed to it by law.

The Committee is composed of a minimum of three and a maximum of five directors, appointed by the Board of Directors from among its members without executive functions. The majority of members and, in any case, the Chair, must be independent directors. The members of the Risk Committee are designated by the Board of Directors taking into account the knowledge, experience and skills required for the functions to perform.

The members of the Risk Committee have, individually and collectively, the appropriate knowledge, competences and experience to fully understand and control the Institution's risk strategy and risk appetite.

The composition of the Risk Committee is permanently updated on the Institution's corporate website.

The directors appointed by the Board of Directors as members of the Committee shall be appointed for a period not exceeding their term of office as directors and without prejudice to their re-election, as long as they are also re-elected as Directors.

The Board of Directors designates a Chair from among the independent directors belonging to the Risk Committee, as well as a Secretary, who may not be a member of the Committee. The Secretary assists the Chair and provides for the good functioning of the Committee, reflecting in the minutes the development of the meetings.

The Committee will meet at least quarterly and, additionally, as often as deemed necessary by its Chair, to perform the functions it has been charged with, or upon request of two of its members. On an annual basis, the Committee prepares an action plan for the year, which is reported to the Board.

The Risk Committee may rely on external advice when it considers it is necessary to perform its functions.

The Committee Chair will report, in the first Board meeting following the Committee meeting, on the decisions adopted by the Committee.

Annually, the Committee will submit to the Board of Directors a report on its activity and functioning.

6.4.4. Appointments Committee

The Board of Directors has set up an Appointments Committee which assumes the functions that are applicable to it in accordance with the regulations in force. The bylaws and the regulations of the Board of Directors detail the functions of the Appointments Committee, without prejudice to any other functions that may be attributed to it by law.

The Appointments Committee is composed of a minimum of three and a maximum of five directors who do not perform executive functions in the Company. The majority of them and, in any case, the Chair, must be independent directors. The members of the Appointments Committee are designated by the Board of Directors taking into account the knowledge, experience and skills required for the duties to be performed. The members of the Appointments Committee have, individually and collectively, the appropriate knowledge, competences and experience in relation to the selection process and the suitability requirements to be met by the directors.

The composition of the Appointments Committee is permanently updated on the Institution's corporate website.

The directors designated by the Board of Directors as member of the Committee will hold office for a period not exceeding their term of office as directors and notwithstanding with the possibility to be re-elected, as long as they are re-elected as Directors

The Board of Directors designates a Chair from among the independent directors who are part of the Appointments Committee. It also designates a Secretary, who may not be a Committee member and who will assist the Chair and will provide for the good functioning of the Committee, reflecting in the minutes the development of the meetings. The minutes will be put at the disposal of all the directors

The Committee meets as often as determined by the Committee itself, and every time it is called by its Chair or requested by two of its members. On an annual basis, the Committee will prepare an action plan for the year, which will be reported to the Board.

The Appointments Committee may rely on external advice when deemed necessary for the performance of its functions.

The Committee Chair will report, in the first Board meeting following the Committee meeting, on the decisions it has adopted.

Annually, the Committee will submit to the Board of Directors a report on its activity and performance.

6.4.5. Remuneration Committee

The Board of Directors has set up a Remuneration Committee which assumes the functions that are applicable to it in accordance with the regulations in force. The bylaws and the regulations of the Board of Directors detail the functions of the Remuneration Committee, without prejudice to any other functions that may be attributed to it by law.

The Remuneration Committee will be composed of a minimum of three and a maximum of five directors, without executive functions in the Institution. The majority of members and, in any case, the Chair, must be independent directors. The members of the Remuneration Committee are designated by the Board of Directors taking into account the knowledge, experience and skills required for the functions to be performed. The members of the Remuneration Committee have, individually and collectively, the appropriate knowledge, competences and experience in relation to the remuneration system applicable in the Institution.

The composition of the Remuneration Committee is permanently updated on the Institution's corporate website.

The Directors appointed by the Board of Directors as members of this Committee will hold office for a period not exceeding their term of office as directors and notwithstanding with the possibility to be re-elected, as long as they are re-elected as Directors.

Los consejeros nombrados por el Consejo de Administración como miembros de la Comisión lo serán por un período no superior al de su mandato como consejeros y sin perjuicio de poder ser reelegidos en la medida en que también lo sean como Consejeros.

The Board of Directors designates a Chair from among the independent directors who are part of the Remuneration Committee. It also appoints a Secretary, who may not be a Committee member and who assists the Chair and must provide for the good performance of the Committee, reflecting in the minutes the development of the meetings.

The Committee meets as often as determined by the Committee itself, and every time it is called by its Chair or requested by two of its members. On an annual basis, the Committee will prepare an action plan for the financial year, which will be reported to the Board.

The Remuneration Committee may rely on external advice when deemed necessary for the performance of its functions.

The Committee Chair will report, in the first Board meeting following the Committee meeting, on the decisions adopted by the Committee.

Annually, the Committee will submit to the Board of Directors a report on its activity and functioning.

6.4.6. Technology and Innovation Committee

The Board of Directors has created this specialized committee, in addition to those legally required. Its rules of composition and functioning follow similar guidelines to those of the regulated committees, composed of a minimum of three and a maximum of six Directors, who do not perform executive functions in the Institution. Its members are designated by the Board of Directors taking into account the knowledge, experience and skills required for the functions to be performed.

The Directors appointed by the Board of Directors as members of the Committee shall be appointed for a period not exceeding their term of office as directors and without prejudice to their re-election, as long as they are also re-elected as Directors.

The Board of Directors designates the Chair of the Technology and Innovation Committee from among the independent Directors who are members of the Committee. It also designates a Secretary, who may not be a member of the Committee, and who assists the Chair and must provide for its proper functioning, reflecting in the minutes the development of the meetings.

The composition, functions and operating rules of the Technology and Innovation Committee are permanently updated on the Institution's corporate website.

The Committee meets as often as determined by the Committee itself and whenever called by its Chair or requested by two of its members. On an annual basis, the Committee prepares an action plan for the year, which is reported to the Board.

The Technology and Innovation Committee may rely on external advice when it is deemed necessary for the performance of its duties.

The Committee Chair will report, in the first Board meeting following the Committee meeting, on the decisions adopted by the Committee.

Annually, the Committee will submit to the Board of Directors a report on its activity and functioning.

6.4.7. Sustainability Committee

The Board of Directors has created this specialized committee, in addition to those legally required. Its rules of composition and functioning follow similar guidelines to those of the regulated committees, composed of a minimum of three and a maximum of six Directors, who do not perform executive functions in the Institution. Its members are designated by the Board of Directors taking into account the knowledge, experience and skills required for the functions to be performed.

The Directors appointed by the Board of Directors as members of the Committee shall be appointed for a period not exceeding their term of office as directors and without prejudice to their re-election, as long as they are also re-elected as Directors.

The Board of Directors designates the Chair of the Sustainability Committee from among the independent Directors who are members of the Committee. It also appoints a Secretary, who may not be a member of the Committee, and who will assist the Chair and must provide for its proper functioning, reflecting in the minutes the development of the meetings and the contents of deliberations.

The composition, functions and operating rules of the Sustainability Committee are permanently updated on the Institution's corporate website.

The Committee meets as often as determined by the Committee itself and whenever called by its Chair or requested by two of its members. On an annual basis, the Committee prepares an action plan for the year, which is reported to the Board.

The Sustainability Committee may rely on external advice when it is deemed necessary for the performance of its functions.

The Committee Chair will report, in the first Board meeting following the Committee meeting, on the decisions adopted by the Committee.

Annually, the Committee will submit to the Board of Directors a report on its activity and functioning.

7. Unicaja Banco Key Staff

The "Key Staff" for the day-to-day development of the Company's financial activity comprises: (i) the Directors General; (ii) the persons at the highest hierarchical level who are responsible for effectively managing the day-to-day operation of the independent functions, i.e., the Head of Global Risk Control (Chief Risk Officer, CRO), Head of Regulatory Compliance and the Head of Internal Audit (the three, jointly, hereinafter referred to as "those responsible for the internal control functions") and; (iii) those responsible for other functions as deemed appropriate by the Board of Directors (Other key positions for the day-to-day development of the activity).

Thus, within the "Key Staff" for the day-to-day development of Unicaja Banco's financial activity, we can find the following categories:

7.1. Directors General.

Currently, Unicaja Banco has the following Directorates General:

- 1) Directorate General Attached to the Chairman (Control and Relations with Supervisors).
- 2) Directorate General of General and Technical Secretariat.
- 3) Directorate General of Human Resources, Talent and Culture.
- 4) Directorate General Attached to the CEO (Corporate Development, Investees, Recoveries and Non-Core Asset Management).
- 5) Directorate General of Business.
- 6) Directorate General of Finance.
- 7) Directorate General of Operations and Technology.
- 8) Directorate General of Credit Risk.

7.2. Staff responsible for internal control functions

These are the persons at the highest hierarchical level, in charge of effectively managing the day-to-day operations of the independent internal control functions. At present, Unicaja Banco has the following Directorates:

- 1) Directorate of Global Risk Control.
- 2) Directorate of Regulatory Compliance.
- 3) Directorate of Internal Audit.

The staff performing internal control functions are independent of the business units they supervise, have the necessary authority to perform their duties and are remunerated, where appropriate, on the basis of the achievement of the objectives related to their functions, regardless of the results of the business areas they control.

They are located at an appropriate hierarchical level that gives them sufficient authority and rank to fulfill their responsibilities, independent of the business lines they control. In turn, those responsible for internal control functions have direct access to the Institution's management bodies.

Those responsible for control functions present their annual work plan to the support Committees, inform them directly of any incidents that may arise during its implementation, and submit an activity report to them at the end of each financial year.

7.3. Other key positions for the day-to-day development of the activity

This includes those responsible for other functions that are not included in the above categories, as deemed appropriate by the Board of Directors. Unicaja Banco currently has the following Directorates that form part of the Steering Committee:

- Directorate of Transformation and Innovation.
- Directorate of Strategic Planning and Budgeting.
- Directorate of Targets and Business Monitoring.
- Directorate of Investor Relations.
- Directorate of Digital Businesses.
- Directorate of ESG Businesses.
- Directorate of CEO's Cabinet.

- Directorate of Legal Advice¹.

¹ The Directorate of Legal Advice assists as legal advisor.

7.4. Common criteria

The suitability assessment of the Key Staff shall follow the same criteria as those established for the members of the Board of Directors. In this sense, the **Policy for the Suitability Assessment of the members of the Board of Directors, Directors General and Similar Officers and other Key Staff for the Development of the Financial Activity S.A.**, aims to establish the criteria and systems that Unicaja Banco will take into account in the selection process and the continuous assessment of the suitability of the positions subject to the suitability regime, among which Key Staff are included.

Likewise, Unicaja Banco has: (i) a **Policy for the Selection and Appointment of the Key Staff of Unicaja Banco, S.A.**, which specifies the system for the selection and appointment of members of the Key Staff, and (ii) a **Succession Policy**, which contemplates the establishment of procedures for the appointment of the most suitable candidate to occupy the positions of the Subject Group, as well as to ensure the continuity of the Institution.

8. Internal control framework

The Institution has developed and maintains a solid and comprehensive internal control framework, which includes independent and specific control functions, responding as effectively as possible to the new regulatory and supervisory standards.

Thus, Unicaja Banco's corporate governance model is structured by means of the system of three lines of defense, in which the Institution's three control functions participate:

- **First line of defense:** comprises the Institution's business and business support units, which are primarily responsible for implementing and maintaining the appropriate internal control policies.
- **Second line of defense:** this consists of the Global Risk Control Function and the Regulatory Compliance Function, which independently verify the correct compliance with control policies and procedures, both in the area of the Entity's risk management and in the area of regulatory compliance.
- **Third line of defense:** composed of the Internal Audit Function, which independently supervises the internal control framework. Thus, the Global Risk Control and Regulatory Compliance Functions are subject to review by the Internal Audit Function.

8.1. Internal Control Functions

8.1.1. Global Risk Control Function

The Institution has established a risk management function, commensurate with the nature, scale and complexity of its business activity, as well as with the nature and ranges of business lines and the overall risk profile of the Institution, to ensure consistency with its approved risk appetite framework.

This function developed by the Global Risk Control Directorate constitutes a permanent and effective risk management unit, which provides a comprehensive view of the Institution's risk exposure, its management and control environment, and is responsible for the development and implementation of the risk appetite framework.

To this end, the Institution's internal procedures have provided the Global Risk Control Directorate with specific authority, powers, functions, resources and responsibilities, which guarantee its independent performance with respect to the areas that carry out the activities and services they control.

In general terms, the Global Risk Control Directorate's main objective is to independently supervise the Institution's risk limits and to establish and properly manage the Institution's operational risk management framework, as well as to effectively manage operational losses. The Global Risk Control Directorate also ensures that each key risk faced by the Institution is identified and properly managed by the relevant units and that the Board of Directors receives an overall view of all relevant risks.

Its members must have sufficient knowledge of risk management techniques and procedures and of markets and products.

The Head of Global Risk Control reports, at least quarterly, to the Risk Committee on the monitoring of the risk levels assumed by the Institution within the activities related to the second line of defense established in the Institution's corporate governance. In addition, if necessary, the unit has direct access to the Board of Directors in its supervisory function through the mentioned Risk Committee.

8.1.2. Regulatory Compliance Function

The Institution has established a regulatory compliance function commensurate with the nature, scale and complexity of its business activity and with the nature and range of services and activities undertaken in the course of that business.

The Regulatory Compliance Directorate constitutes a permanent and effective compliance risk management unit, whose independence is guaranteed by the fact that it is not integrated, either in terms of hierarchy or remuneration, with respect to the operational functions with which it interacts on a daily basis and supervises.

For this purpose, the Institution's internal procedures have provided the Regulatory Compliance Directorate with specific authority, powers, functions, resources and responsibilities, which guarantee its independent performance with respect to the areas that carry out the activities and services they control.

In general terms, the main objective of the Regulatory Compliance Directorate is to detect and manage the risk of non-compliance, as well as other associated risks, with the obligations established in both internal regulations (policies and procedures adopted by the Entity) and external regulations (applicable national and international legislation) in order to mitigate such risk and avoid its negative consequences.

To achieve its objectives, the Regulatory Compliance Department identifies, evaluates, reports and manages the risk of non-compliance for all business lines, employees and products. It also sets compliance standards and uses a comprehensive risk-based approach, in association with the other areas and control functions, to maintain a strong compliance culture and promote the principles of responsible finance.

The Head of Regulatory Compliance reports, at least quarterly, to the Audit and Regulatory Compliance Committee, the supervisory activities performed. Additionally, if necessary, the unit has direct access to the Board of Directors in its supervisory function, through the Audit and Regulatory Compliance Committee.

8.1.3. Internal Audit Function

The Institution has established an internal audit function to ensure the proper functioning of the information and internal control systems, which operates independently from the other areas over which its supervision revolves.

The Institution's Internal Audit Directorate, through the Audit and Regulatory Compliance Committee, reports to the Board of Directors, and constitutes a permanent and effective internal audit unit, exercising an independent and objective assurance and advisory activity, designed to add value and improve the Institution's operations, providing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

For this purpose, the internal procedures approved by the Institutions have provided the Internal Audit Directorate with specific authority, powers, functions, resources and responsibilities, which guarantee its independent performance with respect to the areas that carry out the activities and services they control.

In general terms, the functions of the Internal Audit Directorate include the review and evaluation of the adequacy and effectiveness of the Institution's corporate governance standards, risk management and internal controls, as well as the quality of performance in carrying out assigned responsibilities to achieve the Institution's stated goals and objectives in the context of the current and expected business environment.

In order to carry out the aforementioned responsibilities, the Internal Audit Directorate has free access to all records, documents, information and buildings of the Institutions.

8.2. Description of the risk management framework, including the risk strategy

The risk management and control system implemented by Grupo Unicaja Banco is articulated along the following basic lines:

- A risk function governance and organization system, based on the active participation and oversight of the Senior Management, which approves the Institution's general business strategies and policies, and sets the general lines of risk management and control.
- A **Risk Appetite Framework (RAF)**, configured within the Group as an essential instrument in the implementation of the risk policy.
- A model of prudent management of risk exposure, where Grupo Unicaja Banco pays close attention to keep permanently a prudent and balanced risk profile, preserving the objectives of solvency, profitability and adequate liquidity, and resulting in a solid and coherent risk culture.
- A selection of appropriate methodologies for the identification, measurement, management and control of risks, in a continuous improvement process and in line with the regulatory requirements, adapting, at the same time, the own funds requirements to the real risk level arising from the banking activity.
- A supervision model based on three lines of defense, as per the expectation of the supervisory and regulatory authorities.

At Grupo Unicaja Banco, the policies, methods and procedures related to global risk control and management are approved and regularly reviewed by the Institution's Board of Directors.

The risk management and control model requires a robust and effective organizational structure. For this purpose, the Institution has an effective involvement of the Board of Directors and Senior Management and an adequate articulation throughout the Organization.

The Group's risks control and management are arranged, inter alia, through the Risk Appetite Framework, approved by the Institution's Board of Directors.

Grupo Unicaja Banco uses the RAF as an instrument for the implementation of the Group's risk policy and as a key management and control tool which enables: (i) the statement of the risk appetite; (ii) the definition of the Group's risk objectives in line with the corporate strategy, acting as a guiding reference of the activities carried out; (iii) the formalization of the risk supervision and surveillance mechanism, so as to ensure compliance with the risk appetite; (iv) the integration under a common framework of all the risk control and management procedures and (v) the reinforcement and dissemination of the risk culture.

The development of this Framework as the Group's general risk policy is configured as an essential element in the Institution's management and control, providing the Board of Directors and the Senior Management with the integral framework which determines the risks that the Institution is willing to assume in order to achieve its business goals. This Framework also establishes different metrics for the quantification, control and monitoring of risks, which allow to react to different levels or situations. These metrics define the objective behavior of Grupo Unicaja Banco, are crosscutting to the whole the organization, and allow to disseminate the risk appetite culture across all the levels in a systemized and easy to understand manner. They also summarize the Group's objectives and limits, therefore being useful for communication, when needed, to stakeholders, and they are homogeneous, as they are applied throughout the organization.

The Group has a procedure for the identification of material risks which establishes the methodologies for the quantification of all the risks the Institution is exposed to. It defines a criterion for the selection of those risks which are material and, therefore, must be managed and controlled in a more intensive manner. This management and control involves, among other things, the allocation of internal capital within the **Internal Capital Adequacy Assessment Process (ICAAP)** or, in the case of liquidity risk, the allocation of a liquidity management buffer, assessed within the **Internal Liquidity Adequacy Assessment Process (ILAAP)**. The process of quantification and identification of material risks is carried out recurrently, allowing the Institution to identify emerging risks at any time.

On the basis of this process, within the Risk Appetite Framework, the risk appetite and tolerance is established at least for each one of the material risks, through a qualitative statement. Risk indicators or metrics are selected, and a calibration methodology is defined to set objective thresholds, early warnings and limits.

The Directorate of Global Risk Control carries out the monitoring of compliance with the Risk Appetite Framework through the existing metrics for each kind of risk. Its monitoring is submitted to the Senior Management and Governing Bodies

Finally, the Company integrates the Risk Appetite Framework with the Business Plan, ICAAP, ILAAP, the corporate risk policies and the Recovery Plan, inter alia.

The Institution's corporate website includes the following documents, which detail the abovementioned aspects:

- Pillar III Disclosure
- Annual Accounts and Half-year Information
- Annual Corporate Governance Report (includes information on the Internal Control Systems on financial information -SCIIF-)

9. Organizational structure

9.1. General organizational chart

The Institution's summarized organizational chart is permanently updated on the corporate website.

9.2. Operational structure

At Unicaja Banco there are several Committees, with the appropriate composition according to their competences. Currently, the existing Committees are:

1. Steering Committee
2. Assets and Liabilities Committee
3. Financial Agents Committee
4. Commercial Committee
5. Business Continuity Committee
6. Budget Management Committee
7. Properties Committee
8. Resources Committee
9. Models Committee
10. Investees Committee
11. Internal Transfer Price Committee
12. Credit Risk Committee
13. Technology Risk Committee
14. NPL Monitoring Committee
15. Treasury Committee
16. Risk Admission Committee
17. Analysis of Individual Customers Committee
18. Mortgage Analysis Committee
19. Corporate Banking Risk Committee
20. Regional Risk Committee
21. Regional Division Analysis Committee
22. Recovery Committee
23. Regional Division Recovery Committee
24. Staff Knowledge and Skills Committee
25. Regulatory Compliance Committee
26. Data Governance and Quality Committee
27. Resolubility Planning Committee
28. AML and TF Committee
29. Criminal Risk Prevention Committee
30. Data Personal Protection Committee
31. Risk and Capital Committee
32. Sustainability and CSR Committee

Each Committee has its own operating regulations, which contain the rules regarding the composition, positions, frequency of meetings, attendance, Committee competencies, powers of the officers, minutes and execution of agreements, among other aspects.

9.3. Business Lines

The main characteristic of Grupo Unicaja Banco business model is a predominantly retail banking orientation, aimed mainly at individuals and SMEs, in which proximity to customers and the establishment of long-lasting relations with them are key elements. The Institution develops various strategies to achieve customer loyalty, offering all kinds of transactional services, payments, non-banking products and financing, particularly mortgages and for primary residence, which allows customer retention and permanence.

Unicaja Banco's business model has a multi-channel service approach and is leveraged on specialization through value verticals or Core business lines. The capillarity of Unicaja Banco's nationwide commercial network enables the development of a business model where service quality and personalized attention are essential elements of the strategy. The commercial network of branches is combined with the deployment of new service models such as remote managers, who, in addition to their personalized service, make it easier for customers not to have to travel to carry out their transactions with the Bank, or the ever-increasing use of digital banking (app, web) or the network of financial agents.

In addition, the Institution develops a corporate banking activity, which also combines the provision of transactional and payment services with medium and long-term financing. Within this corporate banking section, its close link with the areas where it operates allows it access, as a leading Institution, to local and regional public administrations, to which it provides, among others, cash collection services that allow it to broaden its sources of funds.

The Group conducts its business by applying sound risk management and control standards, and finances its lending activity mainly through the attraction of customer deposits and, to a lesser extent, through wholesale markets. Credit risk and liquidity risk are, as in any credit institution focused on commercial banking, the main risks to be managed by the Group.

The customer service model is deployed through value proposals based on both strategic customer segmentation and business specialization:

- Commercial banking

The Group's commercial banking business provides banking and financial services related to individual and SME customers with a turnover of less than 6 million euros. Commercial banking continues to be the Group's main line of business, constituting the predominant segment of its gross revenues.

The basis of the Group's commercial strategy is a segmentation of different types of customers, to whom the Group offers products and services through different distribution channels, with personalized customer service and a value proposal in line with the financial needs that the Group has identified for each type of customer.

The Group's customer segmentation is based primarily on the different financial needs of individuals throughout their life cycle, as well as on their occupation.

The Group's commercial banking business is customer-oriented. The Group's objective is to attract and link customers, offer added value and intensify customer service, assisted by the segmentation of the customer base and the Group's extensive distribution network. Within the commercial banking business, the Group deploys a specialized offering for each target customer segment.

- Private banking

The Group's private banking unit is aimed at individuals with significant funds under management, with more specialized needs and investor profiles. The Group provides personalized and highly specialized banking advice through a value proposal with specific managers and branches aimed at serving this customer segment.

- **Business banking**

The Group has a business banking division which, with national coverage, serves medium-sized and large companies.

- **Corporate banking**

Aimed at both larger public institutions and companies with a turnover of more than 150 million euros, for which a differential service model is available with specific managers for each segment and assigned portfolio.

Key elements of this service model are commercial proactivity, reliability and operational quality, with the aim of offering comprehensive solutions to these corporate clients, in order to foster greater knowledge of the clients' characteristics, needs and potential.

- **Specialized retail banking**

The Group has set up a division that integrates the main retail business lines, where specialization in strategic positioning, product development, process efficiency and customer experience play a key role in the differentiation model marketed through the Bank's different channels:

- Mortgage business.
- Consumer and Payments.
- Entrepreneurs, including the Agricultural Business, aimed at individual farmers and small companies engaged in agricultural and agri-food activities, as well as members of cooperatives and other agricultural associations. Agriculture is a relevant sector in Unicaja Banco's Core regions of origin. In order to provide customers with specialized solutions to support and develop their businesses in rural areas, the Group's specialized managers establish relationships and work closely with these customers.

- **Treasury and Capital Markets**

This business line carries out activities related to centralized liquidity management, actions to raise funds, management of the Institution's own investments, balance sheet management, and support and development of products for customers.

- **Investees**

The investee business covers those investments made in companies (financial or non-financial) with the objective of permanence, since they serve to strengthen complementary business activities, as well as those closely related to the Group's Core activity, or allow the development of synergies at regional and local level. There are also other investments of an instrumental nature or merely to hold real estate assets.

- **Properties**

The real estate business consists mainly of the provision of management, administration and marketing services for real estate and foreclosed assets.

9.4. Distribution channels

The network of branches forms the basis for the commercial banking business, while at the same time, a wide range of alternative distribution channels have been deployed to improve customer service and increase efficiency.

- **Network of branches**

It represents the core of the commercial banking business, providing a full range of services, specialized in universal branches, corporate and private banking.

- **Internet digital banking**

The Group offers a wide range of online banking services over any kind of platform, allowing customers, among other services, check their accounts, make transfers, pay bills or taxes or subscribe products.

- **Remote Management**

Specific service with 360 vision, aimed at customers assigned to portfolios, with extended service hours and all the range of products and services available for the personal treatment of customer's needs.

- **Phone banking**

Channel through which the Group offers the option of making banking transactions over the phone, as well as transferring funds, checking account balances and paying bills without the customer having to go in person to a branch.

- **ATMs**

All of the Institution's ATMs are part of the "Euro 6000" ATM network. In addition to the normal functions available, many ATMs allow customers, among other options, to buy tickets for events, pay taxes, transfer money or top up prepaid cell phone cards.

- **Network of financial agents**

They are highly qualified professionals who act in the name of and representation of Unicaja Banco to market the Institution's products and services in the area assigned to them.

- **Real Estate Agents**

Real estate agents act as intermediaries between the Institution and the buyer, offering financing for the purchase of the property.

9.5. Outsourced activities

Unicaja Banco has a "**Policy for the Outsourcing of Services**", through which it establishes a series of principles and conditions to be considered for the outsourcing of services or functions of Unicaja Banco, and the information and monitoring guidelines to be applied from the beginning to the end of the outsourcing agreement, allowing an adequate management and monitoring of the same, as well as of their associated risks.

Likewise, the Policy takes into account the legal regime applicable to the outsourcing of essential services and functions by credit Institutions.

9.6. Range of products and services

The Institution's financial/investment products and services offered to customers are consistent with the Institution's business model and risk strategy. It should be noted that the Regulatory Compliance Directorate and the Global Risk Control Directorate carry out an adequate and effective control of these products and services, among which the following are included:

- **Mortgage loans**

The Institution offers a variety of solutions to customers who wish to finance the acquisition of a home with a mortgage guarantee, adapting to the circumstances and requirements of individual customers.

- **Personal loans**

The Group has products with terms and interest rates tailored specifically to the personal circumstances of each client and the specific need that the loan addresses, whether it is a household need or personal financing for a business.

- **Collateralised loans**

Unicaja Banco offers loans that have as collateral a financial asset such as a deposit, shares, funds or assets other than real estate. The conditions and interest rate provisions of these loans depend on the collateral interest rate, the amount of the loan and the term of the loan.

- **Credit facilities**

Intended for companies in need of access to short-term liquidity, interest is paid on the basis of the principal drawn down. The Institution tailors credit products to the commercial needs of customers.

- **Other specialized corporate products**

The Group offers, among others, discount and guarantee facilities, reverse factoring, leasing, renting and factoring services (the latter three are provided by external companies with which the Institution has agreements).

- **Current and savings account**

These accounts include, among others, ATM access, checks, linked debit and credit card transactions, cash transfer and direct debit options. Deposits, in euros or other currencies, are flexible and immediately available.

- **Term deposits**

These deposits, in euros or other currencies and made for a fixed term, offer interest rates that vary according to the term. Deposits can be subscribed at an increasing interest rate, with anticipated interest, at the end of the term or linked to certain market indexes.

- **Financial guarantees**

Those contracts whereby an entity undertakes to pay specific amounts on behalf of a third party in the event that the latter fails to do so, regardless of the form in which the obligation is instrumented: surety bond, financial guarantee, irrevocable documentary credit issued or confirmed by the bank, etc.

- **Disintermediation products**

These include mutual funds, insurance products, pension funds, in order to diversify its business and expand its customer base. These products are mainly managed by the Bank's investee companies and, in certain cases, by third parties.

- **Mutual funds**

The Group offers mutual fund products through Unigest, S.G.I.I.C., S.A., ("Unigest") and Liberbank Gestión S.G.I.I.C., S.A., investee companies of the Group, although the Group has already announced the integration of Liberbank Gestión S.G.I.I.C., S.A. into Unigest during 2022. The Group has a model based on the distribution of products on an open platform, offering both products from the fund managers and from third parties. Additionally, the Group has a strategic agreement with J.P. Morgan AM, both for the development of products under an investment perspective or "global asset allocation", and for the development of activities that promote and facilitate the savings culture in different investment horizons among the client base, developing training activities for Unicaja's managers and specific conferences with clients. The agreement has no exclusivity conditions and the Group has more than 300 third-party products available for marketing according to the risk profile of each client. Unigest mainly manages mutual funds and open-end investment companies (SICAVs) which are under the Group's control. The Group also has the company Unicorp Patrimonio, a securities company which is part of the Group's Private Banking and is also currently developing the Delegated Portfolio Management service for the entire Group.

- Insurance products and pension funds

These products are tailored to the particular conditions of each client, with a range of alternative possibilities to cover different circumstances that could affect them personally, their property or their employment. The insurance business operates through two channels (i) insurance companies (the Group has a relevant participation in the life insurance and pension fund company Unicorp Vida, as well as in Caser Seguros y Reaseguros, and is the sole shareholder of Unión del Duero Vida); and (ii) insurance distribution with mediation agreements with Santa Lucía, Mapfre and Aegon in the Life Risk and Savings line, and with Caser for general insurance. In 2022 the Group reached an agreement with SantaLucía for the extension of life insurance distribution throughout the Group, following the integration of Liberbank.

9.7. Business geographical expansion

Unicaja Banco has a commercial network of around 1,000 branches, and operates mainly in Andalusia, Asturias, Cantabria, Castilla y León, Castilla-La Mancha, Extremadura and Madrid, with a clear position of leadership in its regions of origin, with a proximity banking character. The Group operates exclusively in Spain, with a broad and diversified presence in 80% of the Spanish territory.

10. **Balanced remuneration**

The remuneration of the members of the Board of Directors is developed through the **Policy for the Remuneration of Directors**, which seeks to promote sound and effective risk management that, at the same time, favors the efficient development of the Company's business management and does not entail excessive assumption of risks.

The Policy applies to all directors, executive and non-executive, who hold office during all or part of the years in which the Policy remains in effect.

The bylaws establish that the compensation of the directors in their capacity as such shall consist of a fixed allowance and the payment of *per diems* for attending the meetings of the Board of Directors and its Committees.

The maximum amount of the annual remuneration of all the directors in their capacity as such must be approved by the General Meeting of Shareholders and shall remain in force until such time as it is amended

The Board of Directors, subject to the limits and conditions set forth in the Remuneration Policy, shall determine the distribution of such amount and shall establish the remuneration of the different Directors, being in accordance with the functions and responsibilities attributed to each director and the other objective circumstances it deems relevant.

When a member of the Board of Directors is attributed **executive functions** by virtue of any title, a contract must be entered into between him/her and the Company, which must be approved by the Board of Directors with the favorable vote of two thirds of its members. The Director concerned must abstain from attending the deliberation and from participating in the vote. The approved contract must be annexed to the minutes of the meeting. The Director shall not receive any remuneration for the performance of executive duties whose amounts or concepts are not provided for in the said contract. In any case, the remuneration corresponding under such contracts shall be in accordance with the current Remuneration Policy and, in particular, with the limits and amounts established.

In addition to the above-mentioned remuneration, executive Directors shall be entitled to receive a remuneration consisting of:

1. A fixed component, adequate to the services and responsibilities undertaken.
2. A variable component, correlated to indicators of performance of the director and the company.
3. An assistance component, covering the appropriate welfare and insurance systems.

4. Compensation in case of separation or any other way of termination of the legal relationship with the Company due to circumstances not attributable to the Director.

The determination of the variable-targets or metrics for the calculation of the variable part, of the assistance provisions and of the compensation or its calculation criteria, corresponds to the Board of Directors, within the limits and recommendations set forth in the current Remuneration Policy.

The Remuneration Committee prepares the specific report, which will accompany the proposed director remuneration policy and ensures compliance with the established remuneration policy.

The Board of Directors annually prepares and approves an **annual report on the remuneration of the Directors of Listed Companies**. The report is made available to the shareholders on the occasion of the call of the Annual General Meeting of Shareholders and will be submitted to voting, on a consultative basis, as a separate item on the agenda.

Unicaja Banco is subject to the provisions of the European Union, which subject the remuneration system for Directors, among other groups, to certain limits and guarantees.

This regulatory set is reflected, in particular, in the “**Remuneration Policy Associated to Risk Management**”, which applies not only to Board Members, but also to Senior Managers, risk-taking employees, those exercising control functions and all employees who receive a global remuneration that includes them in the same remuneration scale as Senior Managers and risk-takers, whose professional activities have a significant impact on the risk profile of Unicaja Banco at group, parent company and subsidiary level (the “Identified Group”).

11. Code of conduct and behaviour

11.1 Strategic goals and corporate values

The Institution's activity is linked to a series of corporate values, ethical principles of behavior and rules of conduct, which aim, among other aspects, to favor the achievement of the Institution's strategic objectives through responsible and sustainable practices, the creation of value and the establishment of long-term relationships based on trust and transparency, as well as to prevent, minimize and mitigate the possible negative impacts derived from the development of its activities.

Among its objectives, the Institution seeks to ensure compliance with the applicable national and international regulations in matters related to the prevention of money laundering and terrorist financing, conduct in securities markets, protection of personal data and prevention of criminal risk, among others; monitoring the main legal risks applicable to the Entity in those matters within its competence.

11.2 Internal regulations and codes

As a central element of the Institution's compliance, these are some of the policies, procedures and manuals that have been approved and which contain the ethical principles, corporate values and rules of conduct that govern the development of its activity and are mandatory for all its personnel:

- Action Plan on Sustainable Finances.
- Sustainability Policy.
- Policy for the integration of sustainability risks.
- Policy of due diligence in relation to the main adverse incidences.
- Corporate Social Responsibility Policy of Grupo Unicaja Banco.
- Code of Ethics of Grupo Unicaja Banco.
- Policy for the prevention of corruption and bribery.
- Policy for the communication and contact with shareholders, institutional investors and proxy Advisors.
- Quality Policy.
- Environment, Energy and Climate Change Policy.
- Program for the Prevention of Criminal Risk.
- Specific internal regulation on money laundering prevention.

- Data Protection General Regulation.
- Protocols for the prevention of psychological harassment at work harassment, sexual harassment and harassment related to sex.
- Action protocol in case of violence and external aggressions.
- Code of good practices for financial education initiatives.

11.3 Policies on conflicts of interest and the Internal Code of Conduct in the Securities Market

The Institution has approved and effectively implemented a series of procedures that establish the bases of action to be followed in order to prevent and, if applicable, manage conflicts of interest that may arise between members of the Board of Directors, customers, suppliers and the company in general, and, if applicable, with other entities of its group, all in accordance with the provisions of current legislation and the Institution's corporate governance system.

Specifically, the Institution has a "Policy for the Identification and Management of Conflicts of Interest and Related Party Transactions of Significant Shareholders, Directors, Senior Management and other related parties", whose purpose is to establish procedures for the identification, communication, evaluation and management of conflicts of interest, as well as to regulate the system of authorizations for transactions that the Company carries out with Directors, Significant Shareholders and Senior Management of the Company and with persons related to them.

Likewise, it has a "General policy for the management of conflicts of interest of Unicaja Banco Group employees", whose purpose is to define potential conflicts of interest of employees and their related parties that may arise in the development of the activity, to establish procedures for their evaluation, action and communication, management, control and resolution.

The Institution has an Internal Code of Conduct in the Securities Market, which contains a series of rules of conduct in the exercise of its activities related to the securities market applicable to employees, managers and members of the Board of Directors of the parent company and its group, and includes procedures and measures for the management of conflicts of interest, among others, the separate supervision of subject persons whose main functions are the performance of activities or the provision of investment services on behalf of or for the benefit of clients with conflicting interests, or who represent different interests that may conflict, including those of the Bank, as well as the establishment of information barriers.

11.4 Whistleblowing channel

The Institution has a Whistleblowing Channel, which allows both directors, managers and employees, as well as third parties related to the Entity, to report any actual or potential circumstance of: i) specific situations in which a criminal risk for the Entity is perceived; ii) non-compliance with regulatory requirements set forth in the external or internal regulations applicable to Unicaja Banco, S.A. or its internal governance systems and; iii) behavior contrary to the Code of Ethics of Unicaja Banco, S.A. Group or to raise queries about it.

The Whistleblowing Channel allows information to be submitted anonymously. In addition, it is completely confidential and ensures indemnity and prohibition of retaliation against those who use it in good faith and legitimately.

The communications received are recorded in a register and, unless they are anonymous, receipt is acknowledged. For each communication, the actions taken and the documentation generated in their processing until their resolution are kept up to date.

12. Approval and amendment of the Policy

The approval of the Policy and its subsequent modifications corresponds to the Board of Directors of the Institution, following a report from the Audit and Regulatory Compliance Committee, at the proposal of the Directorate General of General and Technical Secretariat.

This Policy shall be reviewed at least once a year by the Directorate General of General and Technical Secretariat, which shall submit its conclusions to the Audit and Regulatory Compliance Committee and the Board of Directors for their consideration.

Notwithstanding the foregoing, since the Policy contains a recap of multiple internal rules (Regulations, Policies, Manuals), the Directorate General of General and Technical is commissioned to be in charge of updating the Policy, in accordance with the new internal rules that the Institution may approve in the future, so that the Policy is permanently updated. Each update shall be communicated to the Board of Directors.

This Policy will be published on the corporate website and intranet, for the information of shareholders, investors, customers, employees, suppliers and other stakeholders.

The Policy was approved by the Board of Directors of Unicaja Banco on 16 December 2022.

13. Version control

Version	Changes with respect to the previous version	Prepared by	Approved by	Date of approval
1	New version	Legal Advice (Asesoría Jurídica)	Board of Directors	16-12-2022