STATEMENT OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL REPORT

STATEMENT OF RESPONSIBILITY

The members of the Board of Directors of Unicaja Banco, S.A., declare that, to the best of their knowledge, the individual and consolidated financial statements for the financial year 2023, prepared at the meeting held on February 29, 2024 and in accordance with the applicable accounting principles, give a true and fair view of the net worth, financial position and results of Unicaja Banco, S.A. and of the entities included in the consolidation, taken as a whole, and that the individual and consolidated management reports include a true and fair analysis of the evolution and results of the business and the financial position of Unicaja Banco, S.A., and of the entities included in the consolidation, taken as a whole, in accordance with the applicable regulatory framework.

Málaga, February 29, 2024

Manuel Azuaga Moreno Non-executive Chairman	Isidro Rubiales Gil CEO
Miguel González Moreno Vice-chairman	Natalia Sánchez Romero Board secretary
Rocío Fernández Funcia Coordinating director	María Luisa Arjonilla López Board member
Antonio Carrascosa Morales Board member	Rafael Domínguez de la Maza Board member
Inés Guzmán Arruez Board member	Juan Antonio Izaguirre Ventosa Board member

STATEMENT OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL REPORT

Carolina Martínez Caro Board member	José Ramón Sánchez Serrano Board member
Nuria Aliño Pérez Board member	Felipe Fernández Fernández Board member

Unicaja Banco, S.A. and its subsidiaries
(Unicaja Banco Group)

Independent auditor´s report on the consolidated annual accounts
at December 31, 2023
Consolidated directors' report

This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation

Independent auditor's report on the consolidated annual accounts

To the shareholders of Unicaja Banco, S.A.:

Report on the consolidated annual accounts

Opinion

We have audited the consolidated annual accounts of Unicaja Banco, S.A. (the Parent company) and its subsidiaries (the Group), which comprise the balance sheet as at December 31, 2023, and the income statement, statement of other comprehensive income, statement of total changes in equity, cash flow statement and related notes, all consolidated, for the year then ended.

In our opinion, the accompanying consolidated annual accounts present fairly, in all material respects, the equity and financial position of the Group as at 31 December 2023, as well as its financial performance and cash flows, all consolidated, for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated annual accounts section of our report.

We are independent of the Group in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the consolidated annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated annual accounts of the current period. These matters were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impairment losses on loans and receivables and assets acquired in settlement of debts	
The Unicaja Banco Group regularly evaluates the estimate of credit risk losses of the loan portfolio and the impairment of real estate assets derived from repossessions or other debt recovery processes. The process for evaluating and calculating of these losses is carried out: • Individually, for all significant debt instruments and those which, though not significant, cannot be classified into uniform groups of instruments of a similar type, by kind of instrument, debtor's business sector and geographical area of the debtor's activity, guarantee type, age of past due amounts, etc. • Collectively, for the other debt instruments, establishing different classifications for the operations based on the nature of the liable parties, the situation of the transaction, the existence of significant increase in credit risk, the type of guarantee, the age of past due amounts, etc., setting for each of these risk groups the impairment losses to be recognised in the consolidated annual accounts. Collective provisions are calculated using internal methodologies based on experience of historical losses for assets with similar risk characteristics, adjusted on the basis of observable data, in order to reflect the effect of current conditions that do not affect the period from which the historical experience is taken, as well as to suppress the effects of the conditions of the historical period that do not exist at present.	Our work on the estimation of the mentioned valuation adjustments have focused on the analysis, assessment and verification of the internal control system, as well as on detail testing of the estimates made by the Group. In relation to internal control, we have carried out, among others, the following audit procedures: • Verification of general IT controls over relevant systems affecting the financial information for the area, as well as the main aspects relating to the IT systems security environment included in the calculation of the valuation adjustments. • Verification that policies and procedures, and the internal models used, comply with applicable regulatory requirements. • Understanding of the internal control environment in the construction of the main models, identification and evaluation of the main key controls, both automated and manual. The evaluation of the control environment has included checking the reliability of data sources used in the calculations. • Verification of the periodic evaluation of monitoring alerts made by the Group to identify assets with significant increase in credit risk (Stage 2) or impaired (Stage 3). • Verification of the different expected credit losses calculation methodologies, including forward-looking information scenarios, as well as retrospective checks. • Obtaining and reading of internal validation reports on internal methodologies developed for collective impairment estimate. • Understanding and evaluation of the regular review of records conducted by the Unicaja Banco Group, aimed at monitoring their classification and, where appropriate, recording the corresponding impairment.

Key audit matter	How our audit addressed the key audit matter
The internal valuation models and methodologies entail a major judgment component when estimating the impairment losses, considering aspects such as: • Classification of the transactions and real-estate assets in the different portfolios, depending on their risk characteristics. • Identification of impaired assets and assets in which there has been a significant increase in credit risk since initial recognition. • Use of significant assumptions such as interest rate fluctuations, unemployment rates, future income levels, etc. • Inclusion of qualitative adjustments in the calculation of provisions due to economic or judgement factors, such as internal rating policies or future economic expectations, among others. • Consideration of effective guarantees. The evaluation of the recoverable amount of guarantees is subject to an estimate of their fair value less associated costs to sell, adjusted by a discount to the reference value calculated based on the Unicaja Banco Group's historical experience. The Group has developed internal methodologies for estimating discounts to be applied to reference values and estimated costs to sell. In relation to these estimates, the Group has considered the uncertainty caused by the current context of high inflation and volatility of macroeconomic variables, as well as certain circumstances observed in the real estate market. Given this situation, Unicaja has chosen to apply subsequent adjustments to the results of its internal models for the collective estimation of credit risk coverage and its internal models for the impairment of foreclosed assets.	• Understanding of the control environment, identification of key automatic and manual controls and evaluation thereof, in relation to the measurement of collateral and real estate assets from debt recovery. We have also carried out, among others, the following tests of detail: • Verification of a sample of records of individual borrowers to assess their proper classification and, where appropriate, recognition of the relevant impairment. • Verification of a sample of real-estate assets from debt recovery processes to assess their proper classification and, where appropriate, recognition of the relevant impairment. • Selective testing to verify data quality by checking with supporting documentation for the information contained in systems that serves as the basis for the classification of transactions and, any relevant impairment, where appropriate, as well as for estimating necessary real-estate asset provisions. • Selective verifications with respect to: i) methods of calculation and segmentation of borrowers and real-estate assets into different categories; ii) historical loss rates in the estimate of future cash flows and of historical discount rates in sales of real-estate assets derived from debt recovery processes compared with the appraisal value; iii) the correct classification of lending operations and real-estate assets in the relevant categories. • Recalculation of collective provisions and real-estate assets derived from debt recovery processes. • Monitoring and verification, through selective testing, of impairment losses actually incurred against those estimated in previous periods.

Key audit matter	How our audit addressed the key audit matter
The determination of losses due to impairment due to credit risk and impairment of real estate assets from debt recovery is one of the most significant and complex estimates in the preparation of the accompanying consolidated annual accounts. As part of these estimates, the estimation of the LGD (loss given default) parameter of the collective estimation models for credit risk coverage stands out especially for its complexity. For all these reasons, this issue has been considered a key audit issue. See note 1.4 Responsibility for the information and estimates made; note 2.7 Impairment of the value of financial assets; note 10 Financial assets at amortized cost; and note 16 Non-current assets and disposal groups of items that have been classified as held for sale, of the accompanying consolidated annual accounts.	As a result of the work carried out, no differences have been identified, above a reasonable range, in the amounts recorded in the attached consolidated annual accounts.
Recoverability of deferred tax assets	
The Group regularly evaluates the recoverability period of deferred tax assets, considering the estimates made in its business plan. These estimates have been updated based on the latest version of the strategic plan approved by the parent company's board of directors. The evaluation of the recoverability of deferred tax assets requires a high degree of judgment and estimation, which is why it has been considered a key audit matter. See note 1.4 Responsibility for the information and estimates made and note 24.4 Tax assets and liabilities of the accompanying consolidated annual accounts.	In the course of our audit, we have verified the process for estimating deferred tax assets and their future recoverability. To carry out the audit work in this area, we have received the assistance of our tax specialists. The main audit procedures carried out are described below: • Verification of policies and assumptions considered by the Group in the calculation of the deferred tax assets, and the understanding on the control environment in this area. • Obtainment and verification of the information used by the Group in the estimate and subsequent recoverability of the deferred tax assets. As the most relevant information for the estimate of the recoverability of the deferred tax assets, we have obtained the strategic plan drawn up by the Group and approved by the Parent company's board of directors, and we have verified the reasonableness of the assumptions included therein, in collaboration with out tax experts, by means of the following audit procedures:

Key audit matter	How our audit addressed the key audit matter
	• Verification of the consistency of the strategic plan with the Group's budgets for the coming years, risk appetite framework and other documents on which the Group's strategy is based. • Verification of the consistency of the strategic plan in the application of the sensitivity analysis and stress exercises on the main variables. • Verification of the reasonableness of the assumptions on which the Group's strategic plan is based and, in the case of macroeconomic variables, verification that they are aligned with the latest forecasts on the performance of the Spanish economy (all in collaboration with our internal experts). • Evaluation of the accuracy of the projections carried out by the Group in the past, by retrospective analysis. • Verification of the reasonableness of the assumptions made in relation to the tax treatment of projected earnings and the reversibility of tax assets. As a result of the work carried out, no differences have been identified, above a reasonable range, in the amounts recorded in the attached consolidated annual accounts.
Provisions	
The Group records provisions to cover potential contingencies arising in the normal course of its business, such as those derived from legal proceedings or claims in which it is involved or others of a tax, legal, labour and, or where appropriate, regulatory.	In the course of our audit we have verified the policies and processes established in the Group to estimate provisions for litigation and proceedings in progress, having carried out the following audit procedures: • Understanding of the internal control environment and the policy for classifying claims and litigation, as well as, where appropriate, the allocation of provisions, in accordance with applicable accounting regulations.

Key audit matter	How our audit addressed the key audit matter
Group administrators and management make the estimates applying prudent criteria and considering the best available information on the facts analysed, although in general these procedures involve uncertainty and take a considerable length of time, resulting in complex processes. As a result, the recognition of these provisions requires a major component of judgement and estimation and has therefore been considered a key audit matter. See note 1.7 Responsibility for the information and estimates made, note 2.18 Provisiones and contingent liabilities; and note 18. Provisions of the accompanying consolidated annual accounts.	• Analysis of the main lawsuits, both individual and, if applicable, collective. • Obtainment of letters of confirmation from external lawyers and tax advisers that work with the Group to check their evaluation of the expected outcomes of the lawsuits, the proper recognition of the provision and the identification of potential omitted liabilities. • Follow-up of the Group's tax inspections, and evaluation of their accounting consequences. • Evaluation of possible contingencies in relation to compliance with tax obligations for all periods open to inspection. • With the assistance of our in-house experts, analysis of the reasonableness of the estimate of the expected outcome of the most significant fiscal and legal procedures. • Verification of the recognition, estimate and movements of accounting provisions. As a result of our work, no differences outside a reasonable range have been revealed in relation to the amounts recorded in the accompanying consolidated annual accounts.
Matters related to automated financial information systems and access thereto	
Given the operations it carries out, the Group uses complex information systems in both the performance of its business activity and the processing, recording, storage, preparation and presentation of its financial and accounting information. Therefore, adequate control over them and the access protocols for applications and databases are essential to ensure the proper processing of information. In this context, the knowledge and the evaluation of general controls relating to the financial information systems, including accesses to applications and databases, is a key area of our work.	In terms of general approach, we have evaluated general IT controls and automatic application controls that support key business processes. To carry out the audit work in this area, we have received the assistance of our IT systems specialists. The main audit procedures carried out on the information systems considered relevant to the process for generating financial information are as follows:

Key audit matter	How our audit addressed the key audit matter
In addition, the effectiveness of the general internal control framework for information systems related to the accounting recognition and closing process is essential for the performance of certain audit procedures based on internal control.	• Evaluation of general organisation and management control mechanisms, including policies and procedures relating to the control functions, and the appropriate segregation of functions. • Evaluation of controls for the management of access authorisations to the financial information systems, for managing users and for making changes in the information systems. • Evaluation of development controls and maintenance of the application systems. • Concerning key IT applications, evaluation of entry and exit controls and controls over system processing and files. • Understanding and evaluation of the Group's controls in the IT security area. • Understanding of key business processes, identification of key automated controls therein and evaluation of these controls. • Understanding and verification of the process for generating manual entries and tests of extraction and filtering of entries included manually in the financial information systems. As a result of the work carried out, no relevant aspects have been identified that could significantly affect the financial information included in the attached consolidated annual accounts.

Other information: Consolidated management report

Other information comprises only the consolidated management report for the 2023 financial year, the formulation of which is the responsibility of the Parent company's directors and does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated management report. Our responsibility regarding the consolidated management report, in accordance with legislation governing the audit practice, is to:

a) Verify only that the consolidated statement of non-financial information, certain information included in the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration, as referred to in the Auditing Act, have been provided in the manner required by applicable legislation and, if not, we are obliged to disclose that fact.

b) Evaluate and report on the consistency between the rest of the information included in the consolidated management report and the consolidated annual accounts as a result of our knowledge of the Group obtained during the audit of the aforementioned financial statements, as well as to evaluate and report on whether the content and presentation of this part of the consolidated management report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

On the basis of the work performed, as described above, we have verified that the information mentioned in section a) above has been provided in the manner required by applicable legislation and that the rest of the information contained in the consolidated management report is consistent with that contained in the consolidated annual accounts for the 2023 financial year, and its content and presentation are in accordance with applicable regulations.

Responsibility of the directors and the Audit and Compliance Committee for the consolidated annual accounts

The Parent company's directors are responsible for the preparation of the accompanying consolidated annual accounts, such that they fairly present the consolidated equity, financial position and financial performance of the Group, in accordance with IFRS-EU and other provisions of the financial reporting framework applicable to the Group in Spain, and for such internal control as the aforementioned directors determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Parent company's directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the aforementioned directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Parent company’s Audit and Compliance Committee is responsible for overseeing the process of preparation and presentation of the consolidated annual accounts.

Auditor's responsibilities for the audit of the consolidated annual accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor´s report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with legislation governing the audit practice in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual accounts.

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group´s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent company´s directors.

- Conclude on the appropriateness of the Parent company's directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Parent company´s Audit and Compliance Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Parent company´s Audit and Compliance Committee with a statement that we have complied with relevant ethical requirements, including those relating to independence, and we communicate with the audit and Compliance Committee those matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Parent company´s Audit and Compliance Committee, we determine those matters that were of most significance in the audit of the consolidated annual accounts of the current period and are therefore the key audit matters.

We describe these matters in our auditor´s report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

European single electronic format

We have examined the digital files of the European single electronic format (ESEF) of Unicaja Banco, S.A. and its subsidiaries for the 2023 financial year that comprise an XHTML file which includes the consolidated annual accounts for the financial year and XBRL files with tagging performed by the entity, which will form part of the annual financial report.

The directors of Unicaja Banco, S.A. are responsible for presenting the annual financial report for the 2023 financial year in accordance with the formatting and markup requirements established in the Delegated Regulation (EU) 2019/815 of 17 December 2018 of the European Commission (hereinafter the ESEF Regulation).

Our responsibility is to examine the digital files prepared by the Parent company's directors, in accordance with legislation governing the audit practice in Spain. This legislation requires that we plan and execute our audit procedures in order to verify whether the content of the consolidated annual accounts included in the aforementioned digital files completely agrees with that of the consolidated annual accounts that we have audited, and whether the format and markup of these accounts and of the aforementioned files has been effected, in all material respects, in accordance with the requirements established in the ESEF Regulation.

In our opinion, the digital files examined completely agree with the audited consolidated annual accounts, and these are presented and have been marked up, in all material respects, in accordance with the requirements established in the ESEF Regulation.

Report to the Audit and Compliance Committee of the Parent company

The opinion expressed in this report is consistent with the content of our additional report to the Audit and Compliance Committee of the Parent company dated 29 February 2024.

Appointment period

The Ordinary General Shareholders' Meeting of the parent Company, at its meeting held on March 31, 2021, appointed PricewaterhouseCoopers Auditores, S.L. as auditors for a period of three years, starting from the year ended December 31, 2021.

Previously, we were appointed as auditors by resolutions of the General Meeting of Shareholders or the Sole Shareholder of the Parent Company, or of the General Assembly of the predecessor entity, and we have been carrying out the work of auditing the Group's accounts without interruption. since the year ended December 31, 2002.

Services provided

The services, other than the auditing of accounts, that have been provided to the audited Group are detailed in note 42.1 of the consolidated annual accounts.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Original in Spanish signed by
Carlos Caballer Fernández-Manrique (23390)
February 29, 2024

Unicaja

Financial statements and management report

Consolidated information

Unicaja Group

2023

CONSOLIDATED BALANCE SHEETS AS AT December 31, 2023 AND 2022
(Thousands of euros)

ASSETS	Note	2023	2022 (*)
Cash, cash balances with central banks and other demand deposits	7	**8,040,032**	**4,661,826**
FINANCIAL ASSETS HELD FOR TRADING	8.1	**809,430**	**61,159**
Derivatives		51,777	46,568
Equity instruments		8,581	14,591
Debt securities		749,072	-
Loans and advances		-	-
Central banks		-	-
Credit institutions		-	-
Customers		-	-
Pro memoria: lent or given as collateral with the right to sell or pledge		*84,569*	-
NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS	8.2	**108,562**	**146,549**
Equity instruments		41	41
Debt securities		35,265	33,522
Loans and advances		73,256	112,986
Central banks		-	-
Credit institutions		-	-
Customers		73,256	112,986
Pro memoria: lent or given as collateral with the right to sell or pledge		-	*485*
FINANCIAL ASSETS AT FAIR VALUE THROUGH INCOME		**-**	**-**
Debt securities		-	-
Loans and advances		-	-
Central banks		-	-
Credit institutions		-	-
Customers		-	-
Pro memoria: lent or given as collateral with the right to sell or pledge		-	-
FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	9.1	**1,501,554**	**1,007,806**
Equity instruments		346,719	357,977
Debt securities		1,154,835	649,829
Loans and advances		-	-
Central banks		-	-
Credit institutions		-	-
Customers		-	-
Pro memoria: lent or given as collateral with the right to sell or pledge		*175,527*	*31,030*
FINANCIAL ASSETS AT AMORTIZED COST	10	**77,451,855**	**82,183,048**
Debt securities		25,098,802	26,867,077
Loans and advances		52,353,053	55,315,971
Central banks		-	-
Credit institutions		2,291,379	989,977
Customers		50,061,674	54,325,994
Pro memoria: lent or given as collateral with the right to sell or pledge		*12,762,556*	*10,774,603*
DERIVATIVES - HEDGE ACCOUNTING	11	**1,222,395**	**1,812,887**
CHANGES IN FAIR VALUE OF HEDGED ITEMS OF A PORTFOLIO WITH HEDGED INTEREST RATE RISK	11	**(63,020)**	**(237,836)**
INVESTMENT IN JOINT VENTURES AND ASSOCIATES	12	**940,102**	**964,715**
Joint ventures		25,811	64,765
Associates		914,291	899,950

ASSETS	Note	2023	2022 (*)
(continued on next page)			
ASSETS FROM INSURANCE CONTRACTS	20	-	-
ASSETS FROM REINSURANCE CONTRACTS	20	1,882	1,472
TANGIBLE ASSETS	13	1,766,326	1,995,541
Property, plant and equipment		1,227,166	1,286,647
Own use		1,227,166	1,286,647
Loaned under operating lease		-	-
Investment property		539,160	708,894
Of which: loaned under operating lease		*413,331*	*548,011*
Pro memoria: acquired under a finance lease		*49,562*	*65,312*
INTANGIBLE ASSETS	14	84,826	74,750
Goodwill		25,995	32,164
Other intangible assets		58,831	42,586
TAX ASSETS	24	4,719,580	5,076,283
Current tax assets		171,494	459,300
Deferred tax assets		4,548,086	4,616,983
OTHER ASSETS	15	235,231	662,362
Insurance contracts linked to pensions		21,509	23,167
Inventories		38,524	129,212
Other assets		175,198	509,983
NON-CURRENT ASSETS AND DISPOSAL GROUPS OF ITEMS CLASSIFIED AS HELD FOR SALE	16	333,895	558,422
TOTAL ASSETS		**97,152,650**	**98,968,984**

(*) Shown solely and exclusively for comparative purposes (Note 1.5).
Notes 1 to 49 described in the Financial Statement and Annexes I, II, III, IV, V, and VI form an integral part of the consolidated balance sheet as at December 31, 2023.

LIABILITIES	Note	2023	2022 (*)
FINANCIAL LIABILITIES HELD FOR TRADING	8.1	**462,839**	**53,305**
Derivatives		51,003	53,305
Short positions		411,836	-
Deposits		-	-
Central banks		-	-
Credit institutions		-	-
Customers		-	-
Debt securities issued		-	-
Other financial liabilities		-	-
FINANCIAL LIABILITIES VALUED AT FAIR VALUE THROUGH INCOME		**-**	**-**
Deposits		-	-
Central banks		-	-
Credit institutions		-	-
Customers		-	-
Debt securities issued		-	-
Other financial liabilities		-	-
Pro memoria: subordinated liabilities		-	-
FINANCIAL LIABILITIES AT AMORTIZED COST	17	**86,556,316**	**88,932,761**
Deposits		80,201,660	83,125,324
Central banks		953,971	5,320,889
Credit institutions		5,772,643	3,417,963
Customers		73,475,046	74,386,472
Debt securities issued		4,239,232	3,329,354
Other financial liabilities		2,115,424	2,478,083
Pro memoria: subordinated liabilities		*571,672*	*547,951*
DERIVATIVES - HEDGE ACCOUNTING	11	**1,148,038**	**1,081,824**
CHANGES IN FAIR VALUE OF HEDGED ITEMS OF A PORTFOLIO WITH HEDGED INTEREST RATE RISK		**-**	**-**
LIABILITIES FROM INSURANCE CONTRACTS	20	**441,377**	**468,461**
LIABILITIES FROM REINSURANCE CONTRACTS	20	**-**	**-**
PROVISIONS	18	**957,053**	**1,085,330**
Pensions and other benefit obligations defined as post-employment		91,258	127,539
Other long-term employee benefits		91,568	132,696
Outstanding tax litigation and procedural matters		-	-
Commitments and guarantees granted		116,596	125,615
Remaining provisions		657,631	699,480
TAX LIABILITIES	24	**413,961**	**364,480**
Current tax liabilities		40,978	36,513
Deferred tax liabilities		372,983	327,967
OTHER LIABILITIES	19	**527,009**	**523,769**
LIABILITIES INCLUDED IN DISPOSAL GROUPS OF ITEMS CLASSIFIED AS HELD FOR SALE		**-**	**-**
TOTAL LIABILITIES		**90,506,593**	**92,509,930**

(*) Shown solely and exclusively for comparative purposes (Note 1.5).
Notes 1 to 49 described in the Financial Statement and Annexes I, II, III, IV, V, and VI form an integral part of the consolidated balance sheet as at December 31, 2023.

EQUITY	Note	2023	2022 (*)
OWN FUNDS	22 and 23	**6,522,817**	**6,465,182**
SHARE CAPITAL		663.708	663.708
Paid-up capital		663.708	663.708
Non paid-up capital required		-	-
Pro memoria: unclaimed capital		-	-
SHARE PREMIUM		1,209,423	1,209,423
EQUITY INSTRUMENTS ISSUED OTHER THAN SHARE CAPITAL		547,360	547,385
Net equity component of compound financial instruments		547,360	547,385
Other equity instruments issued		-	-
OTHER NET EQUITY ITEMS		-	-
ACCUMULATED EARNINGS	23.1	3,800,210	3,790,062
REVALUATION RESERVES		-	-
OTHER RESERVES		38,181	(22,737)
Cumulative reserves or losses on investments in joint ventures and associates		(88,784)	(188,753)
Other		126,965	166,016
(-) OWN SHARES		(2,768)	(235)
PROFIT ATTRIBUTABLE TO THE OWNERS OF THE PARENT COMPANY		266,703	277,576
(-) INTERIM DIVIDENDS		-	-
OTHER CUMULATIVE COMPREHENSIVE INCOME		**120,809**	**(6,573)**
ELEMENTS THAT WILL NOT BE RECLASSIFIED AS INCOME		39,960	255
Actuarial gains or (-) losses on defined benefit pension plans		(4,140)	(1,684)
Non-current assets and disposal groups of items classified as held for sale		-	-
Stake in other recognized income and expenses of investments in joint ventures and affiliates	23.2	861	16,060
Changes in fair value of equity instruments at fair value through other comprehensive income	9.3	43,239	(14,121)
Inefficiency of fair value hedges of equity instruments at fair value through other comprehensive income		-	-
Changes in fair value of equity instruments at fair value through other comprehensive income (hedged item)		-	-
Changes in fair value of equity instruments at fair value through other comprehensive income (hedge instrument)		-	-
Changes in fair value of financial liabilities at fair value with changes in income attributable to changes in credit risk		-	-
ITEMS THAT CAN BE RECLASSIFIED TO INCOME		80,849	(6,828)
Hedges of net investments in foreign transactions (efficient part)		-	-
Conversion of foreign currency		(21)	(105)
Hedging derivatives. Cash flow hedging reserve (effective portion)		(10,491)	(98,702)
Changes in fair value of debt instruments at fair value through other comprehensive income	9.2	(33,006)	(53,364)
Hedging instruments (non-designated elements)		-	-
Financial income and expenses from insurance contracts		59,452	77,902
Non-current assets and disposal groups of items classified as held for sale		-	-
Stake in other income and expenses recognized in investments in joint ventures and affiliates	23.2	64,915	67,441
NON-CONTROLLING INTERESTS (NON-SIGNIFICANT HOLDINGS)	21	**2,431**	**445**
OTHER CUMULATIVE COMPREHENSIVE INCOME		-	-
OTHER ENTRIES		2,431	445
TOTAL NET EQUITY		**6,646,057**	**6,459,054**
TOTAL NET WORTH AND LIABILITIES		**97,152,650**	**98,968,984**
PRO MEMORIA: OFF-BALANCE SHEET EXPOSURES			
COMMITMENTS FOR LOANS GRANTED	31.3	4.601.960	4.241.881
FINANCIAL GUARANTEES GRANTED	31.1	71.682	59.137
OTHER COMMITMENTS GRANTED	31.1	2.766.020	4.717.927

(*) Shown solely and exclusively for comparative purposes (Note 1.5).
Notes 1 to 49 described in the Financial Statement and Annexes I, II, III, IV, V, and VI form an integral part of the consolidated balance sheet as at December 31, 2023.

CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL YEARS ENDING DECEMBER 31, 2023 AND 2022
(Thousands of euros)

	Note	(debits) credits 2023	2022 (*)
INTEREST INCOME	32	2,345,904	1,274,834
Financial assets at fair value through other comprehensive income		29,949	25,957
Financial assets at amortized cost		2,160,460	1,908,848
Others		155,495	(659,971)
INTEREST EXPENSE	33	(992,674)	(201,597)
EXPENSES FOR SHARE CAPITAL REPAYABLE ON DEMAND		-	-
NET INTEREST MARGIN		1,353,230	1,073,237
DIVIDEND INCOME	34	24,567	18,435
PROFIT OR LOSS OF ENTITIES ACCOUNTED FOR USING THE EQUITY METHOD	35	91,946	80,303
FEE REVENUE	36	581,038	573,244
FEE EXPENSES	37	(47,614)	(48,212)
NET GAINS OR LOSSES FOR DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES NOT MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS	38	4,804	36,292
NET GAINS OR LOSSES ON FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING	38	7,656	10,304
NET GAINS OR (LOSSES) FROM NET NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE WITH CHANGES IN INCOME	38	4,525	(9,216)
GAINS OR LOSSES ON NET FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE WITH CHANGES IN INCOME	38	-	-
NET GAINS OR LOSSES RESULTING FROM HEDGE ACCOUNTING	38	(1,876)	5,512
NET EXCHANGE DIFFERENCES (PROFIT OR LOSS)	2.4	4,865	9,546
OTHER OPERATING INCOME	39	64,324	82,818
OTHER OPERATING EXPENSES	39	(325,622)	(241,313)
PROFIT OR (LOSS) FROM THE INSURANCE SERVICE	40	13,664	14,696
PROFIT OR (LOSS) FROM REINSURANCE CONTRACTS	40	41	161
GROSS MARGIN		1,775,548	1,605,807
ADMINISTRATIVE EXPENSES	41	(768,051)	(771,319)
Personnel expenses		(486,761)	(506,127)
Other administration expenses		(281,290)	(265,192)
AMORTIZATION	13 and	(90,502)	(90,400)
(PROVISIONS OR REVERSAL OF PROVISIONS)	18	(114,155)	(93,919)
(IMPAIRMENT OF VALUE OR REVERSAL OF IMPAIRMENT OF FINANCIAL ASSETS NOT AT FAIR VALUE THROUGH PROFIT OR LOSS AND GAINS OR LOSSES DUE TO CHANGES)	10 and 27	(146,247)	(214,133)
Financial assets at fair value through other comprehensive income		14	416
Financial assets at amortized cost		(146,261)	(214,549)
PROFIT OR LOSS FROM OPERATING ACTIVITY		656,593	436,036
IMPAIRMENT OF VALUE OR REVERSAL OF INVESTMENTS IN JOINT VENTURES OR ASSOCIATES	42	3,358	(535)
IMPAIRMENT OF VALUE OR REVERSAL OF NON-FINANCIAL ASSETS	42	(42,636)	(70,545)
Tangible assets		(29,738)	(42,858)
Intangible assets		(8,806)	(6,773)
Others		(4,092)	(20,914)
NET GAINS OR LOSSES ON DERECOGNITION OF NON-FINANCIAL ASSETS AND HOLDINGS	43	(12,052)	8,348
NEGATIVE GOODWILL RECOGNIZED IN PROFIT OR LOSS		-	-
GAINS OR LOSSES FROM NON-CURRENT ASSETS AND DISPOSAL GROUPS OF ITEMS CLASSIFIED AS HELD FOR SALE THAT ARE INADMISSIBLE AS DISCONTINUED OPERATIONS	44	(234,694)	9,544
GAINS OR LOSSES BEFORE TAX FROM CONTINUING OPERATIONS		370,569	382,848
EXPENSE OR INCOME FROM TAX ON GAINS FROM CONTINUING OPERATIONS	24	(104,037)	(105,275)
GAINS OR LOSSES AFTER TAX FROM CONTINUING OPERATIONS		266,532	277,573
PROFIT/LOSS AFTER TAX FROM DISCONTINUED OPERATIONS	2.22	-	-
PROFIT OR (LOSS) FOR THE YEAR		266,532	277,573
Attributable to non-controlling interests (non-significant holdings)	21	(171)	(3)
Attributable to the owners of the parent company		266,703	277,576
EARNINGS PER SHARE			
Basic earnings per share (euros)	3	0.098	0.102
Diluted earnings per share (euros)	3	0.098	0.102

(*) Shown solely and exclusively for comparative purposes (Note 1.5).
Notes 1 to 49 described in the Financial Statement and Annexes I, II, III, IV, V and VI form an integral part of the consolidated income statement for the fiscal year 2023.

CONSOLIDATED STATEMENTS OF RECOGNIZED INCOME AND EXPENSE FOR THE FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022

(Thousands of euros)

	Note	Year 2023	Year 2022 (*)
PROFIT OR (LOSS) FOR THE YEAR		**266,532**	**277,573**
OTHER COMPREHENSIVE INCOME		**127,382**	**2,971**
Elements that will not be reclassified as income		**39,705**	**(115,074)**
Actuarial gains (losses) on defined benefit pension plans	41	(3,509)	(15,577)
Non-current assets and disposal groups classified as held for sale		-	-
Stake in other recognized income and expenses of investments in joint ventures and affiliates		(21,713)	(8,744)
Changes in fair value of equity instruments at fair value through other comprehensive income		52,977	(140,070)
Net gains or (-) losses from hedge accounting of equity instruments at fair value through other comprehensive income		-	-
Changes in fair value of equity instruments at fair value through other comprehensive income (hedged item)		-	-
Changes in fair value of equity instruments at fair value through other comprehensive income (hedging instrument)		-	-
Changes in fair value of financial liabilities at fair value with changes in income attributable to changes in credit risk		-	-
Tax on gains related to the items that will not be reclassified	24.3	11,950	49,317
Items that can be reclassified as income		**87,677**	**118,045**
Hedging of net investments in businesses abroad (effective part)		-	-
Value gains or (-) losses entered under net equity		-	-
Transferred to profit or loss		-	-
Other reclassifications		-	-
Conversion of foreign currency	2.4	119	(53)
Gains or (-) losses as a result of currency exchange entered under equity		*119*	*(53)*
Transferred to profit or loss		-	-
Other reclassifications		-	-
Cash flow hedging (effective part)	11	126,015	294,047
Value gains or (-) losses entered under net equity		*4,875*	*(128,532)*
Transferred to profit or loss		*121,140*	*422,579*
Transferred to the original book value of the hedged items		-	-
Other reclassifications		-	-
Hedging instruments (non-designated elements)		-	-
Gains or (-) losses as a result of currency exchange entered under equity		-	-
Transferred to profit or loss		-	-
Other reclassifications		-	-
Debt instruments at fair value through other comprehensive income	9	29,083	(114,459)
Value gains or (-) losses entered under net equity		*29,083*	*(114,459)*
Transferred to profit or loss		-	-
Other reclassifications		-	-
Non-current assets and disposal groups classified as held for sale	16	-	-
Value gains or (-) losses entered under net equity		-	-
Transferred to profit or loss		-	-
Other reclassifications		-	-
Financial income and expenses from insurance contracts	20.2	(26,357)	62,763
Stake in other recognized income and expenses of investments in joint ventures and affiliates	23	(3,609)	(73,661)
Tax on gains related to the items that will not be reclassified as gains or losses	24.3	(37,574)	(50,592)
TOTAL OVERALL PROFIT OR LOSS FOR THE YEAR		**393,914**	**280,544**
Attributable to non-controlling interests (non-significant holdings)		(171)	(3)
Attributable to the owners of the parent company		394,085	280,547

(*) Shown solely and exclusively for comparative purposes (Note 1.5).

Notes 1 to 49 described in the Financial Statement and Annexes I, II, III, IV, V and VI form an integral part of the consolidated statement of recognized income and expenditure for the fiscal year 2023.

STATEMENT OF CHANGES IN CONSOLIDATED TOTAL NET EQUITY IN THE FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022

(Thousands of euros)

	Share capital	Share premium	Equity instruments issued other than share capital	Other net equity items	Accumulated earnings	Revaluation reserves	Other reserves	Treasury shares (-)	Profit attributable to the owners of the parent company	Interim dividends (-)	Other cumulative comprehensive income	Minority interest		Total
												Other cumulative comprehensive income	Other entries	
Opening balance as of 12/31/2022 (*)	**663,708**	**1,209,423**	**547,385**	**-**	**3,790,062**	**-**	**(22,737)**	**(235)**	**277,576**	**-**	**(6,573)**	**-**	**445**	**6,459,054**
Effects of error correction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting policies (Note 1.5.1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance as of 01/01/2023 (*)	**663,708**	**1,209,423**	**547,385**	**-**	**3,790,062**	**-**	**(22,737)**	**(235)**	**277,576**	**-**	**(6,573)**	**-**	**445**	**6,459,054**
Total overall profit or (loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**266,703**	**-**	**127,382**	**-**	**(171)**	**393,914**
Other changes in net equity	**-**	**-**	**(25)**	**-**	**10,148**	**-**	**60,918**	**(2,533)**	**(277,576)**	**-**	**-**	**-**	**2,157**	**(206,911)**
Issue of common shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of preferred shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of other equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exercising or expiry of other equity instruments issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Conversion of debt into net equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share capital decrease	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends (or shareholder remuneration) (Note 3)	-	-	-	-	(159,529)	-	-	-	-	-	-	-	-	(159,529)
Purchase of own shares	-	-	-	-	-	-	-	(9,056)	-	-	-	-	-	(9,056)
Sale or cancellation of own shares	-	-	-	-	-	-	-	6,523	-	-	-	-	-	6,523
Reclassification of financial instruments from net equity to liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from liabilities to net equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers between components of net equity (Note 3)	-	-	-	-	226,027	-	51,549	-	(277,576)	-	-	-	-	-
Increase (decrease) in equity resulting from business combinations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Stock-based payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other increases (decreases) in net equity	-	-	(25)	-	(56,350)	-	9,369	-	-	-	-	-	2,157	(44,849)
Closing balance at 12/31/2023	**663,708**	**1,209,423**	**547,360**	**-**	**3,800,210**	**-**	**38,181**	**(2,768)**	**266,703**	**-**	**120,809**	**-**	**2,431**	**6,646,057**

(*) Shown solely and exclusively for comparative purposes (Note 1.5).

Notes 1 to 49 described in the Financial Statement and Annexes I, II, III, IV, V and VI form an integral part of the statement of changes in consolidated total net equity in the fiscal year 2023.

STATEMENT OF CHANGES IN CONSOLIDATED TOTAL NET EQUITY IN THE FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022

(Thousands of euros)

	Share capital	Share premium	Equity instruments issued other than share capital	Other net equity items	Accumulated earnings	Revaluation reserves	Other reserves	Treasury shares (-)	Profit attributable to the owners of the parent company	Interim dividends (-)	Other cumulative comprehensive income	Minority interest		Total
												Other cumulative comprehensive income	Other entries	
Opening balance as of 31.12.2021 (*)	**663,708**	**1,209,423**	**547,385**	**-**	**2,743,438**	**-**	**142,009**	**(3,446)**	**1,113,302**	**-**	**(90,104)**	**-**	**426**	**6,326,141**
Effects of error correction	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Effects of changes in accounting policies (Note 1.5.1)	-	-	-	-	-	-	(178,153)	-	-	-	80,560	-	-	(97,593)
Opening balance as of 01/01/2022 (*)	**663,708**	**1,209,423**	**547,385**	**-**	**2,743,438**	**-**	**(36,144)**	**(3,446)**	**1,113,302**	**-**	**(9,544)**	**-**	**426**	**6,228,548**
Total overall profit or (loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**277,576**	**-**	**2,971**	**-**	**(3)**	**280,544**
Other changes in net equity	**-**	**-**	**-**	**-**	**1,046,624**	**-**	**13,407**	**3,211**	**(1,113,302)**	**-**	**-**	**-**	**22**	**(50,038)**
Issue of common shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of preferred shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of other equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exercising or expiry of other equity instruments issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Conversion of debt into net equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share capital decrease	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends (or shareholder remuneration) (Note 3)	-	-	-	-	(98,291)	-	-	-	-	-	-	-	-	(98,291)
Purchase of own shares	-	-	-	-	-	-	-	(15)	-	-	-	-	-	(15)
Sale or cancellation of own shares	-	-	-	-	507	-	-	3,226	-	-	-	-	-	3,733
Reclassification of financial instruments from net equity to liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from liabilities to net equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers between components of net equity (Note 3)	-	-	-	-	1,110,129	-	3,073	-	(1,113,302)	-	-	-	-	(100)
Increase (decrease) in equity resulting from business combinations (Note 1.14)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Stock-based payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other increases (decreases) in net equity	-	-	-	-	34,279	-	10,334	-	-	-	-	-	22	44,635
Closing balance as at 12/31/2022 (*)	**663,708**	**1,209,423**	**547,385**	**-**	**3,790,062**	**-**	**(22,737)**	**(235)**	**277,576**	**-**	**(6,573)**	**-**	**445**	**6,459,054**

(*) Shown solely and exclusively for comparative purposes (Note 1.5).

Notes 1 to 49 described in the Financial Statement and Annexes I, II, III, IV, V and VI form an integral part of the statement of changes in consolidated total net equity in the fiscal year 2023.

CONSOLIDATED CASH FLOW STATEMENT FOR THE FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022
(Thousands of euros)

		Year	
	Note	2023	2022 (*)
A) CASH FLOWS FROM OPERATING ACTIVITIES		**2,834,016**	**(17,346,352)**
Profit or loss for the year		**266,532**	**277,573**
Adjustments to obtain the cash flows from operating activities		**211,163**	**246,156**
Amortization	13 and 14	90,502	90,400
Other adjustments	2.28	120,661	155,756
Net increase/decrease in operating assets		**4,419,887**	**(694,456)**
Financial assets held for trading	8.1	(748,271)	(16,418)
Non-trading financial assets mandatorily at fair value through profit or loss	8.2	37,987	81,678
Financial assets at fair value through income		-	-
Financial assets at fair value through other comprehensive income	9.1	(493,748)	290,014
Financial assets at amortized cost	10	4,609,434	(285,499)
Other operating assets		1,014,485	(764,231)
Net increase/decrease of operating liabilities		**(2,383,873)**	**(17,151,778)**
Financial liabilities held for trading	8.1	409,534	22,182
Financial liabilities valued at fair value through income		-	-
Financial liabilities at amortized cost	17	(2,707,499)	(17,005,198)
Other operating liabilities		(85,908)	(168,762)
Tax on gains collections/payments		**320,307**	**(23,847)**
B) CASH FLOWS FROM INVESTMENT ACTIVITIES		**375,223**	**343,377**
Payments		**(69,121)**	**(68,766)**
Tangible assets	13	(24,944)	(45,554)
Intangible assets	14	(43,800)	(19,243)
Investment in joint ventures and associates	12	(377)	(3,969)
Subsidiaries and other business units		-	-
Non-current assets and liabilities classified as held for sale	16	-	-
Other payments related to investment activities		-	-
Collections		**444,344**	**412,143**
Tangible assets	13	273,620	222,084
Intangible assets	14	5,636	7,679
Investment in joint ventures and associates	12	3,526	3,372
Subsidiaries and other business units		-	-
Non-current assets and liabilities classified as held for sale	16	161,562	179,008
Other charges related to investment activities		-	-

(continued on next page)

(*) Shown solely and exclusively for comparative purposes (Note 1.5).
Notes 1 to 49 described in the Financial Statement and Annexes I, II, III, IV, V and VI form an integral part of the consolidated cash flow statement for the fiscal year 2023.

	Note	Year 2023	2022 (*)
C) CASH FLOWS FROM FINANCING ACTIVITIES		**168,967**	**367,298**
Payments		**(636,610)**	**(432,205)**
Dividends	3	(128,576)	(67,338)
Subordinated liabilities	17	(18,000)	(333,899)
Amortization of equity instruments		(25)	-
Acquisition of equity instruments		(9,056)	(15)
Other payments related to financing activities		(480,953)	(30,953)
Collections		**805,577**	**799,503**
Subordinated liabilities	17	-	297,587
Issuance of equity instruments		-	-
Disposal of equity instruments		6,523	3,226
Other collections related to financing activities		799,054	498,690
D) EFFECT OF EXCHANGE RATE VARIATIONS		**-**	**-**
E) NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT (A + B + C + D)		**3,378,206**	**(16,635,677)**
F) CASH AND EQUIVALENT AT THE START OF THE PERIOD		**4,661,826**	**21,297,503**
G) CASH AND EQUIVALENT AT THE END OF THE PERIOD		**8,040,032**	**4,661,826**
COMPONENTS OF CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD		**8,040,032**	**4,661,826**
Cash	2.28	513,327	494,083
Balances equivalent to cash in central banks	2.28	7,338,402	4,071,871
Other financial assets	2.28	188,303	95,872
Minus: bank overdrafts repayable on demand		-	-
TOTAL CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD	2.28	**8,040,032**	**4,661,826**
Of which: in hands of Group companies but not available to the Group		-	-

(*) Shown solely and exclusively for comparative purposes (Note 1.5).
Notes 1 to 49 described in the Financial Statement and Annexes I, II, III, IV, V and VI form an integral part of the consolidated cash flow statement for the fiscal year 2023.

UNICAJA BANCO, S.A. AND SUBSIDIARIES
(UNICAJA GROUP)

CONSOLIDATED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDING December 31, 2023.

(Expressed in thousands of euros)

Contents

1. Nature of the Company and Group, basis of presentation of the consolidated financial statements and other information

1.1. Nature of the Parent Company and Group

Unicaja Banco, S.A. (hereinafter, “Unicaja”, the “Parent Company”, or the “Bank”) is a credit institution incorporated in Spain for an indefinite period of time on December 1, 2011, with its registered office at Avenida Andalucía, 10 y 12, Málaga. Its operations started as a consequence of the approval by the General Assembly of Monte de Piedad y Caja de Ahorros de Ronda, Cádiz, Almería, Málaga, Antequera y Jaén - Unicaja (now, Fundación Bancaria Unicaja) of the indirect exercise of the financial activity through a bank.

Although its origin is in Andalusia, Unicaja has integrated the business of other credit institutions, with the acquisition of Banco de Caja España de Inversiones, Salamanca y Soria, S.A. (EspañaDuero) in 2014 and its subsequent merger with Unicaja in September 2018, and with the merger by absorption of Liberbank, S.A. (Liberbank) in July 2021.

Unicaja is a listed company, since June 30, 2017. On this same date all of the Company’s shares were admitted to trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, and are included in the Sistema de Interconexión Bursátil (S.I.B.E. or Continuous Market). Since December 27, 2022, it has been included in the ÍBEX 35 index, with a proven track record of solvency and financial soundness.

Unicaja’s object is to carry out all kinds of activities, operations, acts, contracts and services typical of the banking business in general or which are directly or indirectly related or supplementary thereto or are carried out by it, provided that their performance is permitted or not forbidden by current legislation.

Unicaja’s object includes the provision of investment services and other auxiliary services, as well as the performance of activities typical of insurance agents, as an exclusive or linked operator, the simultaneous exercise of both not being admissible.

Unicaja is registered in the Mercantile Registry of Málaga and, as a credit institution, in the Special Registry of the Bank of Spain under number 2103.

Unicaja is an entity subject to the rules and regulations on banking entities operating in Spain. Further information about the Bank can be found on the Bank’s official website (www.unicajabanco.com), where additional public information about the Bank can be found.

The consolidated financial statements of the Group, as well as the individual financial statements of the Bank, corresponding to fiscal year 2023, have been prepared by the Board of Directors of Unicaja Banco on February 29, 2024, pending approval by the General Shareholders’ Meeting. Nonetheless, the Bank’s Board of Directors expects the consolidated financial statements to be approved without significant changes.

1.2. Consolidated group

Unicaja is the parent company of a group of subsidiaries engaged in various activities and which make up the Unicaja Group.

Pursuant to Article 6 of Royal Decree 1159/2010, of September 17, 2010 which approves the Rules for the Preparation of Consolidated Financial Statements and amends the General Accounting Plan approved by Royal Decree 1514/2007, of November 16, 2007 and the General Accounting Plan for Small and Medium-Sized Companies approved by Royal Decree 1515/2007, of November 16, 2007, the Bank is obliged to prepare consolidated financial statements when it has issued securities admitted to trading on a regulated market in any European Union Member State, applying the International Financial Reporting Standards adopted by European Union Regulations. Consequently, in addition to its own financial statements, the Bank has prepared the consolidated financial statements of Unicaja and its subsidiaries (Unicaja Group) in accordance with current legislation.

Unicaja has its registered office and residence in Málaga and is subject to Spanish law, submitting its financial statements to the Commercial Registry of that city. The latest consolidated financial statements of the Unicaja Group that have been prepared are those for the fiscal year ended December 31, 2022, and have been filed with the Commercial Registry of Málaga.

The other entities forming part of the Unicaja Group as of December 31, 2023 are as follows:

Company name	Activity
Administradora Valtenas, S.L.U.	Consultancy
Alqlunia Duero, S.L.U. (in liquidation)	Real estate development
Análisis y Gestión de Innovación Tecnológica, S.L.U.	Parking lots
Analistas Económicos de Andalucía, S.L.U.	Economic activity study and analysis
Andaluza de Tramitaciones y Gestiones, S.A.U.	Management and settlement of documents and deeds
Arco Explotaciones, S.L.U.	Farming
Asturiana de Administración de Valores Mobiliarios, S.L.U.	Consultancy
Banco Europeo de Finanzas, S.A.U.	Banking, financial activities
Briareo Gestión, S.A.U.	Business consulting
Caja Castilla La Mancha Iniciativas Industriales, S.L.U.	Holding company activities
Camín de la Mesa, S.A.U.	Consultancy
Camping Alto Gallego, S.L.U.	Catering
Cánovas Explotaciones, S.L.U.	Catering
Cantábrica de Inversiones de Cartera, S.L.U.	Holding company activities
CCM Brokers 2007 Correduría de Seguros, S.A.U.	Insurance brokerage
Concejo Explotaciones, S.L.U.	Property development
Corporación Empresarial Caja Extremadura, S.L.U.	Holding company activities
Ercávica Desarrollos, S.L.U.	Property development
Explotaciones Santa Isabel, S.L.U.	Catering
Factoría de Transformación de Operaciones y Servicios, S.L.U.	Other consulting activities
Finca Las Huelgas, S.A.U.	Farming
Gestión de Inmuebles Adquiridos, S.L.U.	Real estate development
Grafton Investments, S.L.U.	Catering
Hoteles Layos, S.L.U.	Catering
Instituto de Economía y Empresa, S.L.U.	Business consulting
La Algara Sociedad de Gestión, S.L.U.	Real estate development
Liberbank Capital, S.A.U.	Holding company
Liberbank Contact, S.L.U. (in liquidation)	Call center activities
Liberbank I.T., S.L.U.	IT services
Liberbank Pensiones, S.G.F.P., S.A.U.	Pension fund manager
Liberbank Servicios Financieros, S.A.U.	Holding company activities
Norteña Patrimonial, S.L.U.	Consultancy

Company name	Activity
Parque Industrial Humilladero, S.L.	Industrial land development
Peña Rueda, S.L.U.	Consultancy
Pico Cortés, S.L.U.	Consultancy
Pico Miravalles, S.L.U.	Consultancy
Planes e Inversiones CLM, S.A.U. (in liquidation)	Real estate development
Pomarada Gestión, S.L.U.	Consultancy
Procesa Recuperación de Activos, S.A.U.	Legal activities
Propco Blue 1, S.L.U. (in liquidation)	Real estate development
Puntida, S.L.U.	Holding company activities
Segóbriga Desarrollos, S.L.U.	Catering
Segurándalus Mediación, Correduría de Seguros, S.A.U.	Insurance brokerage
Sierra del Acebo, S.L.U.	Consultancy
Sociedad de Gestión San Carlos, S.A.	Real estate development
Tiatordos, S.A.U.	Consultancy
U Market Ebusiness, S.L.U. (*)	Business consulting
Unicaja Gestión de Activos Inmobiliarios, S.A.U.	Real estate activities
Unicartera Gestión de Activos, S.L.U.	Debt collection and litigation management
Unicorp Patrimonio, Sociedad de Valores, S.A.U.	Asset management
Unigest, S.G.I.I.C., S.A.U.	Collective investment institution manager
Unimediación Operador Banca Seguros, S.L.U.	Insurance brokerage
Unión del Duero Seguros de Vida, S.A.U.	Insurance
Uniwindet, S.L.U.	Renewable energies
Viacava – Incós de Energía, S.A.U.	Catering
Viproelco, S.A.U. (in liquidation)	Real estate development

(*) Previously Liberbank Ebusiness, S.L.U.

The most significant changes that took place in 2023 in the composition of the Unicaja Group are as follows:

- On March 1, 2023, Sociedad de Gestión San Carlos, S.A. was incorporated into the Unicaja Group, with an ownership interest of 62.20%. On July 1, 2023, the percentage of ownership was modified to 63.61% (Note 12.2).
- On January 1, 2023, Unicaja has transferred to the Fundación Malagaport its entire shareholding in Malagaport, S.L.
- On February 22, 2023, the global assignment of assets and liabilities in favor of Medicina Asturiana, S.A. and Fundación Centro Médico de Asturias by Instituto de Medicina Oncológica y Molecular de Asturias S.A. took place.
- On March 1, 2023, the dissolution and liquidation of Electra de Malvana, S.A. was registered.
- On March 28, 2023, the extinction of the company Liberbank Digital, S.L.U. was registered, following the liquidation and extinction agreement adopted on December 15, 2022.
- On March 28, 2023, a capital reduction was approved in the company Azoe Inmuebles, S.L., whereby Unicaja ceased to be a partner of the company. This company was 48.80% owned by the Unicaja Group.
- On May 8, 2023, the dissolution and liquidation of Cantabria Capital S.G.E.I.C., S.A. was registered.
- On May 18, 2023, 100% of Lisson Directorship, S.L.U.'s shareholding was sold.
- On July 18, 2023 the extinction of Promociones Miralsur, S.L. was registered.
- On October 24, 2023, the extinction of Uncro, S.L. was registered.
- On December 18, 2023 the extinction of Espacio Medina, S.L. was registered.

- On December 21, 2023, the dissolution and liquidation of Puertu Maravio, S.L.U. was registered.

The most significant changes in the composition of the Unicaja Group during 2022 were as follows:

- On February 2, 2022, a deed was executed to increase the capital stock of Sedes, S.A., which was recorded at the Mercantile Registry on February 14, 2022, increasing the percentage of ownership to 39.90% (at December 31, 2021 the percentage of ownership was 39.85%).

- On February 25, 2022, the company Explotaciones Forestales y Cinegéticas Alta-Baja, S.L. was sold.

- On April 22, 2022, a deed was executed to increase the capital stock of Kenta Capital Investment Management, S.A. (formerly known as Alpha Debt Investment Management, S.A.), which was recorded at the Mercantile Registry on April 30, 2022, at which time Unicaja made a monetary contribution and acquired a 36% interest in the company.

- On May 9, 2022, a public deed of merger by absorption of the companies Unimediación, S.L.U. was executed. (absorbing company), Liberbank Mediación, Operador de Banca Seguros Vinculado, S.L.U. (absorbed company), and Banco de Castilla-La Mancha Mediación, Operador de Banca Seguros Vinculados, S.A.U. (absorbed company). Its dissolution and extinction was registered in the Official Gazette of the Mercantile Registry on June 1, 2022. This merger by absorption has no impact on the consolidated financial information as it is an intra-group transaction. In the accounting records of the absorbing company, it is recorded with an accounting effective date of January 1, 2022.

- On May 13, 2022, April 29, 2022 and May 26, 2022 respectively, the dissolution and liquidation of the entities Liberbank Servicios Auxiliares Bancaseguros, A.I.E., of the entity Caja Castilla La Mancha Conecta, S. A. Servicios administrativos combinados and Caja Castilla La Mancha Finance, S.A.U. took place, being registered in the Mercantile Registry on May 19, 2022, June 27, 2022 and June 28, 2022 respectively.

- On July 7, 2022, the company Fitex Ilunion, S.A. was sold.

- On July 29, 2022, the merger by absorption of Liberbank Gestión, S.G.I.I.C., S.A.U. (as absorbed company) by Unigest, S.G.I.I.C., S.A.U. (as absorbing company) took place and was registered at the Mercantile Registry on October 3, 2022. This merger by absorption has no impact on the consolidated financial information as it is an intra-group transaction. In the accounting records of the absorbing company, it is recorded with an accounting effective date of January 1, 2022.

It should also be noted that in 2023 the merger by absorption of Liberbank Vida y Pensiones, Seguros y Reaseguros, S.A. and CCM Vida y Pensiones de Seguros y Reaseguros, S.A. (as the absorbed entities) by Unicorp Vida, Compañía de Seguros y Reaseguros, S.A. (as the absorbing entity) took place. Since there is prior control among these entities within the Santa Lucia Group, the merger was recorded in the companies with retroactive effect as at January 1, 2023, pursuant to the relevant financial reporting framework. The transaction had no impact on the Unicaja Group, except that Liberbank Vida y Pensiones, Seguros y Reaseguros, S.A. and CCM Vida y Pensiones de Seguros y Reaseguros, S.A., after their extinction by merger by absorption, are no longer considered associated entities, the equity method only being applied to the interest held in Unicorp Vida, Compañía de Seguros y Reaseguros, S.A.

Lastly, it should also be noted that, on May 8, 2023, the Common Merger Plan whereby Gestión de Inmuebles Adquiridos, S.L.U. (as the absorbing company) will take over Mosacata, S.L.U., Midamarta, S.L.U. and Urbe Cantabria, S.L.U. (as absorbed companies) was formulated. The merger was registered in the Mercantile Registry of Málaga on August 9, 2023. All these companies fully belonged to the Unicaja Group, so there was prior common control, and the merger has been recorded in the companies with an accounting effective date of January 1, 2023, pursuant to the applicable financial reporting framework. In any event, it should be noted that the merger has had no effect on the consolidated financial statements of the Unicaja Group since all these companies are already inside the consolidation perimeter.

In accordance with current legislation, the Board of Directors of the Parent Company has prepared the Bank's individual financial statements. The effect of consolidation on the balance sheet as of December 31, 2023 and 2022, the income statement, the statement of changes in total equity and the statement of cash flows for the years 2023 and 2022 are summarized below:

Thousands of euros	2023		2022 (*)	
	Individual	**Consolidated**	**Individual**	**Consolidated**
Assets	97,772,833	97,152,650	99,480,889	98,968,984
Net equity	7,002,783	6,646,057	6,743,949	6,459,054
Profit or (loss) for the year	272,562	266,532	235,059	277,573
Total revenues and expenditures of the statement in	427,731	393,914	324,656	280,544
Net increase or (-) decrease in cash or equivalent	3,378,674	3,378,206	(16,635,382)	(16,635,677)

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

Annex I presents a summary of the Parent Company's individual balance sheet, individual income statement, individual statement of changes in total equity and individual cash flow statement for the fiscal years ended December 31, 2023 and 2022, prepared in accordance with the same accounting principles and rules and valuation criteria included in Bank of Spain Circular 4/2017, as subsequently amended, which do not differ significantly from those applied in these consolidated financial statements of the Group.

1.3. Basis for presentation of the consolidated financial statements

The Group's consolidated financial statements are presented in accordance with the International Financial Reporting Standards adopted by the European Union (hereinafter, "EU-IFRS"), taking into consideration Bank of Spain Circular 4/2017 of November 27, 2017 (and its subsequent amendments), which constitutes the development and adaptation to the Spanish credit institution sector of the International Financial Reporting Standards approved by the European Union.

The abbreviations "IAS" and "IFRS" are used throughout this report to refer to the International Accounting Standards and International Financial Reporting Standards respectively. The abbreviations "IFRIC" and "SIC" are used throughout these notes to refer to the interpretations issued by the International Financial Reporting Interpretations Committee and the former Standing Interpretations Committee respectively. All these standards and interpretations have been adopted by the European Union and were applied in the preparation of the consolidated financial statements.

These consolidated financial statements have been prepared taking into account all the mandatory accounting principles and rules and measurement criteria that have a significant effect on them, so that they present a faithful image of the Group's equity and financial position at December 31, 2023 and the results of its operations, the changes in consolidated equity and the consolidated cash flows that have occurred in the Group in the year then ended.

Note 2 summarizes the most significant accounting principles and policies and valuation criteria applied in the preparation of the Group's consolidated financial statements for the fiscal year 2023.

The consolidated financial statements have been prepared on the basis of the accounting records kept by the Bank and by the other entities comprising the Group. Nevertheless, since the accounting policies and measurement criteria used in preparing the Group's consolidated financial statements for the 2023 fiscal year may differ from those used by certain Group entities, the required adjustments and reclassifications were made on consolidation to unify such policies and criteria and make them compliant with the EU-IFRS used by the Bank.

The amounts shown in these consolidated financial statements, unless otherwise stated, are presented in thousands of euros and have been rounded off to facilitate their presentation. Consequently, the amounts of the totals in the rows or columns of the tables presented may not coincide with the exact arithmetic sum of the figures preceding them.

1.4. Responsibility for information and estimations made

The information in these consolidated financial statements is the responsibility of the Parent Company's directors.

These consolidated financial statements have been prepared under the going concern principle, which considers that the management of the Group will continue in the foreseeable future, and therefore the application of accounting standards is not intended to determine the value of the net assets for the purpose of their global or partial transfer, nor the amount resulting in the event of their liquidation.

In the Group's 2023 consolidated financial statements, estimates, assumptions, and opinions were occasionally made by the Group Directors to quantify certain assets, liabilities, income, expenses and commitments recognized therein. These estimates, opinions, and assumptions are mainly in relation to:

– Impairment losses on certain assets (Notes 10, 12, 13, 14, 15 and 16), especially with respect to the individual and collective estimation of credit losses in the portfolio of loans and advances to customers, and the determination of when there is a significant increase in credit risk (Note 2.7).

– The hypotheses used in the actuarial calculation of post-employment benefit liabilities and commitments and other long-term commitments to employees (Notes 2.12 and 41),

– The useful lives of tangible and intangible assets (Notes 2.14, 2.15, 13 and 14).

– The measurement of consolidation goodwill (Notes 2.16 and 14).

– The estimate of the probability of occurrence of those events considered as contingent liabilities and, if applicable, the estimate of the provisions required to cover these events (Notes 2.18 and 18).

– The reversal period and recoverability of deferred tax assets of temporary differences (Notes 2.13 and 24).

– The fair value of certain unlisted assets (Note 26).

– The fair value of certain guarantees assigned to the collection of assets (Note 46).

These estimates were drawn up based on the best information available as at December 31, 2023 regarding the events analyzed. However, considering the current uncertainties arising from the environment of high inflation and volatility of the main macroeconomic variables, it is possible that future events may require them to be significantly modified (upwards or downwards) in subsequent fiscal years. If required, this would be carried out prospectively in accordance with IAS 8, recognizing the impact of the changes in estimates on the corresponding consolidated income statement for the fiscal years affected.

1.5. Changes in accounting criteria, errors and comparability of information

1.5.1. Changes in accounting policies and errors

The regulatory changes that occurred during 2023 (Note 1.12) have affected the comparability of the Group's financial information, making it necessary to restate the comparative financial information in accordance with the application of IFRS 17, the transition date of which was January 1, 2022.

There were no errors that required rectification of the comparative information for fiscal year 2022.

1.5.2. Comparison of information

In accordance with AIS 1, the information contained in these consolidated financial statements for the 2022 fiscal year is shown solely and exclusively for comparative purposes with the information for the fiscal year ending December 31, 2023 and, therefore, does not constitute the Unicaja Group's consolidated financial statements for the 2022 financial year.

1.6. Investments in the share capital of credit institutions

Pursuant to the provisions of Article 28.2 of Royal Decree 84/2015, of February 13, 2015, implementing Law 10/2014, of June 26, 2014, on the regulation, supervision,and solvency of credit institutions, the following is a list of holdings in the capital of other credit institutions, domestic and foreign, held by the Bank at December 31, 2023 and 2022 that exceed 5% of their capital or voting rights:

	% holding	
Bank	**2023**	**2022**
Banco Europeo de Finanzas, S.A.U.	100%	100%

As at December 31, 2023 and 2022, no domestic or foreign credit institution (or groups, as defined in Article 4 of the Securities Market Act, in which any domestic or foreign credit institution is integrated) holds an interest of more than 5% of the capital or voting rights of any credit institution that should be considered as an entity of the Unicaja Group.

1.7. Agency agreements

Annex II of the consolidated statement includes the list of agents of the Group Parent Company as at December 31, 2023, meeting the requirements of Article 21 of Royal Decree 84/2015, of February 13, 2015, implementing Law 10/2014 of June 26, 20145, on the organization, supervision and solvency of credit institutions, and in Circular 4/2010 of the Bank of Spain.

1.8. Environmental impact and climate risk management

The global operations of Unicaja Group companies are governed by laws relating to the protection of the environment (Environmental Laws). The Parent Company considers that the Group substantially complies with such laws and maintains procedures designed to ensure and promote compliance with them.

Unicaja considers that it has adopted the appropriate measures in relation to the protection and improvement of the environment and the minimization, if applicable, of the environmental impact, complying with the regulations in force in this regard.

During fiscal years 2023 and 2022, the Group did not make any significant investments of an environmental nature and did not consider it necessary to record any provision for environmental risks and charges, nor does it consider that there are any significant contingencies related to the protection and improvement of the environment.

Climate change is one of the greatest challenges companies face. The need to achieve a substantial and sustained reduction in greenhouse gas emissions over time as the only way of limiting the impact of climate change has been expressed in different scientific circles.

Therefore, and in order to establish the basic environmental principles of the Company, on January 27, 2023, Unicaja's Board of Directors approved the latest version of the "Environmental, Energy and Climate Change Policy" applicable to the Unicaja Group, which is aligned with the Ten Principles of the United Nations Global Compact and with the achievement of the Sustainable Development Goals (SDGs) of the 2030 Agenda.

More specifically, this policy aims to establish the basic principles of action in environmental, energy efficiency and climate change management matters, in order to reduce the Group's impact and contribute to the protection and conservation of the environment, the preservation of biodiversity and the fight against climate change, among other environmental objectives recognized in the European Union's Environmental Taxonomy (according to Regulation 2020/852).

In relation to internal environmental management, Unicaja's commitment is materialized through three fundamental axes: (i) the integration of environmental issues into the business model, (ii) the development of environmental management and energy efficiency actions, and (iii) the promotion of environmental and energy responsibility.

The Group promotes management systems based on internationally accepted regulatory standards, continuous improvement and integrated management models (ISO standards) that contribute to reducing environmental and energy impact.

With regard to climate change, climate change mitigation commitments have been adopted with the establishment of greenhouse gas emission reduction targets which require the definition and implementation of actions aimed at fully measuring and reducing the carbon footprint of its corporate, concession and financing activities.

The financing of projects that contribute to improving energy efficiency and achieving greater long-term environmental sustainability are being promoted, as is the integration of environmental and social risks into the risk analysis of investment project financing.

Finally, a responsible attitude is encouraged among the workforce and society in general, with the publication of recommendations and best practices in the area of recycling, and the incorporation of clauses related to environmental commitment in contracting with suppliers.

Nevertheless, the transition to a low-carbon economy brings risks and opportunities for the economy and for financial companies, while the physical damage caused by climate change and environmental degradation can significantly affect the real economy and the financial system.

In line with this social concern, Unicaja's Strategic Plan for the years 2022-2024 defines sustainability as one of the basic pillars for business development and risk management. In this way, Unicaja has implemented a Sustainable Finance Action Plan that includes different initiatives both in the area of business and climate risk management, with the aim of achieving maximum alignment with best practices in this area.

Regarding the risk management framework, the method used by Unicaja to quantify the climate risks to which it is exposed involves a detailed and multidimensional approach, focused on the analysis of the materiality of climate and environmental risks. This analysis considers how these risks can act as drivers of the traditional risks that the Group already manages. The process and its key components are described below:

1. Identification of climate and environmental risks: Firstly, an exhaustive identification of the climate and environmental risks relevant to the Bank is carried out. This includes both physical risks (such as extreme weather events and changes in weather patterns) and transitional risks (regulatory, technological, market and reputational changes associated with the transition to a low-carbon economy).

2. Materiality analysis: The next step is to determine the materiality of these risks to assess the extent to which they may significantly affect the Bank. This materiality analysis involves not only considering the potential impact of the risks themselves, but also how they may influence or exacerbate traditional risks.

3. Integration with traditional risks: Once identified and assessed in terms of their materiality, these climate and environmental risks are integrated into the Bank's overall risk management framework. This involves adjusting existing risk models to include these new factors, as well as developing new models and approaches where necessary.

4. Modeling and scenarios: For actual quantification, models and scenario analysis are used. This includes the use of climate risk models to project possible future impacts under different scenarios (such as global warming scenarios). These models help to understand how different climate risk trajectories could impact the Bank's traditional risks.

5. Continuous updating and follow-up: Given that both climate issues and the regulatory and market environment are constantly evolving, the quantification of these risks requires a process of continuous review and updating. This ensures that the Group maintains an up-to-date and relevant understanding of its exposure to these risks and their potential impact.

In summary, the Unicaja Group's approach to quantifying climate and environmental risks involves a detailed integration of these factors into the Group's traditional risk framework. In doing so, Unicaja not only improves its understanding and management of these emerging risks, but also proactively positions itself to respond to the challenges and opportunities they present in the current financial context.

In order to carry out an adequate governance of this process, Unicaja has set up the Sustainability Committee, which is responsible, among other matters, for reporting on the sustainability policies that have to be submitted to the Board of Directors for approval, in order to promote the inclusion of corporate culture and fulfill the mission of promoting social interest, taking into account the different stakeholders, as well as to supervise that the Unicaja Group's practices related to sustainability are in line with the strategy, the policies set and the commitments acquired. This Committee is also responsible for advising the Board of Directors in decision-making on sustainability matters with the Audit and Regulatory Compliance and the Risk Committees, providing whatever assistance may be required within the framework of their respective competencies, and acting in coordination with both Committees.

With the reorganization of functions that took place in 2023, two departments were created with functions and responsibilities in the area of climate and environmental risk management.

- The ESG Strategy Department (part of the CEO's Office and Strategy Department) is responsible for promoting and coordinating the implementation of an ethical, environmental and socially responsible management model integrated into the Company's strategy and processes, in accordance with applicable regulations, regulators' and supervisors' guidelines and market trends.

- The main functions of the ESG Department (part of the Credit Risk and ESG Department) are to design the necessary actions to respond to the expectations of stakeholders on sustainability, identifying and promoting the materialization of new business opportunities arising both from accompanying customers in the investments required for the transition to a more sustainable model and from the development of ecosystems and a catalog of sustainable products, as well as ensuring the integration of ESG risks in business management, through their identification, measurement, management and monitoring, and defining, proposing and implementing policies, strategies and metrics in the area of credit risk, as well as the delegated powers and authorities.

Lastly, the Unicaja Group has included in the Risk Appetite Framework a series of climate-related and environmental risk metrics that constitute indicators of the level of climate and environmental risks.

1.9. Minimum requirements

1.9.1. Minimum capital requirements

Applicable regulations

Regulatory capital for financial institutions is regulated by Regulation 575/2013 (CRR) and Directive 2013/36/EU of the European Parliament and of the Council (CRD IV) which transposed the Basel III regulatory framework (BIS III) in the European Union. While the CRR was directly applicable in Spain, the CRD IV was transposed into Spanish law through Law 10/2014 on the regulation, supervision and solvency of credit institutions and its subsequent regulatory implementation through Royal Decree 84/2015 and Bank of Spain Circular 2/2016. Regulatory capital is the metric required by regulators and used by analysts and investors to compare financial institutions. Furthermore, subsequent to the 2013 European legal transposition, the Basel Committee and other competent bodies have published additional standards and documents, with new specifications in the calculation of equity. This entails a state of permanent development, whereby the Group is continuously adapting processes and systems to ensure that the calculation of capital consumption and equity deductions is fully aligned with the newly established requirements.

In addition, Bank of Spain Circular for Credit Institutions 2/2016 of February 2, 2016, regarding monitoring and solvency, came into force on February 10, 2016. This standard, designed to complete the adaptation of the Spanish legal system to Directive 2013/36/EU and Regulation 575/2013, repealed Bank of Spain Circular 3/2008.

On May 20, 2019, the European Parliament and the Council of the European Union approved Regulation (EU) 2019/876, which modified the CRR in relation to the following areas: leverage ratio, net stable financing ratio, eligible own funds and liabilities, counterparty credit risk, market risk, exposure to central counterparty entities, exposure to collective investment bodies, and high exposure in addition to the requirements in relation to the presentation and disclosure of the information and Regulation (EU) 648/2012.

On June 24, 2020, the European Parliament and the Council of the European Union approved Regulation 2020/873, amending Regulation 575/2013, and Regulation 2019/876, amending the CRR and CRR II in terms of certain adjustments in response to the COVID-19 pandemic (“quickfix”). The main amendments are established in the following areas: credit risk hedges (temporary provisions IFRS 9, etc.), the leverage ratio, exposure granted to employees/pensioners, the factor of support for SMEs, exemption from deductions on certain software assets, and also establishing a temporary prudential filter to neutralize the impact of losses not occurring in public debt and market risk.

The aforementioned Regulation (EU) No. 575/2013 lays down consistent standards to be met by entities regarding: 1) equity requirements as to credit risk, market risk, operating risk and settlement risk elements; 2) requirements aimed at limiting major risks; 3) liquidity risk coverage regarding fully quantifiable, consistent and standardized items, once developed by virtue of a Commission delegated action; 4) setting of the leverage ratio; and 5) information and public disclosure requirements.

With regard to equity requirements, the aforementioned Regulation introduced a review of the concept and the components of equity required from entities by regulation. They consist of two elements: Tier 1 capital and Tier 2 capital. In addition, Tier 1 capital is equal to the sum of common equity Tier 1 capital and additional Tier 1 capital. In other words, Tier 1 capital consists of those instruments capable of absorbing losses when the entity is in operation, while the elements of Tier 2 capital will absorb losses mainly when the entity is not feasible.

Additionally, the regime under Directive 2014/59/EU (BRRD) and Regulation 806/2014/EU (SRM) of the European Parliament and of the Council establishing a framework for the restructuring and resolution of credit institutions and investment firms, which was implemented in Spain through Law 11/2015 and Royal Decree 1012/2015, states that banks must have a minimum level of eligible capital and liabilities (MREL). With the application of this regulatory reform, the MREL requirement is expressed as a percentage of risk-weighted assets and exposure for the calculation of the leverage ratio.

All this constitutes the current regulations that govern the equity that Spanish credit institutions must maintain, both individually and as a consolidated group, and the manner in which such capital must be determined, as well as the different capital self-assessment processes that must be carried out and the public information that must be disclosed to the market.

Minimum capital requirements

In accordance with these regulations, the capital ratios required for 2023 are as follows:

- A common equity Tier 1 capital ratio of 4.5%.
- A Tier 1 capital ratio (common plus additional) of 6%.
- A total capital ratio (including Tier 2) of 8%.
- An additional capital conservation buffer of 2.5%.

With regard to the countercyclical capital buffer, established in Article 45 of Law 10/2014, the Bank of Spain agreed to set this buffer at 0% for credit exposures in Spain from January 1, 2016 onward.

For the 2023 fiscal year, the European Central Bank requires the Unicaja Group, within the framework of the aforementioned SREP, to comply with a minimum phase-in total capital ratio of 12.75% (the result of adding the minimum required by Pillar 1 of 8%, plus a Pillar 2 requirement of 2.25% and the capital conservation buffer of 2.5%) and a minimum Common Equity Tier 1 (CET 1) *phase-in* ratio of 8.27% (the sum of the minimum Pillar 1 requirement of 4.5%, plus a Pillar 2 requirement of 1.27% (to cover at least three quarters of the Pillar 2 regulatory requirement through CET1 and at least three quarters with Tier 1) plus the capital conservation buffer of 2.5%).

The capital requirements that the Unicaja Group will have to meet in 2024, according to the aforementioned SREP process, amount to a minimum *phase-in* total capital ratio of 12.75% (the result of adding the minimum required by Pillar 1 of 8%, plus a Pillar 2 requirement of 2.25% and the capital conservation buffer of 2.5%) and a minimum Common Equity Tier 1 (CET 1) *phase-in* ratio of 8.27% (the sum of the minimum Pillar 1 requirement of 4.5%, plus a Pillar 2 requirement of 1.27% (to cover at least three quarters of the Pillar 2 regulatory requirement through CET1 and at least three quarters with Tier 1) plus the capital conservation buffer of 2.5%).

As a consequence of these requirements, the CET1 *phase-in* and total capital *phase-in* ratios mentioned above are also established as the minimum levels below which Unicaja would be obliged to calculate the maximum distributable amount (MDA) that would limit its distributions in the form of dividends and variable remuneration.

The CET1 capital ratio of the Unicaja Group at December 31, 2023, is 14.98%, while the total capital ratio amounts to 18.82% (both including retained earnings for the year). Consequently, with the current levels of capital, the Unicaja Group has covered the capital requirements set by the European Central Bank and, therefore, has no limitations to the distributions of results of those referred to in Regulation (EU) No. 575/2013.

Following is a breakdown of the main figures related to the capital ratios applicable to the Group, as established in Regulation (EU) No. 575/2013,, at December 31, 2023 and 2022:

Thousands of euros	2023	2022
Computable Common Equity Tier 1 Capital (a)	4,469,989	4,658,865
Computable Additional Tier 1 Capital (b)	547,360	547,385
Computable Tier 2 Capital (c)	600,000	611,760
Risks (d)	29,840,728	34,133,035
Common Equity Tier 1 Capital Ratio (CET 1) (A) = (a)/(d)	14.98%	13.65%
Additional Tier 1 Capital Ratio (AT 1) (B) = (b)/(d)	1.83%	1.6%
Tier 1 Capital Ratio (Tier 1) (A)+ (B)	16.81%	15.25%
Tier 2 Capital Ratio (Tier 2) (C)=(c)/(d)	2.01%	1.79%
Total capital Ratio (A) + (B) + (C)	**18.82%**	**17.05%**

Note: At December 31, 2023 and 2022, the common equity tier 1 capital basically included capital, the share issue premium, the Bank's reserves net of deductions (intangible assets), and the portion of consolidated income for the fiscal years 2023 and 2022 respectively, that will be allocated to reserves once the distribution of income has been approved. Tier 2 capital basically includes subordinated debt issues.

The leverage ratio is a regulatory measure complementary to capital that seeks to guarantee the soundness and financial strength of entities in terms of indebtedness. This measure estimates the percentage of assets and off-balance sheet items that are financed with Tier 1 capital, with the carrying value of the assets adjusted to reflect the Group's current or potential leverage with a given balance sheet position (referred to as "Exposure").

Following is the composition of the leverage ratio, calculated in accordance with the CRR, at December 31, 2023, and 2022:

Thousands of euros	2023	2022
Tier 1 Capital (a)	5,017,349	5,206,250
Exposure (b)	95,885,533	97,393,448
Leverage Ratio (a)/(b)	**5.23%**	**5.35%**

The total capital surplus, taking into account the equity requirements in accordance with the regulation of Directive 2013/36/ EU (CRD-IV) and EU Regulation no. 575/2013 (CRR) (Pillar 1), the additional requirements demanded of the Unicaja Group as a result of the 2023 SREP (Pillar 2), and the capital conservation buffer of 2.5%, amount to 2,003,466,000 euros at December 31, 2023. Similarly, the CET1 surplus taking into account all the previous requirements, applied at the CET1 level, amounts to 1,812,656,000 euros as at December 31, 2023.

In 2021, Unicaja received authorization from the European Central Bank to use internal models to calculate its solvency ratios. Specifically, the Governing Council of the European Central Bank granted Unicaja the authorization to apply the A-IRB models to the calculation of capital requirements for credit risk of its retail portfolio (not SMEs), except for the part of the portfolio acquired through the merger with Liberbank. In 2023 this authorization was extended to the corresponding portion of the retail (non-SME) credit risk portfolios from Liberbank.

Solvency risk management

Solvency risk responds to the potential restriction in the Group's ability to adapt its volume of equity to regulatory requirements or to changes in its risk profile.

As regards the capital self-assessment process and solvency risk management, the Unicaja Group uses strict follow-up to maintain the following basic principles as regards risk management processes:

- Rigorous attention to permanently maintaining a prudent and balanced risk profile, preserving the objectives of solvency, profitability and adequate liquidity.
- Active participation and supervision of Senior Management, who approve the Bank's general business strategies and policies and set the general guidelines for risk management and control in the entity.
- General internal control environment.
- Segregation of functions, with the entity's risk measurement and control process being completely independent of the risk-taking function.
- Prudent management of credit risk exposure, in particular by avoiding projects of uncertain viability and limiting the amount of investment based on sufficient collateral parameters.
- Selection of appropriate methodologies for measuring the risks incurred.

Group policies, methods and procedures related to Global Risk Management are approved by the Parent Company's Board of Directors. The governing bodies and management of Unicaja, as the Group's Parent Company, are responsible for ensuring proper compliance with these policies, methods and procedures, ensuring that they are adequate, effectively implemented and reviewed on a regular basis.

1.9.2. Minimum reserve ratio

In fiscal years 2023 and 2022, the Bank complied with the minimum required for this ratio by the applicable Spanish regulations.

1.10. Deposit Guarantee Fund

Unicaja is integrated into the Credit Institution Deposit Guarantee Fund. The ordinary annual contribution to be made by the entities in this fund, established by Royal Decree-Law 16/2011, of October 14, 2011, creating the Deposit Guarantee Fund, is determined by the Fund Management Committee based on the guaranteed deposits of each entity and their risk profiles.

The purpose of the Credit Institution Deposit Guarantee Fund is to ensure the reimbursement of guaranteed deposits whenever the depository entity declares insolvency proceedings or upon deposit default, provided that no entity resolution process had been agreed up to the limit established in the aforementioned Royal Decree. To meet these objectives, the Fund if financed by the annual contributions, extraordinary fees the Fund receives from member entities and the funds raised in the securities markets, loans and other debt operations.

During 2023 and 2022, the expense incurred for ordinary and additional contributions and extraordinary fees paid to this body amounted to 88,275,000 euros and 87,665,000 euros respectively, recorded under "Other operating expenses" in the consolidated income statement (Note 39).

With regard to ordinary contributions, on November 7, 2015, Royal Decree 1012/2015, on November 6, was published, implementing Law 11/2015, on June 18, on the recovery and resolution of credit institutions and investment services companies, and amending Royal Decree 2606/1996, dated December 20, on deposit guarantee funds of credit institutions. Among the amendments incorporated, the definition of the assets of the Deposit Guarantee Fund for Credit Institutions (hereinafter, FGDEC) is changed, indicating that the Management Committee will determine the annual contributions of the entities assigned to the Fund, in accordance with the criteria established in Article 6 of Royal Decree-Law 16/2011, of October 14, which created the FGDEC. For this purpose, the basis for calculating the contributions that the entities must make to each compartment of the Fund will be as follows:

a) In the case of contributions to the Deposit Guarantee Compartment, guaranteed deposits, as defined in Article 4.1.

b) In the case of contributions to the securities guarantee compartment, 5% of the market price on the last trading day of the year, in the corresponding secondary market, of the guaranteed securities, as defined in Article 4.2, existing at the end of the fiscal year. When the latter include securities and financial instruments not traded in a secondary market, whether Spanish or foreign, their calculation will be based on their nominal or redemption value, whichever is more appropriate for the type of security or financial instrument in question, unless another more significant value has been declared or is recorded for the purposes of their deposit or registration.

For fiscal year 2023, the DGFCI's Managing Committee, pursuant to the provisions of Article 6 of Royal Decree-Law 16/2011 and Article 3 of Royal Decree 2606/1996, set the annual contributions of the entities assigned to the DGFCI as follows:

– Annual contribution to the DGFCI's deposit guarantee compartment equal to 1.75 per thousand of the calculation basis of the contributions to this compartment defined in Article 3.2.a) of Royal Decree 2606/1996, existing at December 31, 2022, with the contribution of each entity calculated on the basis of the amount of guaranteed deposits and its risk profile.

– Annual contribution to the DGFCI's Securities Guarantee Compartment equal to 2‰ of the calculation basis, made up of 5% of the amount of the guaranteed securities as stated in Article 3.2.b) of Royal Decree 2606/1996, existing at December 31, 2023.

Pursuant to Article 6.6 of Royal Decree-Law 16/2011, October 14, contributions to a sub-fund will be suspended when the equity fund not committed in transactions inherent to the purpose of such sub-fund equals or exceeds 1% of the total amounts guaranteed by the sub-fund.

1.11. Contributions to the Single Resolution Fund

In March 2014, the Parliament and the European Council reached a political agreement on the creation of the banking union's second pillar: the Single Resolution Mechanism (SRM) which began work as an independent body of the European Union on January 1, 2015.

The main objective of the SRM is to ensure that bank failures in the European banking union are managed efficiently, with minimum costs for the taxpayer and the real economy. The scope of action of the SRM is identical to that of the Single Supervisory Mechanism (SSM), i.e. a central authority. The Single Resolution Board (SRB) is ultimately responsible for the decision to begin the resolution of a bank, although the operating decision to carry out a resolution will be applied in cooperation with the national resolution authorities.

The rules governing the banking union are intended to firstly ensure that banks and their shareholders are the ones to finance resolutions and also partially the bank's creditors, if necessary. However, another source of financing is also available, to which banks may have recourse if the contributions of the bank's shareholders and creditors are not sufficient. This is the Single Resolution Fund (SRF), managed by the SRB. The legislation provides that banks must make contributions to the SRF over a period of eight years.

In this regard, on January 1, 2016, the Single Resolution Fund came into operation, which has been implemented by Regulation (EU) No. 806/2014 of the European Parliament and of the Council, and is managed by the Single Resolution Board, which is responsible for the calculation of the contributions to be made by the credit institutions and investment services companies defined in Article 2 of the aforementioned Regulation, in compliance with the rules defined in Commission Delegated Regulation (EU) 2015/63 of 21 October 2014 supplementing Directive 2014/59/EU of the European Parliament and of the Council as regards ex ante contributions to resolution financing arrangements.

In accordance with Article 4 of Delegated Regulation (EU) 2015/63, resolution authorities will determine the annual contributions to be paid by each institution in proportion to its risk profile on the basis of the information provided by the institution in accordance with Article 14 of that Delegated Regulation and applying the methods described therein. The resolution authority will determine the annual contribution on the basis of the annual funding level of the resolution financing mechanism and taking into account the funding level to be reached by 31 December 2024 at the latest, in accordance with Article 102(1) of Directive 2014/59/EU, and on the basis of the average amount of guaranteed deposits for the preceding year, calculated on a quarterly basis, of all institutions authorized in its territory.

Furthermore, in accordance with Article 103 of Directive 2014/59/EU, the available financial resources to be taken into account to reach the target level for the Single Resolution Fund may include irrevocable payment commitments fully backed by collateral of low-risk assets unencumbered by third-party claims, freely available and allocated for the exclusive use of resolution authorities for the purposes specified in the Directive itself. The portion of irrevocable payment commitments will not exceed 30% of the total amount collected through ex-ante contributions.

The expense recorded under “Other operating expenses” in the consolidated income statement at December 31, 2023 and 2022 for the contributions made to the Single Resolution Fund amounts to 43,684,000 euros and 24,149,000 euros respectively (Note 39).

1.12. Changes in International Financial Reporting Standards

During the 2023 financial year, the following International Financial Reporting Standards and their interpretations became mandatory and were, therefore, applied in the preparation of the consolidated financial statements of the Unicaja Group for December 31, 2023:

Standards, modifications and interpretations (Note 1.12.1)	Description	Mandatory application for fiscal years beginning on or after
GROUP 17	Insurance contracts	January 01, 2023
Amendment IFRS 17	Initial Application of IFRS 17 and IFRS 9 - Comparative Information	January 01, 2023
Amendment to IAS 1	Breakdown of accounting policies	January 01, 2023
Amendment to IAS 8	Definition of accounting estimates	January 01, 2023
Amendment to IAS 12	Deferred tax related to assets and liabilities arising from a single transaction	January 01, 2023
Amendment to IAS 12	International tax reform: OECD Pillar Two	31 December 2023 (*)

(*) A breakdown of the information included in this IAS 12 Amendment is not required in the interim financial statements for any interim period ending on or before December 31, 2023.

At the date of preparation of these consolidated financial statements, the following standards and interpretations (the most relevant adopted at that date) issued by the IASB have not yet come into force, either because their effective date is subsequent to the date of the consolidated financial statements or because they have not yet been adopted by the European Union:

Standards, modifications and interpretations (Note 1.12.2)	Description	Mandatory application for fiscal years beginning on or after
Amendment IFRS 16	Lease liability in a sale and leaseback transaction	January 01, 2024
Amendment to IAS 1	Classification of liabilities as current or non-current	January 01, 2024
Amendment to IAS 1	Non-current liabilities with conditions (covenants)	January 01, 2024
Amendment to IAS 7 and IFRS 7	Vendor financing agreements (confirming)	January 01, 2024
Amendment to IAS 21	Lack of exchangeability	January 01, 2025
Amendment to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associates or joint ventures	(*)

(*) Originally, the amendments to IFRS 10 and IAS 28 were effective for annual periods beginning on or after January 1, 2016. However, at the end of 2015, the IASB decided to postpone their effective date (without setting a new specific date), as it was planning a broader review that may result in simplifying the accounting for these transactions and other accounting aspects for associates and joint ventures.

The Bank's directors believe that the application of most of these standards will not have a material impact on the Group's consolidated financial statements.

1.12.1. Standards and interpretations in effect during the reporting period

The following amendments to IFRS or interpretations of IFRS (hereinafter "IFRIC") came into force in 2023:

- IFRS 17 "Insurance Contracts": IFRS 17 replaces IFRS 4 "Insurance Contracts," which allowed for a wide range of accounting practices. The new standard fundamentally changes the accounting for all entities that issue insurance contracts and investment contracts with discretionary participation components. In June 2020, the IASB modified the standard, developing specific amendments and clarifications aimed at facilitating the implementation of the new standard, although the fundamental principles of the standard did not change. The standard has been in force for periods beginning after January 1, 2023.

- IFRS 17 (Amendment) "Initial Application of IFRS 17 and IFRS 9 - Comparative Information": The IASB published an amendment to IFRS 17 that introduces limited-scope modifications to the transition requirements of IFRS 17 "Insurance Contracts" while not affecting any other of its requirements. IFRS 17 and IFRS 9 "Financial instruments" have different transition requirements. For some entities, these differences may result in one-off accounting asymmetries between their financial assets and the liabilities from insurance contracts in the comparative information they present in their financial statements when they apply IFRS 17 and IFRS 9 for the first time. The amendment will help insurers avoid these asymmetries and thus improve the usefulness of comparative information for investors. This amendment has been in force for periods beginning on or after January 1, 2023.

- IAS 1 (Amendment) "Disclosure of accounting policies": IAS 1 has been amended to improve disclosures about accounting policies to provide more useful information to investors and other primary users of financial statements. The effective date of these amendments was January 1, 2023.

- IAS 8 (Amendment) "Definition of accounting estimates": IAS 8 has been amended to help distinguish between changes in accounting estimates and changes in accounting policies. The effective date of these amendments was January 1, 2023.

- IAS 12 (Amendment) "Deferred tax related to assets and liabilities arising from a single transaction": In certain circumstances under IAS 12, companies are exempt from recognizing deferred taxes when they first recognize assets or liabilities ("initial recognition exemption"). Previously, there was some uncertainty as to whether the exemption applied to transactions such as leases and decommissioning obligations, transactions for which both an asset and a liability are recognized upon initial recognition. The amendment clarifies that the exemption does not apply and, therefore, there is an obligation to recognize deferred taxes on such transactions. The amendment came into force for periods beginning on or after January 1, 2023.

- IAS 12 (Amendment) "International tax reform: Second OECD Pillar." In October 2021, more than 130 countries, representing more than 90% of global GDP, agreed to implement a minimum tax scheme for multinational companies: the "Second Pillar." In December 2021, the Organization for Economic Co-operation and Development (OECD) published the Pillar Two model rules for reforming international corporate taxation. Affected large multinational companies must calculate their effective GloBE (acronym for "Global Anti-Base Erosion") tax rate for each jurisdiction in which they operate. These companies will be required to pay an additional tax on the difference between their effective GloBE tax rate by jurisdiction and the minimum 15% rate.

  In May 2023, the IASB issued limited scope amendments to IAS 12. A temporary exemption from the requirement to recognize and itemize deferred taxes arising from an enacted or substantially enacted tax law implementing Pillar Two model rules issued by the OECD was provided.

  The amendments also introduced the following specific disclosure requirements for the affected companies:

  – The fact of having applied the temporary exception to the recognition and disclosure of information on deferred tax assets and liabilities related to income tax arising from Pillar Two;

  – Its current tax expense (if any) related to income tax arising from Pillar Two.

  – During the time period between the enactment or substantive enactment of the legislation and the effective date of the legislation, entities are required to disclose known or reasonably estimable information that would assist users of the financial statements in understanding the entity's exposure to income taxes arising from Pillar Two.

  On the one hand, the amendment to IAS 12 is required to be applied immediately and retrospectively in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors," including the requirement to disclose the fact that said temporary exception has been applied, if relevant. Disclosures related to current tax expense and known or reasonably estimable exposure to Pillar Two income tax are mandatory for annual periods beginning on or after January 1, 2023. However, no disclosure of this information is required in the interim financial statements for any interim period ending on or before December 31, 2023. Regarding the disclosure requirements of IAS 12, see Note 24.3.

Except for the impacts derived from the first application of IFRS 17, which are described in Note 1.12.3, the application of the aforementioned accounting standards and interpretations did not have a significant effect on the Group's consolidated financial statements.

1.12.2. Standards and interpretations issued and not yet in force

At the date of preparation of these consolidated financial statements, new International Financial Reporting Standards had been published, as well as interpretations thereof, which are not mandatory for financial year 2023 and which the Group has not applied at that date. At the present date, the analysis of future impacts, if any, that could result from the adoption of these standards has not yet been completed, although no significant impacts are expected to arise from their implementation. These standards are as follows:

- IFRS 16 (Amendment) “Lease liability on a sale and leaseback”: IFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place. However, it did not specify how to record a transaction after that date. This amendment explains how a company should account for a sale and leaseback after the date of the transaction. The effective date of this amendment is January 1, 2024, although early adoption is permitted.

- IAS 1 (Amendment) “Non-current Liabilities with Covenants”: These amendments, which were issued in January 2020, clarify that liabilities are to be classified as current or non-current depending on the rights that exist at the end of the reporting period. The classification is not affected by the entity’s expectations or events after the reporting date (e.g. receipt of a waiver or covenant breach). The amendment also clarifies what IAS 1 means when it refers to the “settlement” of a liability. The effective date of this amendment was January 1, 2022, its early adoption being permitted. However, in July 2020 an amendment was passed to change the effective date of the amendment to January 1, 2023. In October 2022, an amendment was passed that postponed the effective date of this amendment to January 1, 2024, among other changes. After October 2022, if this amendment is applied to an earlier period, the amendment to IAS 1 issued in October 2022 should be applied. These amendments are pending approval by the European Union.

- IAS 1 (Amendment) “Non-current liabilities with conditions (covenants)”: In October 2022, the IASB issued an amendment to IAS 1 “Presentation of Financial Statements” in response to concerns raised about the application of previous amendments to IAS 1 (in January and July 2020) regarding the classification of liabilities as current or non-current. The new amendment sought to improve the information provided where the right to defer payment of a liability is subject to the fulfillment of conditions (covenants) within twelve months after the reporting period. This amendment applies to periods beginning on or after January 1, 2024. Early implementation of the amendment is permitted, although approval by the European Union is still pending.

- IAS 7 (Amendment) and IFRS 7 (Amendment) “Vendor financing arrangements (confirming)”: The IASB has amended IAS 7 and IFRS 7 to improve disclosures about vendor financing arrangements (confirming) and their effects on a company’s liabilities, cash flows and exposure to liquidity risk. The amendment is a response to investor concerns that the vendor financing arrangements of some companies are not sufficiently visible. This amendment will come into effect for fiscal years beginning on or after January 1, 2024. Early implementation of the amendment is permitted, although approval by the European Union is still pending.

- IAS 21 (Amendment) “Lack of exchangeability”: The IASB amended IAS 21 to add requirements to assist entities in determining whether a currency is exchangeable for another currency and the spot rate to use when it is not. When a currency cannot be exchanged for another currency, it is necessary to estimate the spot exchange rate on a valuation date in order to determine the rate at which an orderly exchange transaction would take place on that date between market participants under the prevailing economic conditions. When an entity first applies the new requirements, it is not permitted to restate comparative information. Instead, the affected amounts are required to be translated at estimated spot exchange rates at the date of initial application of the modification, with an adjustment against reserves. This amendment will come into effect for fiscal years beginning on or after January 1, 2025. Early implementation of the amendment is permitted, although approval by the European Union is still pending.

- IFRS 10 (Amendment) and IAS 28 (Amendment) “Sale or contribution of assets between an investor and its associates or joint ventures”: These amendments clarify the accounting treatment of sales and contributions of assets between an investor and its associates and joint ventures depending on whether the non-cash assets sold or contributed to an associate or joint venture constitute a “business”. The investor will recognize the full gain or loss when the non-monetary assets constitute a “business”. If the assets do not meet the definition of a business, the investor recognizes gain or loss to the extent of the interests of other investors. The amendments will only apply when an investor sells or contributes assets to its associate or joint venture. Originally, these amendments to IFRS 10 and IAS 28 were prospective and effective for periods beginning on or after January 1, 2016. However, at the end of 2015, the IASB decided to postpone their effective date (without setting a new specific date), as it was planning a broader review that may result in simplifying the accounting for these transactions and other accounting aspects for associates and joint ventures.

The Bank’s directors believe that the application of most of these standards will not have a material impact on the Group’s consolidated financial statements.

1.12.3. First-time application of IFRS 17 on insurance contracts

As regards IFRS 17, the Unicaja Banco Group has finalized the process of estimating the impact of the new standard, which it started to apply from January 1, 2023 (the effective date of the new accounting standard). The IFRS 17 introduction project has been executed on the basis of on a roadmap with various planned milestones, both for the insurance companies that are part of the Group and for the insurance companies over which it has significant influence.

The impacts of the first application of IFRS 17 have varied depending on the term of the commitments associated with insurance contracts:

- For long-term commitments in which the general model has been used, known as the Building Block Approach (BBA), the transition to IFRS 17 was carried out by valuing the contracts using the fair value approach, due to the difficulty and disproportionate cost of obtaining the historical data needed to apply a fully retrospective approach considering the age of the products on the balance sheet and their remaining duration. The impact of the first application of the standard was mainly due to the effect of interest rates, although this was partially mitigated by the valuation of the associated financial assets.

- For Unit-linked products, where the Variable Fee Approach (VFA) model is used, the transition to IFRS 17 has also been made using the fair value approach, as with the general model, since they are insurance contracts with direct participation, which are insurance contracts that constitute service contracts related to investments by virtue of which the entity promises an investment return based on underlying elements. The impact of the first application of the standard has been mainly due to the implicit margins of these products.

- For short-term commitments, the simplified Premium Allocation Approach (PPA) model has been used, no significant differences in their valuation with respect to the previous standards having been identified.

In view of the foregoing, the first application of IFRS 17 has not had a significant impact on the Unicaja Banco Group’s equity, nor on Common Equity Tier 1 (CET1) capital either.

The new accounting principles and criteria that the Group has begun to apply to its insurance and reinsurance contracts as from January 1, 2023, pursuant to IFRS 17, are discussed in detail in Note 2.21.

In this sense, the date of transition of IFRS 17 is January 1, 2022. The Unicaja Group has restated the comparative financial information of the consolidated balance sheet as of January 1, 2022 and December 31, 2022, as well as the comparative financial information of the consolidated income statement, the consolidated recognized income and expenses statement, the total statement of changes in the consolidated net equity and the consolidated cash flow statement for 2022. The following is a detail of the restatement of the consolidated balance sheet as of January 1, 2023 and the consolidated income statement for 2022.

Restatement of the consolidated balance sheet as of the effective date: January 01, 2023

Thousands of euros	**Formulated 12/31/2022**	**Reclassifications in new headings**	**Impact of the new regulations**	**Restated 01/01/2023**
Cash, cash balances in central banks and other demand deposits	4,661,826	-	-	4,661,826
Financial assets held for trading negotiate	57,101	-	4,058	61,159
Non-trading financial assets obligatorily valued at a fair value through changes in income	146,549	-	-	146,549
Financial assets at fair value through through other comprehensive income	1,031,186	-	(23,380)	1,007,806
Financial assets at amortized cost	82,182,807	-	241	82,183,048
Derivatives - hedge accounting	1,812,887	-	-	1,812,887
Changes in the fair value of the hedged items of a portfolio with hedged interest rate risk	(237,836)	-	-	(237,836)
Investment in joint ventures and associates	976,478	-	(11,763)	964,715
Assets covered by insurance and reinsurance contracts	1,829	(1,829)	-	-
Assets from insurance contracts	-	-	-	-
Assets from reinsurance contracts	-	1,829	(357)	1,472
Tangible assets	1,995,541	-	-	1,995,541
Intangible assets	74,750	-	-	74,750
Tax assets	5,077,733	-	(1,450)	5,076,283
Other assets	663,780	-	(1,418)	662,362
Non-current assets and groups of disposable elements that have been classified	558,422	-	-	558,422
Total assets	**99,003,053**	**-**	**(34,069)**	**98,968,984**

Thousands of euros	**Formulated 12/31/2022**	**Reclassifications in new headings**	**Impact of the new regulations**	**Restated 01/01/2023**
Financial liabilities held for negotiate	53,174	-	131	53,305
Financial liabilities at amortized cost	88,936,640	-	(3,879)	88,932,761
Derivatives - hedge accounting	1,081,824	-	-	1,081,824
Liabilities covered by insurance or reinsurance contracts	504,893	(504,893)	-	-
Liabilities from insurance contracts	-	504,893	(36,432)	468,461
Liabilities from reinsurance contracts	-	-	-	-
Provisions	1,085,330	-	-	1,085,330
Tax liabilities	366,157	-	(1,677)	364,480
Other liabilities	511,086	-	12,683	523,769
Total liabilities	**92,539,104**	**-**	**(29,174)**	**92,509,930**

Thousands of euros	Formulated 12/31/2022	Reclassifications in new headings	Impact of the new regulations	Restated 01/01/2023
Own funds	**6,616,701**	**-**	**(151,519)**	**6,465,182**
Capital	663,708	-	-	663,708
Share premium	1,209,423	-	-	1,209,423
Equity instruments issued other than capital	547,385	-	-	547,385
Accumulated earnings	3,790,062	-	-	3,790,062
Other reserves	146,681	-	(169,418)	(22,737)
Own shares (-)	(235)	-	-	(235)
Profit attributable to the owners of the parent company	259,677	-	17,899	277,576
Other cumulative comprehensive	**(153,197)**	**-**	**146,624**	**(6,573)**
Elements that will not be reclassified as profit or loss	230	-	25	255
Actuarial gains or losses on pension plans with defined benefits	(1,684)	-	-	(1,684)
Share in other recognized income and expenses of investments in joint ventures and associates	16,060	-	-	16,060
Changes in the fair value of the equity instruments at fair value through comprehensive income	(14,146)	-	25	(14,121)
Items that can be reclassified as profit or loss	(153,427)	-	146,599	(6,828)
Currency conversion	(148)	-	43	(105)
Hedging derivatives - Cash flow hedging reserve (efficient part)	(98,702)	-	-	(98,702)
Changes in the fair value of the debt instruments valued at fair value through comprehensive income	(38,176)	-	(15,188)	(53,364)
Financial income and expenses from insurance contracts	-	-	77,902	77,902
Share in other recognized income and expenses of investments in joint ventures and associates	(16,401)	-	83,842	67,441
Minority interest	**445**	**-**	**-**	**445**
Total net equity	**6,463,949**	**-**	**(4,895)**	**6,459,054**
Total liabilities and net equity	**99,003,053**	**-**	**(34,069)**	**98,968,984**

Restatement in the consolidated income statement for 2022:

Thousands of euros	Formulated 2022	Reclassifications in new headings	Impact of the new regulations	Restated 2022
Interest income	1,259,780	-	15,054	1,274,834
Interest expense	(201,597)	-	-	(201,597)
NET INTEREST MARGIN	**1,058,183**	**-**	**15,054**	**1,073,237**
Dividend income	18,167	-	268	18,435
Profit or (loss) of entities accounted for	71,075	-	9,228	80,303
Fee revenue	573,244	-	-	573,244
Fee expenses	(48,212)	-	-	(48,212)
Gains or losses on the derecognition of financial assets and liabilities not valued at fair value in profit or loss, net	36,292	-	-	36,292
Net gains or losses from financial assets and liabilities held	14,680	-	(4,376)	10,304
Net gains or losses from financial assets not held for trading mandatorily valued at fair value	(9,216)	-	-	(9,216)
Net gains or losses from financial assets financial liabilities valued at fair value through	-	-	-	-
Net gains or losses from hedge accounting	5,512	-	-	5,512
Exchange differences (profit or loss), net	9,546	-	-	9,546
Other operating income	82,734	-	84	82,818
Other operating expenses	(241,313)	-	-	(241,313)
Income from assets covered by insurance and reinsurance	51,685	-	(51,685)	-
Expenses from liabilities covered by insurance and reinsurance	(38,035)	-	38,035	-
Profit or (loss) from the insurance	-	-	14,696	14,696
Profit or (loss) from reinsurance contracts	-	-	161	161
GROSS MARGIN	**1,584,342**	**-**	**21,465**	**1,605,807**
Administrative expenses	(771,418)	-	99	(771,319)
Amortization	(90,400)	-	-	(90,400)
Provision or reversal of provisions	(93,919)	-	-	(93,919)
Impairment of the value or reversal of the impairment of non-financial not valued at fair value through results and losses or (-)	(214,203)	-	70	(214,133)
PROFIT OR (LOSS) FROM THE OPERATING ACTIVITY	**414,402**	**-**	**21,634**	**436,036**

Thousands of euros	Formulated 2022	Reclassifications in new headings	Impact of the new regulations	Restated 2022
(continued on next page)				
Impairment of the value or reversal of the of the value of investments in joint ventures and associates	(535)	-	-	(535)
Impairment of the value or reversal of the impairment of non-financial assets	(70,545)	-	-	(70,545)
Gains or losses on the derecognition of non-financial assets, net	8,348	-	-	8,348
Negative goodwill recognized in profit or loss	-	-	-	-
Gains or losses from non-current assets and groups of disposable items classified as held for for sale ineligible as discontinued operations	9,544	-	-	9,544
INCOME BEFORE TAXES FROM CONTINUING OPERATIONS	**361,214**	**-**	**21,634**	**382,848**
Expenses or (-) income from taxes on the profits of the continuing operations	(101,540)	-	(3,735)	(105,275)
RESULT AFTER TAXES FROM CONTINUING OPERATIONS	**259,674**	**-**	**17,899**	**277,573**
Gains or (-) losses after tax from discontinued operations	-	-	-	-
PROFIT OR (LOSS) FOR THE	**259,674**	**-**	**17,899**	**277,573**
Income attributable to minority interests	(3)	-	-	(3)
Results attributed to parent company	259,677	-	17,899	277,576

1.13. Temporary levy on banks

On December 29, 2022, Law 38/2022, of December 27, 2022, for the establishment of temporary energy taxes and taxes on credit institutions and financial credit establishments and which creates the temporary solidarity tax on large fortunes, and modifies certain tax regulations, was published in the Official State Gazette (BOE).

Among the measures established by this Law is the temporary taxation of credit institutions and financial credit establishments, developed in Article 2. As established in this standard:

- The payment obligation arises on the first day of the calendar year and must be paid during the first 20 calendar days of September of that year (notwithstanding the advance payment to be made by the entities during the first 20 calendar days of February for 50% of the amount of the benefit).
- The amount of the benefit to be paid by each obliged party will be the result of applying the percentage of 4.8 percent to the sum of the interest margin and the income and expenses from commissions derived from the activity carried out in Spain that appear in its profit and loss account for the calendar year prior to the year in which the payment obligation arises, determined in accordance with the provisions of the applicable accounting regulations. The amount of the benefit will be reduced by the amount of the advance payment made.

This new temporary bank levy has the nature of a “levy” from the accounting point of view, in accordance with IFRIC 21 “Levies”, and is recorded in full as of January 1, since this is when the obligation arises.

The “Other operating expenses” heading in the income statement for as at December 31, 2023 includes an amount of 63,844,000 euros for the temporary levy on credit institutions corresponding to the 2023 year (Note 39) year.

The Unicaja Group’s current estimate of the amount that the final settlement of this levy will represent in 2024 is approximately 78,603,000 euros.

1.14. Post-year-end events

Unicaja’s Directors learned after year-end that the Constitutional Court has declared Royal Decree-Law 3/2016, of December 2 unconstitutional. This act amended Law 27/2014, of November 27, on Corporate Income Tax, and established, among other matters, that the coefficient limiting the integration of monetizable deferred tax assets and credits for negative tax bases, for certain taxpayers was 25%, instead of the general 70%.

Following the evaluation of the ruling by the Bank’s management and tax advisors, the Directors have proceeded to record the estimated income tax settlement for 2023 considering a limitation on the integration of deferred tax assets of 70%, pursuant to the annulment due to the unconstitutionality of the aforementioned Royal Decree-Law. This aspect has had no impact on Unicaja Group equity, as it has only entailed a reclassification between deferred tax assets and current tax assets. It should also be noted that, according to the estimates made by Unicaja management and directors, this aspect has not had a significant impact on the estimated recoverability of deferred tax assets.

In the period between year-end December 31, 2023 and the date of preparation of these consolidated financial statements, there have been no other events of special significance that are not disclosed in the notes to the consolidated financial statements.

2. Accounting principles and policies and measurement criteria applied

The accounting principles and policies and measurement criteria applied in preparing the consolidated financial statements for the Group for fiscal years 2023 and 2022 were as follows:

2.1. Consolidation

2.1.1. Subsidiaries

"Subsidiaries" are defined as entities over which the Bank has the capacity to exercise control. Control is, in general but not exclusively, presumed to exist when the Parent Company directly or indirectly owns over 50% of the voting rights of the subsidiaries or, even where this percentage is lower or zero, when there are agreements with their shareholders in place that give the Bank control, for example.

In accordance with IFRS 10, control is defined as the power to govern the financial and operating policies of a company so as to obtain benefits from its activities. In accordance with IFRS 10, an investee is considered to be controlled only if it has all of the following elements: (i) power over the investee, (ii) exposure, or entitlement, to variable returns from its involvement with the investee and (iii) ability to use its power over the investee to influence the amount of the investor's returns.

As of December 31, 2023 and 2022, subsidiaries are also considered to be those entities controlled by a subsidiary, which, taking into account the Group's interest in such subsidiary, are considered to be clearly controlled by the Group (see detail in Annex III).

The financial statements of subsidiaries are consolidated with those of the Bank by application of the full consolidation method, pursuant to the consolidation procedure set forth in IFRS 10. Consequently, all significant balances arising from transactions between the companies consolidated by this method have been eliminated in the consolidation process. In addition, the participation of third parties in:

- The Group's equity is presented under "Minority interests" in the consolidated balance sheet (Note 21).
- The consolidated results for the year are presented under "Profit attributable to minority interests" in the consolidated income statement (Note 21).

The profit or loss from subsidiaries acquired during a fiscal year are consolidated by only considering those for the period between the acquisition date and year-end. At the same time, the profit or loss of subsidiaries divested during the year are consolidated by only considering those in the period between the start of the year and the sale date.

At December 31, 2023 and 2022 the Unicaja Group had no outstanding balances of securitizations or any other type of transfer of financial assets or holding in unconsolidated structured entities.

Note 12.2 provides information on the most significant acquisitions, disposals and movements of subsidiaries that took place during fiscal years 2023 and 2022.

Relevant information on subsidiaries is provided in Annex III.

2.1.2. Joint ventures (jointly controlled entities)

A "joint venture" is a contractual arrangement whereby two or more entities ("venturers") undertake a business activity which is subject to joint control, i.e., a contractual arrangement to share the power to govern the financial and operating policies of an entity, or another business activity, in order to benefit from its operations, whereby strategic financial and operating decisions require the unanimous consent of all the venturers. Likewise, investments in companies that are not subsidiaries, but which are jointly controlled by two or more unrelated companies, are considered to be joint ventures.

Pursuant to IFRS 11 “Joint Arrangements”, a participant in a joint venture will recognize its interest therein as an investment and account for that investment using the equity method set forth in IAS 28 “Investments in Associates and Joint Ventures”.

Note 12.2 provides information on the most significant acquisitions, disposals and movements that took place in these companies in 2023 and 2022.

Relevant information on these joint ventures is provided in Annex IV.

2.1.3. Associates

“Associates” are defined as companies over which the Bank is in a position to exercise significant influence but not control or joint control. In general, this capacity is reflected by means of a direct or indirect interest of no less than 20% of the voting rights of the investee, although other quantitative and qualitative measures may be applied to determine the existence of a significant influence exercised by an entity over an investee:

a) Potential voting rights: potential voting rights held by the investor or other investors will be taken into account.

b) Representation on the Board of Directors or equivalent management body of the investee.

c) Involvement in the policy establishing processes.

d) Transactions of relative importance between the investor and the investee.

e) Exchange of management personnel; or provision of essential technical information.

f) Right of veto over significant decisions.

g) Debt security, extension of credit, holding warrants, debt obligation and other securities.

In this sense, the Group analyzes each fact arising during the transactions and, by means of an individualized analysis, determines their accounting classification.

In the consolidated financial statements, investments in associates are accounted for using the equity method, as defined by IAS 28.

If, as a result of losses incurred by an associate, its net equity is negative, the investment would be presented in the Group’s consolidated balance sheet with a zero value, unless the Group is obliged to give it financial support.

Note 12.2 provides information on the most significant acquisitions, disposals and movements of associates that took place in 2023.

Relevant information on these companies is provided in Annex V.

2.2. Financial instruments

A financial instrument is a contract that simultaneously generates a financial asset in one company and a financial liability or equity instrument in another one.

An equity instrument is a legal business arrangement that demonstrates a residual interest in the assets of the issuing entity after deducting all of its liabilities.

A financial derivative is a financial instrument the value of which changes in response to a change in an observable market variable (such as an interest rate, exchange rate, financial instrument price or market index) and the initial investment of which is very small compared to other financial instruments with a similar response to changes in market factors, and which is generally settled at a future date.

Hybrid financial instruments are contracts that simultaneously include a main contract that is not a derivative together with a financial derivative, called an embedded derivative that is not individually transferable and means that some cash flows of the hybrid contract vary in the same way as the embedded derivative would do on its own.

Compound financial instruments are contracts that allow the issuer to simultaneously create a financial liability and an equity instrument, (such as, for example, convertible bonds which grant the holder the right to convert them into equity instruments for the issuing entity).

The following transactions are not treated as financial instruments for accounting purposes: (i) investments in joint ventures and associates, (ii) rights and obligations arising from employee benefit plans, (iii) financial assets and liabilities arising from lease agreements except those arising from sale and leaseback transactions.

2.2.1. Classification of financial assets

Financial assets are classified on the basis of the following aspects:

- In the case of debt instruments:
  - The business models approved by the Group for the management of these assets.

    The business model for the management of financial assets is the mechanism whereby the Group jointly manages the groups of financial assets to generate cash flows. This model may consist in holding onto these financial assets so as to receive their contractual cash flows, selling these assets or a combination of both objectives.
  - Compliance or non-compliance, in accordance with the contractual flows of the asset, with the so-called “SPPI test” (Solely Payment of Principal and Interest, i.e. contracts that only generate payment of principal and interest), described later in this same note to the consolidated financial statements.
- In the case of equity instruments, this depends on the Group’s irrevocable decision to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that, being within the scope of IFRS 9, is not held for trading.

As a consequence of these aspects, debt instruments will be included, for valuation purposes, in one of the following portfolios: financial assets at amortized cost, financial assets at fair value through other comprehensive income or financial assets measured at fair value through profit or loss.

The classification of debt securities in an amortized cost or fair value category must pass two tests: the business model and the SPPI test. The purpose of the test is to determine whether, in accordance with the contractual characteristics of the instrument, cash flows are representative of only the repayment of the principal and interest, essentially understood as being the compensation for the time value of money and the credit risk of the debtor.

- A financial instrument will be classified in the amortized cost portfolio when it is managed under a business model whose objective is to hold financial assets to receive contractual cash flows, and also meets the SPPI test.
- A financial instrument will be classified in the financial asset portfolio at fair value through other comprehensive income if it is managed under a business model whose objective combines the perception of contractual cash flows and sales, while also meeting the SPPI test.
- A financial instrument is classified at fair value through profit or loss whenever, due to the Group’s business model for its management or the characteristics of its contractual cash flows, it is not appropriate to classify it in any of the portfolios outlined above.

Nevertheless, financial instruments to be considered as “non-current assets and disposal groups of items classified as held for sale” are recorded in the consolidated financial statement, pursuant to the criteria set out in Note 2.20.

With regard to the assessment of the business model whose objective is to hold financial assets to receive contractual cash flows, this does not depend on the intentions for an individual financial instrument, but is determined for a group of instruments, taking into consideration the frequency, amount and timing of sales in previous years, the reasons for such sales and expectations regarding future sales. Infrequent or insignificant sales, those close to the maturity of the asset and those motivated by increases in the credit risk of financial assets, among others, may be compatible with the model of holding assets to receive contractual cash flows.

The Group segments the financial instruments portfolio for SPPI testing purposes, differentiating those products with standard contracts (all instruments have the same contractual features), for which the Group performs the SPPI test by reviewing the standard master contract and the particular contractual features. Financial instruments with specific contractual characteristics are analyzed individually.

Financial assets that do no comply with the SPPI test are not accounted for based on the characteristics of the business model in which they are located, but are recorded at fair value through profit or loss.

Criteria used for SPPI tests

The Unicaja Group has an accounting policy for the classification of financial assets, which establishes the criteria to be applied in the SPPI tests, considering the information available in the corporate databases, the contractual documentation of the transactions and the quantitative and qualitative conclusions of the individualized analyses. The information used is subject to the controls of the Bank’s information systems and to the reviews of the second and third lines of defense. Among the controls applied, data quality checks are carried out.

In this accounting policy, the Group defines the fair value of the financial asset at initial recognition as principal. This amount may change during the life of the financial asset, for example, if there is amortization of principal.

With regard to interest, understood as the implicit and explicit yields paid as consideration for a transfer of principal, the Group considers the following items:

- Time value of money: is the element of interest that considers only the passage of time, without regard to other risks or costs associated with holding the financial asset. In assessing whether the item considers only the passage of time, the judgment of the Group’s management is applied, with relevant factors such as the currency in which the financial asset is presented and the period for which the interest rate is fixed taken into consideration.

- Credit risk: can be defined as the loss that would result from the possible non-payment or loss of solvency of a debtor, i.e., the probability that, when the collection right is due, it will not be met.

- Other basic risks and costs: incorporates risks such as liquidity or administration costs.

- Profit margin: the additional margin charged by the creditor for a credit operation.

On the basis of the above, the Group assesses the contractual and financial characteristics of financial assets to analyze compliance with the definitions of principal and interest, assessing factors such as the time value of modified cash, contractual terms that may change the timing or amount of cash flows, the linkage of contractual flows to specific projects or assets rather than to the borrower’s ability to return and the effects of contractually linked instruments.

To complete the analysis and reach the final conclusion, the Group assesses the effect of these factors on the contract and defines a tolerance threshold through the consideration of the “de minimis” effect, establishing a level of acceptable percentage difference on the overall flows (section B4.1.9C of IFRS 9), and of the “non-genuine” effect (section B4.1.18 of IFRS 9), which becomes apparent when it is estimated that the probability of the clause or financial effect materializing is remote (in the terms of section B4.1.18 mentioned above, remote should be understood as meaning that it would be an extremely exceptional, highly anomalous and highly improbable event).

In this regard, the Group considers that the impact of a clause that is not aligned with the requirements linked to the SPPI test will have a material impact on the contractual cash flows of the transaction when the difference with the cash flows of the same transaction without such default being greater than 5%.

2.2.2. Classification of financial Liabilities

Financial liabilities are included for valuation purposes in the following categories: financial liabilities at amortized cost, financial liabilities held for trading and financial liabilities designated at fair value with changes in income.

- The portfolio of financial liabilities held for trading includes all financial liabilities that meet any of the following characteristics: (i) have been issued with the intention of repurchasing them in the near future, (ii) are short positions of securities, (iii) are part of a portfolio of identified and jointly managed financial instruments for which there is evidence of recent actions to obtain short-term gains, or (iv) are derivative instruments that do not meet the definition of a financial guarantee contract and have not been designated as hedging instruments. The fact that a financial liability is used to finance trading activities does not in itself imply its inclusion in this category.

- The financial liabilities portfolio designated at fair value with changes in income includes financial liabilities that meet any of the following characteristics: (i) have been irrevocably designated upon initial recognition by the Group, or (ii) have been designated upon initial recognition or subsequently by the Group as a hedged item for credit risk management through the use of a credit derivative measured at fair value through profit or loss.

- If the conditions described above are not met, financial liabilities are classified in the portfolio of financial liabilities at amortized cost.

2.2.3. Initial valuation of financial instruments

Upon initial recognition, all financial instruments are recorded at fair value. For financial instruments that are not recorded at fair value through profit or loss, the fair value amount is adjusted by adding or deducting transaction costs directly attributable to their acquisition or issue. In the case of financial instruments at fair value through profit or loss, directly attributable transaction costs are recognized immediately in the consolidated income statement.

In the absence of evidence to the contrary, the fair value at initial recognition is the transaction price, which is equivalent to the fair value of the consideration given.

As an exception, on initial recognition, the Group records trade receivables that do not have a significant financing component at the transaction price. For these purposes, trade receivables are considered to be those arising from the delivery of goods and the rendering of services by the Group other than the granting of financing.

2.2.4. Subsequent valuation of financial instruments

After initial recognition, the Group measures financial instruments at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss.

In the same way, following their initial recognition, the Group values financial liabilities: at amortized cost or at fair value through profit or loss. Financial liabilities held for trading or designated at fair value through profit or loss are subsequently measured at fair value.

The accounting treatment of changes in valuation for each of the financial instrument portfolios held by the Group is as follows:

- **Financial assets and liabilities at fair value through profit or loss:** this category includes the following financial instruments: (i) assets and liabilities held for trading, (ii) non-trading financial assets mandatorily measured at fair value through profit or loss, and (iii) financial assets and liabilities designated at fair value through profit or loss.

Financial instruments classified at fair value through profit or loss are initially measured at fair value, with directly attributable transaction costs recognized immediately in the profit and loss account.

Income and expenses of financial instruments at fair value through profit or loss are recognized in accordance with the following criteria:

- Changes in fair value are recorded directly in the consolidated income statement, distinguishing, in the case of instruments other than derivatives, between the portion attributable to accrued returns on the instrument, which are recorded as interest or dividends depending on their nature, and the remainder, which is recorded as gains/losses on financial transactions with a balancing entry under "Gains/losses on financial assets and liabilities held for trading (net)", "Gains/losses on financial assets not held for trading mandatorily measured at fair value through profit or loss (net)" and "Gains/losses on financial assets and liabilities designated at fair value through profit or loss (net)" in the consolidated income statement.

- Accrued interest on debt instruments is calculated using the effective interest rate method.

- **Financial assets at fair value through other comprehensive income:** Instruments included in this category are initially measured at fair value, adjusted by the amount of transaction costs that are directly attributable to the acquisition of the financial asset. Subsequent to acquisition, financial assets included in this category are measured at fair value through other comprehensive income.

Income and expenses from financial assets at fair value through other comprehensive income are recognized in accordance with the following criteria:

- Accrued interest or, when applicable, accrued dividends are recognized in the consolidated income statement.

- Exchange differences are recognized in the consolidated income statement in the case of monetary financial assets, and in other comprehensive income, net of the tax effect, in the case of non-monetary financial assets.

- In the case of debt instruments, impairment losses or gains on subsequent recovery are recognized in the consolidated income statement.

- Other changes in value are recognized, net of the tax effect, in other comprehensive income.

When a debt instrument at fair value through other comprehensive income is derecognized from the balance sheet, the cumulative gain or loss in accumulated other comprehensive income is reclassified to profit or loss for the period. Where an equity instrument at fair value through other comprehensive income is derecognized, the amount of the gain or loss recorded in accumulated other comprehensive income is not reclassified to the income statement, but to a reserve item.

- **Financial assets at amortized cost:** Financial assets included in this category are initially measured at fair value, adjusted by the amount of transaction costs that are directly attributable to the acquisition of the financial asset. Subsequent to acquisition, assets included in this category are measured at amortized cost using the effective interest method.

Income and expenses of financial instruments at amortized cost are recognized using the following criteria:

- Accrued interest is recorded under "Interest income" in the consolidated income statement, using the effective interest rate of the gross book amount transaction (except in the case of non-performing assets, which is applied to the net book value).

  - Other changes in value are recognized as income or expense when the financial instrument is removed from the balance sheet; when it is reclassified; and when there are impairment losses or gains on subsequent recovery.

- **Financial liabilities at amortized cost:** The financial liabilities included in this category are valued at amortized cost, calculated by applying the effective interest rate method. Accrued interest on these securities, calculated using the interest method, is recorded under "Interest expense" in the consolidated income statement.

  As part of financial liabilities at amortized cost, "Other financial liabilities" includes trade payables, namely those financial liabilities arising from the purchase of goods and services for transactions carried out by the Group with deferred payment.

2.2.5. Fair value and amortized cost of financial instruments

The fair value of a financial instrument on a specified date is the amount for which it could be bought or sold on that date by two duly informed knowledgeable parties in an arm's length transaction. The most objective and common reference for the fair value of a financial instrument is the price that would be paid in an organized, transparent and deep market ("quoted price" or "market price").

When no market price is available for a given financial instrument, fair value is estimated on the basis of recent arm's length transactions in similar instruments or, where such information is unavailable, on the basis of valuation methodologies generally accepted by the financial community, taking into account the specific characteristics of the instrument to be valued and, in particular, the different types of risk associated with the instrument.

In certain circumstances the Group believes that cost is an appropriate estimate of the fair value of these instruments when recent available information is insufficient to determine fair value or when there are a number of possible valuations for which cost represents the best estimate.

Amortized cost is the amount at which a financial asset or liability is measured at initial recognition, adjusted for principal repayments and the cumulative amortization of any difference between the initial amount and the maturity amount of such financial instruments, using the effective interest rate method. In the case of financial assets, the amortized cost also includes corrections to their value due to impairment losses.

The effective interest rate is the discount rate that equals the gross book amount of a financial asset or the book amount of a financial liability to the estimated cash flows over the expected life of the instrument, based on its contractual terms, without considering expected credit losses. For fixed rate financial instruments, the effective interest rate coincides with the contractual interest rate established at the time of acquisition, adjusted, where appropriate, for fees and transaction costs which, in accordance with current regulations, form an integral part of the effective yield or cost of the instrument and must therefore be included in the calculation of the effective interest rate. For floating rate financial instruments, the effective interest rate is estimated in a manner similar to fixed rate transactions and is recalculated at each contractual interest rate reset date of the transaction based on changes in the future cash flows of the transaction.

Note 26 details the fair value of assets and liabilities as of December 31, 2023 and 2022, as well as the valuation techniques used to estimate such fair value.

2.2.6. Reclassifications of financial instruments

Exclusively when the Group changes its business model for financial asset management, it reclassifies all affected financial assets in accordance with the following guidelines.

Such reclassification is made prospectively from the date of reclassification, without restatement of previously recognized gains, losses or interest. Generally, the business model is not changed very often.

- When the Group reclassifies a debt instrument from amortized cost to fair value through profit or loss, the Group estimates its fair value at the reclassification date. Any gain or loss arising from the difference between the previous amortized cost and the fair value is recognized in the consolidated income statement for the corresponding period.
- When the Group reclassifies a debt instrument from the fair value portfolio through profit or loss to amortized cost, the fair value of the asset at the reclassification date becomes its new gross book amount.
- When the Group reclassifies a debt instrument from the amortized cost portfolio to fair value through other comprehensive income, the Group estimates its fair value at the reclassification date. Any gain or loss arising from differences between the previous amortized cost and fair value is recognized in other comprehensive income. The effective interest rate and the estimate of expected credit losses are not adjusted as a result of the reclassification.
- When the Group reclassifies a debt instrument from the fair value portfolio through other comprehensive income to amortized cost, the financial asset is reclassified at fair value at the reclassification date. The cumulative gain or loss at the date of reclassification to accumulated other comprehensive income in net equity is reversed using the book amount of the asset at the date of reclassification as the balancing entry. Thus, the debt instrument is valued at the reclassification date as if it had always been valued at amortized cost. The effective interest rate and the estimate of expected credit losses are not adjusted as a result of the reclassification.
- When the Group reclassifies a debt instrument from the fair value portfolio through profit and loss to fair value through other comprehensive income, the financial asset continues to be measured at fair value, without any change in the accounting for changes in value previously recorded.
- When the Group reclassifies a debt instrument from the fair value portfolio through profit and loss to fair value through other comprehensive income, the financial asset continues to be valued at fair value. The cumulative gain or loss previously accumulated under “Other cumulative comprehensive income” in net equity is transferred to profit or loss of the period at the date of reclassification.

2.2.7. Derecognition of financial instruments

A financial asset is derecognized from the consolidated balance sheet when one of the following circumstances occurs:

- The contractual rights on the cash flow from the financial asset expire; or
- the financial asset is transferred and substantially all its risks and rewards are transferred.

A financial liability is derecognized from the balance sheet when the obligations it generates have been extinguished or when it is reacquired by the Group.

In this regard, IFRS 9 establishes that regular way purchases or sales of financial assets will be recognized and derecognized according to the trade or settlement date. The Unicaja Group has opted to make such registration on the settlement date.

2.3. Hedge accounting and mitigation of risk

In trying to align accounting with economic risk management, IFRS 9 allows the application of hedge accounting to a greater variety of risk and hedging instruments. The standard does not address the accounting of so-called macro-hedging strategies. In order to avoid any conflict between the current macro hedge accounting and the general system of hedge accounting, IFRS 9 includes an accounting policy option to continue to apply hedge accounting according to IAS 39.

The governing bodies of the Unicaja Group have analyzed the accounting implications of IFRS 9 on hedge accounting and have decided, for the time being, to maintain the accounting of these financial instruments in accordance with IAS 39.

The Group uses financial derivatives as part of its strategy to reduce its exposure to interest rate, market and foreign currency exchange rate risks, among others. When these transactions meet certain requirements stipulated in IAS 39, they qualify for hedge accounting.

When the Group designates a transaction as a hedge, it does so from the initial date of the transactions or instruments included in the hedge, and the hedging transaction is documented appropriately. The hedge accounting documentation includes identification of the hedged item(s) and the hedging instrument(s), the nature of the risk to be hedged and the criteria or methods used by the Group to assess the effectiveness of the hedge over its entire lifespan, taking into account the risk to be hedged.

The Group only applies hedge accounting for hedges that are considered to be highly effective over their entire term. A hedge is considered to be highly effective if, during its expected lifespan, the changes in fair value or cash flows of the hedged item that are attributable to the risk hedged in the hedging of the financial instrument(s) are almost completely offset by changes in the fair value or cash flows, as appropriate, of the hedging instrument(s).

To measure the effectiveness of hedges designated as such, the Group analyses whether, from the beginning to the end of the term defined for the hedge, it can expect, prospectively, that the changes in the fair value or cash flows of the hedged item that are attributable to the hedged risk will be almost fully offset by changes in the fair value or cash flows, as appropriate, of the hedging instrument and, retrospectively, that the actual results of the hedge will have been within a range of 80% to 125% of the results of the hedged item.

The hedge transactions performed by the Group are classified as follows:

- Fair value hedges: these hedge the exposure to changes in the fair value of financial assets or liabilities or as yet unrecognized firm commitments, or of an identified portion of such assets, liabilities, or firm commitments that is attributable to a particular risk, provided it affects the consolidated income statement.

- Cash flow hedges: these hedge the cash flow variations attributed to a specific risk related to a financial asset or liability or a highly probable transaction, provided it may affect the consolidated financial statement.

In the specific case of financial instruments designated as hedged items or qualifying for hedge accounting, gains and losses are recorded according to the following criteria:

- In fair value hedges, the gains or losses arising on both the hedging instrument and the hedged item attributable to the type of risk being hedged are recognized directly in the consolidated income statement.

  In fair value hedges of the interest rate risk of a portfolio of financial instruments, gains or losses arising as a result of the valuation of the hedging instrument are recognized directly in the consolidated income statement with a balancing entry under “Derivatives - Hedge accounting” on the asset or liability side of the consolidated balance sheet, as appropriate.

Gains or losses arising from changes in the fair value of the hedged item are recognized under "Gains (losses) arising from hedge accounting, net" in the consolidated income statement, with a balancing entry under "Changes in fair value of hedged items in a portfolio hedged for interest rate risk" on the asset or liability side of the consolidated balance sheet, as appropriate.

– In cash flow hedges, the valuation differences attributable to the portion of the hedging instrument qualifying as an effective hedge are recognized temporarily in equity under "Accumulated other comprehensive income – Items that can be reclassified to profit or loss - hedging derivatives" of the consolidated equity. Cash flow hedges (effective position)". The financial instruments hedged in this type of hedging transactions are recorded in accordance with the criteria explained in Note 2.2 without any modification in them due to the fact that they have been considered as such hedged instruments.

  In cash flow hedges, in general, differences in valuation of hedging instruments, in the effective portion of the hedge, are not recognized as income in the consolidated income statement until the gains or losses on the hedged item are recognized in income or, if the hedge relates to a highly probable forecast transaction that will result in the recognition of a non-financial liability asset, they are recognized as part of the acquisition or issue cost when the asset is acquired or assumed.

  Differences in valuation of the hedging instrument corresponding to the ineffective portion of cash flow hedges are recognized directly in gains (losses) on financial assets and liabilities in the consolidated income statement.

The Group discontinues accounting for hedging transactions as such when the hedging instrument expires or is sold, when the hedging transaction ceases to meet the requirements to be considered as such, or the consideration of the transaction as a hedge is revoked.

When, in accordance with the provisions of the preceding paragraph, the fair value hedging transaction is discontinued, in the case of hedged items measured at amortized cost, the adjustments to their value made as a result of the application of hedge accounting described above are taken to the consolidated income statement until maturity of the hedged instruments, applying the effective interest rate recalculated at the date of discontinuation of the hedging transaction.

In the event that a cash flow hedging transaction is discontinued, the cumulative gain or loss on the hedging instrument recorded under "Net Equity - Accumulated other comprehensive income" in net equity in the consolidated balance sheet will remain recorded under that heading until the forecast hedged transaction occurs, at which time it will be charged to the income statement, or the acquisition cost of the asset or liability to be recorded will be adjusted, if the hedged item is a forecast transaction that culminates in the recording of a non-financial asset or liability.

2.4. Foreign currency transactions

2.4.1. Functional currency

The Group's functional currency is the Euro. Consequently, all balances and transactions denominated in currencies other than the Euro are considered to be denominated in a foreign currency.

The Euro equivalent value of total foreign currency assets and liabilities held by the Group at December 31, 2023 amounts to 1,459,397,000 euros and 1,536,964,000 euros respectively (1,613,147,000 euros and 1,709,433,000 euros respectively at December 31, 2022). The ratios of 94% and 91% respectively, at December 31, 2023 correspond to the U.S. dollar (91% and 90% respectively, at December 31, 2022), 5% and 9% respectively, at December 31, 2023 correspond to the British pound sterling (there were no significant balances in pounds sterling at December 31, 2022), 1% and 0% respectively, at December 31, 2023 correspond to the Swiss franc (7% and 10% respectively, at December 31, 2022), and the remainder are all other currencies traded on the Spanish market.

2.4.2. Criteria for the conversion of balances in foreign currencies

Transactions in foreign currencies carried out by the Group are initially recorded in the financial statements at the equivalent Euro value resulting from applying the exchange rates in effect on the dates on which the transactions are carried out. Subsequently, the Group translates monetary balances in foreign currencies into its functional currency using the year-end exchange rate. Likewise:

– Non-monetary items measured at historical cost are translated to the functional currency at the exchange rate on the date of acquisition.

– Non-monetary items measured at fair value are translated to the functional currency at the exchange rate on the date on which the fair value was determined.

2.4.3. Exchange rates applied

The exchange rates used by the Group to translate balances denominated in foreign currencies into euros for the purpose of preparing the consolidated financial statements are the market rates as of December 31, 2023 and 2022, as published by the European Central Bank at each of those dates.

2.4.4. Recognition of exchange differences

Exchange differences arising on the conversion of foreign currency balances to the functional currency of consolidated companies are generally recognized in the consolidated income statement at their net value under "Net exchange differences (gain or loss)", except for exchange differences arising in financial instruments classified at fair value through profit or loss. These are recorded in the consolidated income statement without distinguishing them from other variations at their fair value under "Gains or losses on financial assets and liabilities at fair value through the net profit or loss" in the aforesaid statement.

During the 2023 financial year, the amount of exchange differences recorded in the Group's consolidated income statement amounted to 4,865,000 euros of gain (net), while during the 2022 financial year it amounted to 9,546,000 euros of gain (net).

However, in the case of financial instruments classified in the "Financial assets at fair value with changes in other comprehensive income" portfolio, the treatment is as follows:

– In the case of debt securities (monetary items), adjustments for exchange differences are recognized directly in the consolidated income statement under "Net exchange differences (profit or loss)".

– In the case of equity instruments (non-monetary items), adjustments for exchange differences are recognized in other comprehensive income and are not reclassified to profit or loss when realized, but are adjusted directly against net equity reserves, without going through the consolidated income statement.

During the financial year 2023, the net amount of exchange differences that have been charged in the consolidated statement of recognized income and expense as "Foreign currency translation" amounts to 119,000 euros (net) gain, while during the financial year 2022 it amounted to a 53,000-euro (net) loss.

2.5. Recognition of income and expense

The most significant accounting criteria used by the Group to recognize its income and expenses are summarized below:

2.5.1. Interest income, interest expense, dividends and similar items

In general, interest income, interest expense and similar items are recognized on an accrual basis using the effective interest method as defined in IFRS 9.

Dividends received from other companies are recognized as income when the consolidated companies' right to receive them arises.

2.5.2. Commissions, fees, and similar items

Income and expenses from commissions and similar fees, which should not form part of the calculation of the effective interest rate of transactions and/or which do not form part of the acquisition cost of financial assets or liabilities other than those classified as at fair value through profit or loss, are recognized in the consolidated income statement using different criteria depending on their nature. The most significant are:

- Those related to the acquisition of financial assets and liabilities measured at fair value through losses and gains, which are recognized in the consolidated income statement at the time of payment.
- Those arising from transactions or services that are prolonged over time, which are recorded in the consolidated income statement over the life of such transactions or services.
- Those arising from a single act, which are charged to the consolidated income statement when the act giving rise to them occurs.

2.5.3. Non-financial income and expense

They are recognized in accounting according to the accrual criterion.

2.5.4. Contributions to the Deposit Guarantee Fund for Credit Institutions (FGDEC) and the Single Resolution Fund (FUR)

In accordance with IFRIC 21 "Liens", the event that generates the obligation that gives rise to a liability to pay a lien is the activity that produces the payment of the lien, in the terms established by law. Consequently, the recognition of the expense and payment obligation in the case of contributions to the Deposit Guarantee Fund for Credit Institutions (FGDEC) and the Single Resolution Fund (FUR) is made upon receipt of the payment notification.

2.5.5. Temporary levy on banks

In accordance with the provisions of IFRIC 21 "Levies", the event that generates the obligation that gives rise to a liability to pay this temporary levy is the development of the activity that produces the payment of the levy itself (activity of a credit institution or financial credit establishment carried out in Spanish territory), with the tax accruing if the entity meets these conditions, and activity size limits, as of January 1, 2023 and 2024. Consequently, the recognition of the expense and the obligation to pay this levy occurs on the first day of the year in question (2023 or 2024 respectively).

2.6. Offsetting

Asset and liability balances are offset, i.e., reported on the consolidated balance sheet at their net amount, when, and only when, they arise from transactions in which a contractual or legal right to offset exists and the Group intends to settle these on a net basis, or simultaneously realize the asset and settle the liability.

In this regard, the presentation according to the IFRS-EU of these consolidated financial statements regarding the financial assets subject to valuation adjustments due to amortization or impairment, net of these concepts, is not considered "offsetting".

2.7. Impairment of value of financial assets

The criteria described in this section are applicable both to debt instruments (loans and advances, and debt securities) valued at amortized cost or at fair value with changes in other comprehensive income, as well as to other exposures that carry credit risk (loan commitments granted, financial guarantees granted and other commitments granted).

For this purpose, and in accordance with IFRS 9, the Bank has developed its own methodologies to make individualized estimates on significant borrowers, internal models for the collective estimation of provisions and internal models for the estimation of cutbacks on the reference values of real estate collateral and awarded assets.

Impairment losses on debt instruments at amortized cost are recognized against an allowance account that reduces the book amount of the asset. Impairment losses recorded on these instruments in each period are recognized as an expense under the heading “Impairment or reversal of impairment in value of financial assets not measured at fair value through profit or loss and net gains or losses due to modification ” of the consolidated income statement.

Impairment losses on debt instruments at fair value through other comprehensive income are also recognized as an expense under “Impairment or reversal of impairment of financial assets not valued at fair value through profit or loss and net gains or losses on modification” in the consolidated income statement.

Hedging for impairment losses on other exposures that entail credit risk other than debt instruments are recorded as a provision under “Provisions - Commitments and guarantees granted” on the liability side of the consolidated balance sheet. Provisions and reversals of these hedges are recorded under “Provisions or reversal of provisions” on the consolidated income statement.

When the recovery of any recorded amount is considered unlikely, this amount is removed from the consolidated balance sheet and kept on the memorandum accounts until its rights have been definitively extinguished, either due to the expiry of the statute of limitations period, debt forgiveness, or other causes.

The Group recognizes expected credit losses on transactions for the purpose of recording impairment loss coverage. Distinction is made between:

- Expected credit losses over the life of the transaction: are the expected credit losses resulting from all possible default events during the entire expected life of the transaction.

- Twelve-month expected credit losses: are the portion of the expected credit losses during the life of the transaction that corresponds to the expected credit losses resulting from events of default that may occur in the transaction in the twelve months following the reference date.

Credit losses correspond to the difference between all contractual cash flows due to the Group under the financial asset contract and all cash flows expected to be received by the Group (i.e. the entire cash flow shortfall), discounted at the original effective interest rate or, for financial assets purchased or originated with credit impairment, at the effective interest rate adjusted for credit quality financial assets purchased or originated with credit deterioration, at the effective interest rate adjusted for credit quality.

In the case of commitments for loans granted, a comparison is made between the contractual cash flows that would be due to the Group in the event of drawdown of the loan commitment and the cash flows that the Group expects to receive if the commitment is drawn down. In the case of financial guarantees granted, the payments that the Group expects to make are considered less the cash flows that it expects to receive from the guaranteed holder.

The Group estimates the cash flows of the transaction over its expected life taking into account all contractual terms and conditions of the transaction (such as early amortization, extension, redemption and similar options). It is assumed that the expected life of an operation can be reliably estimated. However, in exceptional cases where it is not possible to estimate it reliably, the Group uses the remaining contractual term of the transaction, including extension options. Among the cash flows taken into account, the Group includes cash flows from the sale of collateral received or other credit enhancements that form an integral part of the contractual terms, such as financial guarantees received.

Credit exposures are classified, based on credit risk, in the following categories:

- Normal risk (Stage 1). Comprises those transactions for which their credit risk has not increased significantly since their initial recognition. Impairment hedging is equal to the expected credit losses over twelve months. This category includes transactions identified as having a low credit risk, as defined in this note.

- Normal risk in special surveillance (Stage 2). Includes those transactions for which the credit risk has increased significantly since initial recognition, but do not present a default event. Impairment hedging is equal to the expected credit losses over the life of the transaction.

- Non-performing risk (Stage 3). Includes those transactions with credit impairment, i.e., those that present an event of default. Hedging is equal to the expected credit losses over the life of the transaction.

- Write-offs. This category includes transactions for which there are no reasonable expectations of recovery. This classification reflects a recognition of losses for the book amount of the transaction and the write-off of the assets.

The amount of the allowance for impairment losses is calculated based on their classification according to credit risk and whether or not an event of default has occurred. Thus, the hedging for impairment losses on transactions is equal to:

– Expected credit losses in twelve months, when the risk is classified as “Normal risk” (Stage 1).

– Expected credit losses over the life of the operation, if the risk is classified as “Normal risk under special surveillance” (Stage 2).

– Expected credit losses over the life of the transaction, when a default event has occurred and has therefore been classified as “Non-performing risk” (Stage 3).

As an exception to the above, the impairment of trade receivables without a significant financing component, initially valued at the transaction price (Note 2.2.3), is calculated, when the transactions are not classified as non-performing risk, as the expected credit losses over the life of the transaction.

Likewise, in the context of the business combination derived from the merger by absorption of Liberbank, S.A. (as the absorbed entity) by Unicaja (as the absorbed entity), the Unicaja Group considers financial assets purchased or originated with credit impairment (hereinafter, POCIs) to be those assets acquired at a significant discount reflecting credit losses incurred at the time of the transaction. Since such discount reflects incurred losses, no separate hedge for credit risk is recorded at initial recognition of the POCIs. Subsequently, changes in expected losses over the life of the transaction from initial recognition are recognized as hedges for credit risk of the POCIs. Income from interest on these assets is calculated by applying the effective interest rate adjusted for credit quality to the amortized cost of the financial asset.

Criteria for classifying transactions based on credit risk

With regard to the classification of financial assets, Unicaja Group has developed automatic classification criteria that form part of the classification algorithm and which enable it to identify situations of objective default (i.e. transactions with amounts overdue more than 90 days), bankruptcy, refinancing criteria and the carry-forward effect (whereby all transactions of a holder are considered non-performing when the amounts overdue more than 90 days are greater than 20% of the amounts pending collection). In addition, the Group has established individual and collective triggers that allow early identification of weaknesses and objective evidence of impairment.

In this regard, the Group has implemented objective criteria for the classification in Stage 3 (non-performing risk) of debt instruments and other credit exposures in which any of the following circumstances are present:

– Risks with defaults of more than 90 days (plus the so-called “carry-forward effect”).

– A 50% drop in the own funds as a result of losses in the last financial year or negative net equity.

- Continued losses or material decline, or significantly inadequate economic-financial structure.
- Generalized delay of payments or insufficient cash flows.
- Credit rating by a specialized company showing that the borrower is in default or close to default.
- Overdue commitments to public agencies or employees.
- Balances claimed or that it has been decided to claim their reimbursement judicially.
- Creditors in insolvency proceedings.

Based on the collective classification indicators that the Group has developed within the framework of the internal methodologies for estimating provisions, debt instruments that do not meet the criteria to be classified as non-performing risk or write-off but for which there has been a significant increase in risk since they were granted are considered to be part of Stage 2 (normal risk under special surveillance).

Significant increase in credit risk

To determine the significant increase in risk, the Group uses both automatic triggers, which involve direct classification in the category of normal risk in special surveillance (or non-performing), and synthetic triggers, which may involve objective indications or evidence that a significant increase in risk or an impairment event has occurred (the latter may occur independently by the application of a trigger or in combination by the joint action of several triggers).

In addition to the automatic reclassification indicator from stage 1 (normal risk) to stage 2 (normal risk under special surveillance) for defaults older than 30 days, the Group has a robust system of automatic triggers in line with the provisions of IFRS 9, which allow reclassifying transactions as soon as indications or evidence of a significant increase in risk are identified.

Among these automatic triggers held by the Unicaja Group as of December 31, 2023, the following are noteworthy due to their relevance:

- **Trigger based on the probability of default**: Identifies those transactions of individuals, self-employed and companies that present a significant increase in risk, comparing the probability of default (PD) at the date of origination of the transaction and at the reporting date. Measurements of PD Lifetime (i.e., for the entire life of the operation) increments are used both in relative and absolute terms. The Group applies two criteria to measure the significant increase in risk: the first establishes, for all portfolios, a relative threshold of 200%, while the second consists of a relative threshold depending on the type of portfolio (established on the basis of historical information on portfolio performance). In line with Unicaja Group policies, it is sufficient for one of the criteria to be met for the exposure to be considered to have experienced a significant increase in risk, provided that the 12-month PD is greater than 0.5% (backstop).
- **Accredited Triggers**: A set of indicators at the accredited level for both individuals and legal entities that adjusts its classification based on the combination of one or more main and complementary indicators and is based on the information available on them. These indicators are classified into the following categories:
    - Main triggers: Essential triggers for the reclassification of the borrower's operations (e.g. for legal entities, the company's negative EBITDA, an individual's score).
    - Complementary triggers: Additional indications such as the borrower's payment behavior or creditworthiness (e.g. borrowers with defaults of more than 30 days on other loan transactions of significant amount).
- **Failed risk triggers**: This involves the automatic reclassification of the operations of a borrower whose risk in default is greater than 500 euros.

- **Expert analysis trigger**: Indicator activated according to the analyses performed by Unicaja's Credit Risk Monitoring Department on certain borrowers, portfolios and groups based on expert criteria and mainly in response to temporary situations of weakness that may arise.

Low credit risk

In accordance with paragraph 5.5.10 of IFRS 9, the Group considers that the credit risk of an instrument has not increased significantly since initial recognition if the credit risk of that instrument at the reporting date is determined to be low.

Unless there are specific circumstances that cause this rating to change, the Unicaja Group considers that transactions with low credit risk correspond to:

a) transactions with central banks;

b) transactions with Public Administration Bodies of European Union countries, including those derived from reverse repurchase loans of debt securities of public debt;

c) transactions with Central Administrations of countries classified in Group 1 for country-risk purposes according to the sector regulations applicable to Spanish credit institutions;

d) transactions on behalf of deposit guarantee funds and resolution funds, provided that they are comparable in terms of credit quality to those of the European Union;

e) transactions in the name of credit institutions and financial credit institutions of European Union countries and, in general, of countries classified in Group 1 for country-risk purposes;

f) transactions with Spanish mutual guarantee companies and with public agencies or companies of other countries classified in Group 1 for country-risk purposes whose main activity is the underwriting or guaranteeing of credit;

g) transactions with non-financial companies that are considered to be in the public sector;

h) advances on pensions and payrolls corresponding to the following month, provided that the paying entity is a public administration body and they are domiciled in the company; and

i) advances other than loans.

In all these cases, the Unicaja Group considers that the definition of low credit risk established in paragraph B5.5.22 of IFRS 9 is met, which indicates that the credit risk of a financial instrument is considered low if the financial instrument has a low risk of default, the borrower has a strong ability to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the long term may reduce, but not necessarily reduce, the borrower's ability to meet its contractual cash flow obligations.

It should be noted that, for debt securities that are not rated as low credit risk, the Group considers that there has been a significant increase in credit risk, classifying the exposure as stage 2 or normal risk under special surveillance, if the following triggers are present at the reference date:

a) The external rating of the issue or of the issuer suffers a significant decrease with respect to the origin or with respect to the previous year (decrease of three or more rating steps), or is below investment grade (that is, when it goes from BBB- to BB+ on the Fitch and S&P rating scale or when it goes from Baa- to Ba+ on the Moody's rating scale).

b) That the securities suffer a drop in valuation (share price) with respect to the previous year or since initial recognition equal to or greater than 20% (if greater than 40%, they would be classified in Stage 3).

c) The price of the CDS on the security decreases, with a significant deterioration with respect to the previous year or with respect to the origin, with a decrease equal to or greater than 60% or that exceeds the threshold set at 400 basis points (inclusive).

Estimated impairment losses

Impairment is calculated by the Group: (i) on an individual basis for those exposures that, showing evidence of impairment or significant increase in risk, are held with individually significant borrowers, (ii) on a collective basis for the main modellable portfolios and (iii) by methodologies based on sector parameters, obtained on the basis of the experience and information that the Bank of Spain has on the Spanish banking sector, for the rest of the exposures. For these purposes, transactions are grouped based on shared credit risk characteristics, indicative of the ability of the holders to pay all amounts, principal and interest, in accordance with the contractual terms.

- Hedges are estimated on a case-by-case basis using discounted future cash flow techniques. For this purpose, the Group has updated and reliable information on the solvency and payment capacity of the holders or guarantors. In the individualized es estimation of coverage for non-performing loans, not only credit losses (LGD) but also probabilities of default (PD) are taken into account. When the estimate of the contractual cash flows receivable from the holders or guarantors is highly uncertain, the individualized estimation of coverage of non-performing transactions is made by estimating the amounts to be recovered from the effective collateral received.

- The collective estimation of coverage is performed using models based on the following parameters: PD (probability of default), LGD (loss given default) and EAD (exposure at default). The methodology and assumptions used to estimate expected credit losses through these models are periodically reviewed by the Group to reduce any differences that may exist between estimated and actual losses.

  The Unicaja Group estimates the coverage of credit exposures through internal models for those borrowers that are not individually significant and that belong to segments in which the Group's experience and depth of information is deemed sufficient to calculate the necessary coverage based on models. These are the segments of: (i) microenterprises, (ii) small enterprises, (iii) medium-sized enterprises, (iv) self-employed, (v) mortgage portfolio for home purchase, (vi) mortgage portfolio for other purposes, (vii) loans with personal guarantees, and (viii) credit cards and accounts.

  The Unicaja Group applies methodologies based on the sector experience of the Bank of Spain for those borrowers that are not individually significant and belong to segments in which the Group's experience and depth of information is less. In this regard, in accordance with the applicable regulations, the internal methodologies must meet certain specific requirements, among others, have a history of reliability and consistency in the estimation of individualized coverage, demonstrated by periodically contrasting their results, using retrospective tests, and base the estimates on the historical experience of observed losses. Based on the foregoing, the portfolios not modeled by the Unicaja Group are as follows: (i) development and land, (ii) civil works, (iii) other specialized financing, and (iv) large companies.

  The Unicaja Group considers that the methodologies based on the sector experience of the Bank of Spain comply with the requirements established in paragraph B5.5.51 of IFRS 9, insofar as they are based on reasonable and sustainable information available to the Group without disproportionate effort or cost, and which is relevant for estimating expected credit losses, since it reflects the behavior of credit risk exposures at the financial sector level in Spain, which is the geographical area in which practically all of the Unicaja Group's lending activity is concentrated.

In this Unicaja Group has defined its system of thresholds to consider a transaction as significant for the purposes of classification analysis and estimation of coverage. According to this system, a transaction is considered significant when it exceeds any of the following thresholds:

- Creditors classified as non-performing, those with an exposure of more than 2 million euros (or 5% of the Company's equity) and provided that their non-performing risk accounts for more than 20% of their total exposure.

- Accredited classified as normal in special surveillance, those not non-performing with an exposure of more than 3 million euros (or 5% of the Company's equity) and provided that their normal risk in special surveillance and/or non-performing accounts for more than 20% of their total exposure.

- Creditors classified as normal, those with a total exposure of more than 5 million euros (or 5% of the Company's equity) and provided they are not in any of the two previous categories.

The Group estimates the expected credit losses of a transaction so that these losses reflect: (i) a weighted, unbiased amount determined by evaluating a range of possible outcomes; (ii) the time value of money and (iii) reasonable and supportable information that is available at the reporting date, without unreasonable cost or effort, about past events, current conditions and forecasts of future economic conditions.

In addition, to determine impairment allowances for exposures with low credit risk, the Unicaja Group applies individualized estimation methodologies, calculating the allowance as the difference between the gross book amount of the exposure and the present value of the estimated cash flows expected to be collected, multiplied by the estimated probability of default of the exposure and discounted using the effective interest rate.

In application of paragraph 5.5.18 of IFRS 9, in this estimate the Unicaja Group always reflects the possibility of a credit loss occurring or not occurring, even if the most likely outcome is that there will be no credit loss, and discarding only remote scenarios. In this regard, the Group reserves the application of the 0% hedge percentage for those exceptional cases in which its use is duly justified.

Estimates of changes in future cash flows reflect and are consistent with expected changes in observable variables. The variables on which forecasts were made were selected on the basis of their explanatory power for the behavior of the volumes and prices of the main balance sheet items: loans and credit for customers, fixed rate and equity portfolios, liquid assets and other assets. Based on the above, the variables fall into two groups: (i) representative of the context of the Spanish economy; (ii) referring to the financial environment.

With regard to the variables representative of the economic context, the Group starts from the macroeconomic picture published by the main national and European organizations. To avoid potential problems of over-parameterization in the projections, we chose those which, taking as a reference the statistical information available for Spanish deposit institutions as a whole published by the Bank of Spain, show a higher correlation and explain, for the most part (by means of principal component and regression analysis), the variance of the financial losses of the credit investment portfolio: (i) year-on-year variation rate of Gross Domestic Product (GDP), measured in terms of trend-adjusted chained volume index, (ii) unemployment rate, defined in terms of "Unemployed Population/Labor Force" and (iii) year-on-year rate of change of the Harmonized General Index of Consumer Prices (HICP). Likewise, due to its relevance in the evolution of credit investments with collateral, the inter annual variation rate of the General Index of Housing Prices (IGPV) has been added. The remaining variables are considered as instrumental and control variables to capture the occurrence of idiosyncratic events and improve the goodness of fit, or they are discarded once they have been found to be statistically insignificant or if they result in autocorrelation problems.

With regard to the variables referring to the financial environment, the following are selected (expressed in percentage terms) relating to interest rates: European Central Bank Intervention interest rate, 1-month Euribor, 3-month Euribor, 6-month Euribor, 12-month Euribor, 3-year Spanish government bonds, 5-year Spanish government bonds and 10-year Spanish government bonds.

The values of the macroeconomic variables used in the base scenario as of December 31, 2023 are as follows:

%	2023	2024	2025
Real GDP (% year-on-year change, annual average)	2.5%	1.9%	2.2%
Unemployment rate (%, annual average, EPA)	13%	12.74%	12.19%
CPI (%, annual average)	3.76%	3.6%	2.85%
Housing prices (% year-on-year change, end of period)	2.5%	0.2%	-0.8%
3-month Euribor (%)	2.86%	3.57%	3.25%
Spanish 10-year bond yields (%)	3.31%	3.45%	3.57%

In addition to the base scenario, based on the results obtained, two complementary scenarios are defined: adverse scenario and optimistic scenario. The weighting used by the Unicaja Group to estimate expected credit losses is 80% for the base scenario, 10% for the adverse scenario and 10% for the pessimistic scenario.

With regard to the sensitivity analysis of expected credit losses, the Unicaja Group performs simulations on the impact that a different weighting of the weights of the three macroeconomic scenarios used for the "forward looking" effect of its internal models would have on such losses. The following is an example of some of the impacts according to the weighting given to each scenario.

Millions of euros	Optimistic scenario	Base scenario	Pessimistic scenario	Impact on expected loss (*)
Weighting alternative 1	100%	0%	0%	(18)
Weighting alternative 2	0%	100%	0%	(1)
Weighting alternative 3	0%	0%	100%	24

(*) Positive values reflect an increase in expected credit losses that would result from applying a different weighting in the scenarios, while negative values reflect a decrease in expected credit losses.

In this regard, it should be noted that the main source used by the Advanced Analytics Department to determine the macroeconomic projections of the base scenario is the information published by the Bank of Spain and the INE in relation to the different variables mentioned above.

Based on the results obtained by estimating Bayesian vector autoregressive (BVAR) models, aligned with those used by the European Central Bank (ECB), the European Systemic Risk Board (ESRB) and the Bank of Spain, the values of the selected variables are projected, using a dynamic stochastic model, applying Bootstrap with replacement with 10,000 iterations and a confidence level of 80%, where the mean value corresponds to the base scenario (best available estimate), the lower tail to the adverse scenario (as a stressed case) and the upper tail to the optimistic scenario (as the most positive forecast).

With regard to the effect of macroeconomic variables once the projection time horizon (generally three years) has expired, the calculation of the projections on probabilities of default (PDs) for the different scenarios is made by means of regression models obtained in the development of the PD models and the values of the macroeconomic magnitudes involved in them. For the first three years of the projection, the PD parameters are taken from the projections made by Unicaja's Advanced Analytics Department. Once the three PD values are obtained through regression, a reversion of the values towards the central tendency is carried out, which is reached in year six. In this respect, the central tendency reflects the average value of the default rate associated with a complete economic cycle.

In view of the current situation of uncertainty caused by the escalation of inflation and the rise in interest rates in recent months, and in the context derived from the war between Russia and Ukraine and the shortage of certain products and materials, that is generating added uncertainty on the evolution of the main macroeconomic variables and on the capacity of the real economy and households to meet debt payments, the Unicaja Group has opted to apply an adjustment to the results of its internal models for the collective estimation of credit risk coverages, to reflect the potential credit deterioration that could result from the situation described above.

The adjustments consisted of the following:

- The year-on-year rate of change of the Harmonized Index of Consumer Prices (HICP) is no longer considered in thebase models in order to avoid the correlation between periods of high inflation and economic growth.
- This rate has been included in the calculation of a subsequent adjustment to the models, an estimation of the existing correlation between the inflation/interest rate variables (specifically, CPI, 3-month Euribor, and 10-year Spanish bond yield) and the observed/estimated default frequency (equated to the PD parameter) was performed on the available historical database. The objective is to make the portfolio's PD parameter sensitive to inflation through these correlations.

As of December 31, 2023, the adjustment subsequent to the expected loss estimate of the models amounts to 101 million euros.

The Unicaja Group considers that it is reasonable to treat these circumstances through a subsequent adjustment to the models, since the historical information available to the Group does not show such high levels of inflation as are currently occurring, and it is not possible to find an internal model capable of incorporating these circumstances with sufficient accuracy, and consequently, a subsequent adjustment to the models is required to reflect the uncertainty generated by this extraordinary situation.

With regard to the consideration of climate change risk and other environmental risks, although these risks constitute a potential impact factor in the estimation of credit risk, it is considered that their impact on the determination of expected credit losses does not have a material impact in the short term, as evidenced in the Climate Stress Test exercise carried out in 2023. In this sense, the impacts derived from physical risk or transition risk (with very long-term decarbonization paths) would already be reflected in the macroeconomic expectations used and, in the event of any significant risk derived from climate change in the short term, it would also be reflected at an idiosyncratic level through the financial information of borrowers with individually significant exposures. The Unicaja Group plans in the medium/long term, to the extent that this risk factor may become significant and is not incorporated with the current measurement tools, to incorporate specific methodologies to determine potential additional adjustments in this respect.

2.8. Financial guarantees and provisions established thereon

Guarantees granted are defined as contracts whereby an entity undertakes to make specific payments on behalf of a third party if the latter fails to do so, irrespective of the various legal forms they may take such as deposits, financial guarantees, irrevocable documentary credits issued or confirmed by the entity, etc.

In accordance with EU-IFRS, the Group generally considers financial guarantee contracts provided to third parties as financial instruments within the scope of IFRS 9.

On initial recognition, the Group recognizes financial guarantees provided on the liability side of the consolidated balance sheet at their fair value plus directly attributable transaction costs, which is generally equal to the amount of the premium received plus, where applicable, the current value of the fees and commissions receivable on these contracts over their term, with a balancing entry, on the asset side of the consolidated balance sheet, of the amount of fees and similar income collected at inception of the transactions and receivables for the current value of the fees and commissions receivable. Subsequently, these contracts are recognized on the liability side of the consolidated balance sheet at the higher of the following two amounts:

– The amount determined in accordance with IAS 37. In this regard, financial guarantees, regardless of their ownership, instrumentation or other circumstances, are analyzed periodically in order to determine the credit risk to which they are exposed and, where appropriate, to estimate the need to establish a provision for them, which is determined by applying criteria similar to those established for quantifying impairment losses on debt instruments measured at amortized cost.

– The amount initially recognized for these instruments, less the amortization of this amount, which is taken on a straight-line basis over the term of these contracts to the consolidated income statement.

Provisions, if any, for these instruments are recognized under “Provisions - Commitments and guarantees given” on the liability side of the consolidated balance sheet. The provisioning and recovery of such provisions is recognized with a balancing entry under “Provisions or reversal of provisions” in the consolidated income statement.

In the event that, in line with the above, a provision is required for these financial guarantees, the unearned commissions associated with these transactions, which are recognized under “Financial liabilities at amortized cost - Other financial liabilities” on the liability side of the consolidated balance sheet, are reclassified to the corresponding provision.

2.9. Entering into the accounts of lease transactions

2.9.1. When consolidated entities act as lessors

In the lessor's accounting treatment, a lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset, whereas a lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

When the consolidated entities act as lessors in operating leases, they present the acquisition cost of the leased assets under "Tangible assets", either as "Investment property" or "Loaned under operating lease", depending on the nature of the leased assets. These assets are depreciated in accordance with the policies adopted for similar property, plant and equipment for own use and income from lease contracts is recognized in the consolidated income statement on a straight-line basis under "Other operating income".

In the case of finance leases in which the consolidated entities act as lessors, the Group recognizes the assets held under such finance leases in its consolidated balance sheet and presents them as a receivable under "Financial assets at amortized cost" in the consolidated balance sheet. Subsequent to initial recognition, the Group uses the interest rate implicit in the lease to measure the net investment in the lease and recognizes financial income over the lease term using the effective interest rate method, recording such income under "Interest income" in the consolidated income statement.

2.9.2. When consolidated entities act as lessees

When the consolidated companies act as lessees in leasing transactions, and after the entry into force of IFRS 16, the accounting principles and valuation standards adopted by the Group are those described below:

- Lease term: The lease term is equal to the noncancellable period of a lease, plus the periods covered by the option to extend the lease, if it is reasonably certain that the lessee will exercise that option, and the periods covered by the option to terminate the lease, if it is reasonably certain that the lessee will not exercise that option.

- General recognition criteria: Assets and liabilities arising from leases are recognized at the lease commencement date, which is the date on which the lessor makes the leased asset available for use by the lessee.

- Initial valuation of lease liabilities: At the lease commencement date, the Group recognizes a lease liability for the present value of the lease payments that are not paid at that date.

  To calculate the present value of these payments, the discount rate is taken as the interest rate that the lessee would have to pay to borrow, with a similar term and collateral, the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment (additional financing rate).

  These liabilities are recorded under "Financial liabilities at amortized cost - Other financial liabilities" in the consolidated balance sheet.

- Initial valuation of the right-of-use asset: At the contract inception date, the Group recognizes a right of use asset which is measured at cost, comprising:

  a) The amount of the initial valuation of lease liabilities, as described above.

  b) Any lease payments made on or before the commencement date, less any payments received from the lessor (such as inducements received for signing the lease).

  c) The initial direct costs borne by the lessee. These include, among others, those costs directly related to the location of a tangible asset in the place and under the conditions necessary for the lessee to operate it.

d) Costs estimated to be incurred to dismantle and dispose of the leased property, rehabilitate the site on which it is located or return the property to the condition required under the lease, except if such costs are incurred for the production of inventories. These costs are recognized as part of the cost of the right of use asset when the Group acquires the obligation to bear them.

For presentation purposes, right of use assets are classified as tangible or intangible assets depending on the nature of the leased asset.

– Subsequent valuation of lease liabilities: Subsequent to initial recognition, the Group values the lease liability for:

a) Increase its book amount by reflecting accrued interest, which is calculated by applying the interest rate used in the initial valuation to the balance of the liability.

b) Reduce its book amount by reflecting lease payments made.

c) Reflect the update of: (i) the lease term as a result of a change in the assessment of the exercise of options to extend or terminate the lease, (ii) the lease term and lease payments as a result of a change in the assessment of the exercise of the option to purchase the leased property, (iii) the lease payments as a result of a change in the assessment of the amounts expected to be paid under the residual value guarantee, (iv) the amounts of future variable lease payments that depend on an index or rate, as a result of a change in the latter.

d) To reflect any modification of the lease.

e) To reflect lease payments that had not been considered unavoidable, such as those that depend on events whose occurrence was previously uncertain, but which at the reporting date are considered to be fixed in substance because they are unavoidable.

Variable lease payments not included in the valuation of the lease liability are recognized in profit and loss account for the year in which the event or circumstance giving rise to such payments occurs.

– Subsequent valuation of the right of use asset: Subsequent to initial recognition, the Bank measures the right of use asset at cost:

a) Less accumulated amortization and any accumulated impairment losses. If ownership of the leased asset is transferred at the end of the lease term or if the initial measurement of the cost of the right of use asset reflects that the lessee will exercise the purchase option, the right-of-use asset is depreciated over the useful life of the leased asset. In all other cases, amortization is provided over the shorter of the useful life of the asset or the lease term.

b) Adjusted to reflect changes in the present value of lease payments to be made in accordance with the above.

– Simplified treatment for recognition and valuation: The Bank records as expenses lease payments for:

a) Short term leases (understood as those with a term of twelve months or less at the commencement date), provided that they do not include a purchase option.

b) Leases in which the leased property is of low value, provided that the property can be used without relying heavily on (or being closely related to) other property and the lessee can derive benefits from using the property alone (or in conjunction with other readily accessible resources). The value appraisal of the leased asset is made in absolute terms based on its value as new.

In both cases, they are charged to the consolidated income statement on a straight-line basis over the term of the lease.

– Modification of the lease: The Bank accounts for the modification of a lease by separately recording a new lease if such modification expands the scope of the lease (by adding one or more leased assets) in exchange for an increase in the consideration in an amount similar to the specific price that would be paid if a separate lease were made on the assets added to the lease.

  In the event that these requirements are not met, on the date on which the parties agree to the amendment, the Bank: (a) allocates the modified lease consideration between the lease and nonlease components, (b) determines the term of the modified lease, (c) remeasures the lease liability, discounting the revised lease payments using a revised discount rate determined for the remaining lease term and at the date of the modification, and (d) accounts for the remeasurement of the lease liability.

2.10. Assets under management

Assets under management by consolidated companies that are owned by third parties are not included in the consolidated balance sheet. Commissions generated by this activity are included in the balance of the “Fee revenue” caption in the consolidated income statement. Note 31.4 provides information on third-party assets managed by the Group as of December 31, 2023 and 2022.

2.11. Investment and pension funds managed by the Group

The mutual funds and pension funds managed by the consolidated companies are not shown in the Group’s consolidated balance sheet, as their assets are owned by third parties. The fees accrued in the year for the services rendered by the Group companies to these funds (asset management and custody services, etc.) are recognized under the heading “Fee and commission income” on the consolidated income statement.

2.12. Commitments to employees

2.12.1. Post-employment commitments

2.12.1.1. General description of commitments

In accordance with the prevailing labor agreement, the Group must supplement the social security payments due to its employees, or their beneficiaries, in the event of retirement, widowhood, orphanhood, permanent disability or severe disability.

During 2002, Unicaja reached an agreement with its employees to modify and transform the complementary social welfare system existing up to that date, with respect to retirement contingencies and their derivatives and activity risk contingencies. As a result of this agreement, an occupational pension plan was formalized, which was externalized in Unifondo Pensiones V Pension Fund, of part of the pension commitments accrued with the personnel. The remaining pension commitments included in the internal funds at December 31, 2001 were insured by policies during 2004 and 2005 (Note 41.1).

The fundamental terms of this agreement are based on the transition to a mixed model of social welfare by contemplating defined contribution and defined benefit groups. Consequently, the Plan contemplated by the aforementioned agreement comprises six groups of employees according to their seniority, relationship and the Collective Bargaining Agreement to which they are subject. Depending on each of the groups, the benefits are minimum guaranteed benefit for death and disability contingencies and defined contribution or defined benefit for retirement contingencies.

As a consequence of the merger of Monte de Piedad y Caja de Ahorros de Ronda, Cádiz, Almería, Málaga and Antequera (now Fundación Bancaria Unicaja) and Caja Provincial de Ahorros de Jaén (Caja de Jaén), on April 13, 2011 the “Labor Agreement for the Integration of the Employment Pension Plans in Monte de Piedad and Caja de Ahorros de Ronda, Cadiz, Almeria, Málaga, Antequera and Jaen”, which was complied with through the “Labor Agreement on the Procedure for the Integration of the Employment Pension Plans in Monte de Piedad y Caja de Ahorros de Ronda, Cadiz, Almeria, Málaga, Antequera and Jaen” dated July 26, 2011.

The purpose of this agreement was to establish the bases regulating the Employment Pension Plan that governs all Unicaja employees as a result of the merger and the procedure for the unification of the Employment Plans existing in both entities, carried out through the integration into the Unicaja Employees’ Pension Plan of the Employees’ Pension Plan of Caja de Jaén, which has led to the termination and liquidation of the latter, creating a new group composed of the employees of the aforementioned entity.

On September 20, 2011, the Control Committee of the Unicaja Employees’ Pension Plan approved the modification of the Pension Plan Specifications adjusted to the wording established in the labor agreement described above, immediately accepting the integration of the participants and their vested rights and of the beneficiaries from the Caja de Jaén Employees’ Pension Plan, who were registered on October 26, 2011.

On the occasion of Unicaja’s bankarization process, the Control Committee of the Unicaja Employee Pension Plan agreed to modify this plan into a Joint Promotion Plan whose specifications were updated in November 2016.

During 2014, the Unicaja Group acquired a majority shareholding in the capital of Banco de Caja España de Inversiones, Salamanca y Soria, S.A. (EspañaDuero), which, in accordance with the corresponding labor agreements in force, must supplement the social security benefits corresponding to its employees, or their beneficiaries, in the event of retirement, widowhood, orphanhood, permanent disability or severe disability. The Group’s post-employment commitments maintained by EspañaDuero with its employees are considered “Defined contribution commitments” when it makes pre-determined contributions to a separate entity and has no legal or constructive obligation to make further contributions if the separate entity is unable to pay the employee remuneration relating to the service rendered in the current and prior periods. Post-employment commitments that do not meet the above conditions are considered as “Defined benefit commitments”.

During 2021, as a result of the merger by absorption of Liberbank, S.A. into Unicaja Banco, S.A., a series of post-employment commitments are contributed to the Unicaja Group depending on the entity in which they originated, as described below:

Commitments from Caja de Ahorros de Asturias (Cajastur):

- On August 24, 1989, the Board of Directors of Caja de Ahorros de Asturias resolved to apply Pension Plan Act 8/1987, of June 8, and integrate its pension fund into an external one.
- For that purpose, in 1990, a pension plan was created called Caja de Ahorros de Asturias Employees' Pension Plan, PECAJASTUR, where Caja de Ahorros de Asturias was the sponsor. This pension plan joined the Fondo de Pensiones de Empleados de la Caja de Ahorros de Asturias (FPCAJASTUR). The plan was underwritten by Caser Ahorrovida, Compañía de Seguros y Reaseguros, S.A.
- The PECAJASTUR Plan had three subplans. Employees who joined before May 30, 1986, belonged to Subplan I and those who joined after May 29, 1986 belonged to Subplan II. Employees who had freely decided to belong to Subplan I or II before December 16, 2011, also belonged to Subplan III.
- Subplan II, for the retirement contingency, and Subplan III are defined contribution. Subplan I was defined benefit and Subplan II, for the other contingencies, is defined benefit.
- On September 16, 2013, Liberbank,S.A., and the employees' representatives of Caja de Ahorros de Asturias signed a collective bargaining agreement to transform the commitments of the pension plans for employees of Caja de Ahorros de Asturias – Pecajastur from a defined benefit retirement system for the Subplan I assets to a defined contribution model, and the risks were changed in accordance with the signed agreements. This agreement also states that, after deducting the agreed allocations for Plans II and III, the surplus existing at the time of the transformation will be used to finance the Bank's future defined contribution commitments with the plan's participants.

Commitments from Caja de Ahorros y Monte de Piedad de Extremadura:

- On January 15, 2002, Caja de Ahorros y Monte de Piedad de Extremadura and the workers' legal representation signed the "Company Collective Bargaining Agreement for the Replacement of the Current System of Complementary Social Provisions and for the Adaptation of the Workforce of Employees of Caja de Extremadura", ratified by the Pension Plan Control Committee on January 31, 2002.
- The specifications of said Pension Plan establish a mixed system of defined contributions for retirement contingencies and minimum defined benefits for death and disability contingencies.

Commitments from Caja de Ahorros de Santander y Cantabria:

- In the 2002 Company Pact, Caja de Ahorros de Santander y Cantabria and the employees' legal representation agreed to replace the established employee benefit model, moving to a mixed system for the participants involved at that time.
- This is a defined contribution system for retirement contingencies and defined benefit system for disability, survivors' pensions and orphanhood contingencies. Additionally, the plan also includes the beneficiaries of income from annuities generated previously (defined benefit) for whom the plan itself contracts insurance for these benefits.

Commitments from Banco de Castilla-La Mancha, S.A. (BCLM). (BCLM):

- On September 16, 2003, Caja de Ahorros de Castilla La Mancha signed a new Collective Bargaining Agreement with its employees for a welfare provision system with the aim of outsourcing the pension commitments arising from complying with the collective bargaining agreement in force.

– By virtue of this agreement, a new supplementary social welfare system was created, established for all BCLM employees, defining the contribution to the retirement plan as a single percentage of each employee's actual salary. The benefits for the risk contingencies were also defined to protect against situations arising as a result of the death or disability of BCLM employees.

Regarding the assumptions used in the accounting quantification of the Unicaja Group's pension commitments, these are determined on the basis of the provisions of Articles 42 and 71 of the Collective Agreement for Savings Banks and Financial Institutions relating to salary growth and pension growth respectively, and on the basis of the stipulations for each of the pension commitments, insofar as they are linked either to the CPI without further ado or to the provisions of the agreement.

In this regard, and depending on the origin of the aforementioned pension commitments, these are linked to the variables indicated, as follows:

- The Group's commitment regarding the revaluation of annuity beneficiaries' pensions, depending on their origin, is linked to the CPI (groups from Unicaja and Banco Castilla La Mancha externalized in the pension plan, as well as a small group from Duero) or is linked to that specified in the aforementioned agreement (other commitments from various sources). In both cases, these are long-term commitments.

- With respect to the salary variable and its future growth, this affects a small number of employees who have not yet retired and are in the defined benefit retirement mode, taking the employee's pensionable salary as the basis for its calculation (all of them from Unicaja). Additionally, it affects the called "Loyalty Award" commitment and the "Early Retirees Group 13" group.

At the present time at year-end 2023, both for pensions whose growth is linked to the CPI and for those linked to the Collective Bargaining Agreement for financial institutions, the revaluation rate used for 2024 was 2.5%, by virtue of the Labor Agreement signed by the Bank in collective bargaining at the end of the year. The 2.5% included in the aforementioned agreement is a maximum. Therefore, for 2024, this assumption allows the maximum real revaluation to be applied in that year to be provided for from the accounting point of view.

For the following years, the same pension revaluation assumption has been maintained as that applied at year-end 2023.

However, on an ongoing basis, year by year, it will be necessary to analyze whether this behavior of the CPI will continue in future years, in order to determine whether the consistency of the accounting assumptions is maintained, or whether any adjustments should be made to them.

Considering that both the commitments related to pension growth are linked to either the CPI or to an agreement and are life annuities, i.e. long-term commitments, the negative deviations of a year will be offset by the positive deviations that have occurred in past years, and their net effect will be recorded under "Actuarial gains and losses" in consolidated shareholders' net equity.

Finally, with regard to the biometric tables applied in 2023 in the accounting quantification of pension commitments, it should be noted that these are first order PER 2020 tables for each of the commitments, regardless of their origin, as outlined in the Directorate General of Insurance of Pension Plans and Funds Resolution dated December 17, 2020.

At December 31, 2023 and 2022, the calculations of the accounting obligation included in the actuarial studies for the defined benefit plans have been made using the following assumptions:

Plan 1 Unicaja	2023	2022
Salary growth	2.5%	2.5%
Growth in Social Security coverage (Contribution bases)	0%	0%
Pension review rate	1.5% (*)	1.5%
Mortality tables	PER 2020 1st	PER 2020 1st

(*) For 2024 the pension revision rate is 2.5% according to the Labor Agreement.

Plan 2 Unicaja	2023	2022
Salary growth	0% (*)	0% (*)
Growth in Social Security coverage (Contribution bases)	0% (*)	0% (*)
Pension review rate	1.5% (**)	1.5%
Mortality tables	PERMF 2020 1st	PERMF 2020 1st

(*) At December 31, 2023, there is no group of assets in this Plan, so the effect of salary growth and Social Security coverage is nil.

(**) For 2024 the pension revision rate is 2.5% according to the Labor Agreement.

Plan 1 España Duero	2023	2022
Salary growth	0% (*)	0% (*)
Growth in Social Security coverage (Contribution bases)	0% (*)	0% (*)
Pension review rate	1.5% (**)	2%
Mortality tables	PERMF 2020 1st	PERMF 2020 1st

(*) As of December 31, 2023, there is no group of assets in this Plan whose benefits are affected by salary growth and Social Security coverage.

(**) 1.5% (difference between 2% and 1.5% in plan 2 policy 02/02)

Plan 2 España Duero	2023	2022
Salary growth	0% (*)	0% (*)
Growth in Social Security coverage (Contribution bases)	0% (*)	0% (*)
Pension review rate	2% (**)	2%
Mortality tables	PERMF 2020 1st	PERMF 2020 1st

(*) As of December 31, 2023, there is no group of assets in this Plan whose benefits are affected by salary growth and Social Security coverage.

(**) For 2024 the pension revision rate is 2.5% according to the Labor Agreement.

Liberbank Origin Plans	2023	2022
Salary growth	0% (*)	0% (*)
Growth in Social Security coverage (Contribution bases)	0% (*)	0% (*)
Pension review rate	1% (**), 1.6% (***), 2%	1%, 1.6%, 2%
Mortality tables	PERMF 2020 1st	PERMF 2020 1st

(*) As of December 31, 2023, there is no group of assets in this Plan whose benefits are affected by salary growth and Social Security coverage.

(**) For 2024 the pension revision rate is 2.5% according to the Labor Agreement.

(***) The rate of 1.6% corresponds only to BCM, it has been increased to 2.5% for 2024 according to the Labor Agreement.

The commitments accrued by Unicaja's personnel liabilities at December 31, 2023 and 2022 are externalized in the Unifondo Pensiones V Pension Fund and are covered by an insurance policy taken out based on an insured interest rate of 1.43% and the PERMF 2020 first-order mortality tables. In 2022 a supplement was issued to cover the CPI at a technical interest rate of 1%. In 2023, another supplement was issued to cover the CPI at an interest rate of 2%.

As of December 31, 2023 and 2022, the commitments accrued by the personnel liabilities originating from Liberbank are externalized, taking into account their originating entity, as follows:

- The employees with origin Caja de Ahorros de Asturias (Cajastur) are externalized in the Caja de Ahorros de Asturias employee pension plan, covered in policies 14785 and 55060 contracted with for subplans 1 and 2, with life annuities revalued at 1.5% per year, and in the policies contracted with CCM and Vida Caixa Mediación, Sociedad de Agencia de Seguros Vinculada, for subplan 3, with constant insured life annuities.
- Employees with Caja de Ahorros y Monte de Piedad de Extremadura origins generated under the defined benefit plan because they were hired before January 1, 2002, are covered by the Caja de Ahorros de Extremadura Employees' Pension Plan through two insurance policies taken out in which the insured interest rates range from 0.54% to 6%.
- The employees of Caja de Ahorros de Santander y Cantabria are externalized in the Caja Cantabria Employees' Pension Plan, P.P. This plan has taken out insurance policy 52493 in order to insure the risk derived from the group of beneficiaries under the defined benefit plan.
- The commitments accrued by retired personnel with origin Banco de Castilla-La Mancha, S.A. are supported by the Employment Pension Plan of Caja de Ahorros de Castilla-La Mancha. It is a mixed defined contribution plan for retirement and defined benefit for risk. It is also instrumented in an excess policy that includes the commitments of the contributions exceeding the legal maximum limit of the C.C.M. Employment Plan plan, contracted on the basis of an insured interest rate of 0.3%.

Defined contribution commitments

The contribution accrued during the financial year for this item is recorded under "Administrative expenses - Personnel expenses" in the consolidated income statement.

As of December 31, 2023 and 2022, there were no outstanding amounts to be contributed to external defined contribution plans.

Defined benefit commitments

The Group recognizes under "Provisions - Pensions and other post-employment defined benefit obligations" on the liability side of the consolidated balance sheet (or on the asset side, under "Other assets - Insurance contracts linked to pensions" depending on the sign of the difference and provided that the conditions established in IAS 19 and IFRIC 14 are met, for their recording) the present value of the defined benefit pension obligations, net, as explained below, of the fair value of the assets that meet the requirements to be considered as "Plan assets" and of the "Past service cost".

"Plan assets" are considered to be those linked to a specific defined benefit obligation with which these obligations will be directly settled and which meet each and every one of the following conditions:

– They are owned not by the Group, but by a legally separate third party that is not a related party of the Group.

– They are only available to pay or finance post-employment compensation of employees.

– They cannot be returned to the Group, except when the assets remaining in the plan are sufficient to meet all of the plan's or entity's obligations related to current or past employee benefits or to reimburse employee benefits already paid by the Group.

– They are not non-transferable financial instruments issued by the Group.

If the Group can require an insurer to pay some or all of the expenditure required to settle a defined benefit obligation and it is virtually certain that the insurer will reimburse some or all of the expenditure required to settle the obligation, but the insurance policy does not qualify as a plan asset, the Group records its right to reimbursement on the asset side of the consolidated balance sheet under “Other assets - Insurance contracts linked to pensions”, which is otherwise treated as a plan asset.

“Actuarial gains or losses” are considered to be those arising from differences between previous actuarial assumptions and reality, as well as changes in the actuarial assumptions used.

Pursuant to IAS 19, the Group records the actuarial gains or losses that may arise in relation to its post-employment obligations to employees in the year in which they arise under “Actuarial gains (losses) on defined benefit pension plans”, through the corresponding charge or credit to the consolidated statement of recognized income and expense, which are treated for these purposes as items that will not be reclassified to profit or loss.

Past service cost, which arises from changes in existing post-employment remuneration or the introduction of new benefits, is the cost of improved benefits corresponding to the years of service rendered by each employee on a straight-line basis using the projected unit credit method, which is recognized immediately in the consolidated income statement in the year in which it is incurred.

Post-employment remuneration is recognized in the consolidated income statement as follows:

- Costs of these obligations are recognized on the consolidated income statement and include the following components:
  - Cost of services for the current period, understood as the increase in the present value of the obligations arising as a result of the services rendered during the year by employees, under the “Administrative expenses - Personnel expenses” heading in the consolidated statement of income.
  - The cost of past services, arising from amendments to the existing post-employment benefits or the introduction of new benefits and includes the reduction costs recognized under “Provisions or reversal of provisions”.
  - Any gain or loss arising from a settlement of the plan is recognized under the caption “Provisions or reversal of provisions”.
- The interest cost, understood as the increase in the current value of the obligations during the year as a result of the passage of time, is recorded under “Interest expense” in the consolidated income statement. When the obligations are presented as liabilities, net of plan assets, the cost of the liabilities recognized in the profit and loss account will be exclusively that corresponding to the obligations recorded as liabilities.
- The expected return on the assets allocated to hedge the commitments and the consolidated profit or loss on their value, less any costs arising from their administration and taxes affecting them, is recorded under “Interest income” in the consolidated income statement.
- The recalculation of the net liability (asset) for defined benefits is recognized under the “Other accumulated comprehensive income” item of the consolidated net equity and includes:
  - Actuarial gains and losses generated in the year arising from differences between actuarial forecasts and actual performance and changes in the actuarial assumptions used.
  - The return on the plan assets, excluding the amounts included in the net interest on the liability (asset) for defined benefits
  - Any change in the effects of the asset limit, excluding the amounts included in the net interest on the liability (asset) for defined benefits.

2.12.1.2. Criteria used for post-employment remuneration

Regarding the criteria used and the method for determining the discount rates applied for post-employment remuneration, the following should be considered:

- For insured commitments: The criteria used are those set forth in IAS 19 and in Bank of Spain regulations, specifically, for the determination of the update rate, the criteria set forth in letter d) of Point 14, Rule 35 of Bank of Spain Circular 4/2017. At the end of the fiscal years 2023 and 2022, for the insured commitments in insurance policies, the fair value of the assets and obligations has been calculated by applying a discount rate based on the average duration of the commitments.

- For uninsured commitments: The market reference rate used is that corresponding to highly rated corporate bond and debenture issues, taking as a reference the IBOXX AA Corporate curve (i.e. that corresponding to highly rated corporate bonds in the Eurozone) as of December 31, 2023 and 2022.

2.12.1.3. Defined post-employment benefit obligations

The defined post-employment obligations maintained by Unicaja at the close of the 2023 fiscal year are grouped into the following plans:

<u>Plan 1 Unicaja</u>

a) Defined post-employment remuneration benefits externalized through a pension plan of the employment system called “Joint Promotion Pension Plan for the employees of Unicaja Banco S.A. and Fundación Bancaria Unicaja”, including both active personnel and beneficiary personnel who are already receiving the post-employment benefit. The Plan has taken out insurance policies for all defined benefit commitments, passing the financial and actuarial risk to the insurer. The insurance company for these policies is Unicorp Vida, Compañía de Seguros y Reaseguros, S.A.

b) Defined post-employment remuneration benefits externalized through an insurance policy suitable for the externalization of commitments according to Royal Decree 1588/1999, to the extent that the legal limits on contributions to pension plans do not allow their financing within the Pension Plan itself. The insurance company for this policy is Unicorp Vida, Compañía de Seguros y Reaseguros, S.A.

<u>Plan 2 Unicaja</u>

a) Defined post-employment remuneration benefits externalized through an insurance policy suitable for the externalization of commitments in accordance with Royal Decree 1588/1999, to cover pension commitments arising from the Collective Agreement of Savings Banks and the Collective Agreement of Private Banking corresponding to employees who are not members of the “Joint Promotion Pension Plan for Employees of Unicaja Banco, S.A. and Fundación Bancaria Unicaja”. The insurance company for this policy is Unicorp Vida, Compañía de Seguros y Reaseguros, S.A.

b) Defined post-employment remuneration benefits externalized through an insurance policies suitable for the externalization of commitments according to Royal Decree 1588/1999, to cover pension commitments corresponding to different groups of beneficiaries receiving life annuities. The insurance company for these policies is Unicorp Vida, Compañía de Seguros y Reaseguros, S.A.

Plan 1 EspañaDuero

All of the commitments under this plan come from Caja de Ahorros de Salamanca y Soria.

a) Defined post-employment remuneration benefits externalized through a pension plan of the employment system for employees of Caja de Ahorros de Salamanca y Soria, called “Pension Plan for Employees of Caja de Ahorros de Salamanca y Soria”, including both active personnel and beneficiary personnel who are already receiving post-employment benefits. The Plan has taken out insurance policies for some defined benefit commitments, passing the financial and actuarial risk to the insurer. The insurance company is Union Duero, Compañía de Seguros Vida, S.A.

b) Defined post-employment remuneration benefits externalized through an insurance policy suitable for the externalization of commitments according to Royal Decree 1588/1999, to the extent that the legal limits on contributions to pension plans do not allow their financing within the Pension Plan itself. The insurance company is Union Duero, Compañía de Seguros Vida, S.A.

Plan 2 EspañaDuero

Caja de Ahorros de Salamanca y Soria commitments:

a) Defined post-employment remuneration benefits externalized through insurance policies suitable for the externalization of commitments according to Royal Decree 1588/1999, for personnel who are not members of the Pension Plan as well as for groups of beneficiaries receiving life annuities already accrued. The insurance company for these policies is Union Duero Compañía de Seguros Vida, S.A.

b) Defined post-employment remuneration benefits in internal fund for annuity liabilities.

Commitments from Caja España de Inversiones, Caja de Ahorros y Monte de Piedad:

a) Defined post-employment remuneration benefits externalized through insurance policies for the externalization of commitments according to Royal Decree 1588/1999. These are two policies whose insurance companies are CASER and MEDVIDA.

Defined post-employment commitments held by Liberbank are grouped into the following accounting plans:

Caja de Ahorros de Asturias Employees’ Pension Plan

a) Defined post-employment remuneration benefits externalized through a pension plan of the employment system called “Caja de Ahorros de Asturias Employees’ Pension Plan” The Plan has taken out insurance policies for all defined benefit commitments, passing the financial and actuarial risk to the insurer. The insurance company is CASER.

Caja de Ahorros de Extremadura Employees’ Pension Plan

a) Defined post-employment remuneration benefits externalized through a pension plan of the employment system called “Caja de Ahorros de Extremadura Employees’ Pension Plan”. All of these salaries correspond to beneficiary personnel who are already receiving post-employment benefits. The Plan has taken out insurance policies for all defined benefit commitments, passing the financial and actuarial risk to the insurer. The insurance company is MEDVIDA.

b) Defined post-employment remuneration benefits externalized through adequate insurance policies for the externalization of commitments according to Royal Decree 1588/1999. These are two policies whose insurance company is CASER.

Caja Cantabria Employees' Pension Plan

a) Defined post-employment remuneration benefits externalized through a pension plan of the employment system called "Caja Cantabria Employees' Pension Plan". All of these salaries correspond to beneficiary personnel who are already receiving post-employment benefits. The Plan has taken out an insurance policy for all defined benefit commitments, passing the financial and actuarial risk to the insurer. The insurance company is CASER.

b) Defined post remuneration benefits externalized through insurance policies for the externalization of commitments according to Royal Decree 1588/1999. These are two policies whose insurance company is CASER.

Caja de Ahorros de Castilla-La Mancha Employment Pension Plan

a) Defined post-employment remuneration benefits externalized through an employment system pension plan of the known as the "Caja de Ahorros de Castilla La Mancha Employment Pension Plan", including both active personnel and beneficiaries who have already received post-employment benefits. The Plan has taken out an insurance policy for all defined benefit commitments, passing the financial and actuarial risk to the insurer. The insurance company is Unicorp Vida, Compañía de Seguros y Reaseguros, S.A.

b) Defined post-employment remuneration benefits externalized through an insurance policy suitable for the externalization of commitments in accordance with Royal Decree 1588/1999, to the extent that the legal limits on contributions to pension plans do not allow their financing within the Caja de Ahorros de Castilla La Mancha Employment Pension Plan. The insurance company is Unicorp Vida, Compañía de Seguros y Reaseguros, S.A.

2.12.2. Other long-term remuneration

In 2023 and 2022, the Group reached a series of individual agreements consisting mainly of early retirements through contract terminations, whose commitments are adequately covered at each of the dates mentioned.

In calculating the commitments to employees arising from these agreements, the Group has based itself on assumptions applied in accordance with market conditions and the characteristics of the group covered.

2.12.3. Termination benefits

Termination benefits are payments that are made as a result of either the entity's decision to terminate an employee's contract before the normal retirement age or the employee's decision to voluntarily accept the termination of their employment relationship in exchange for these benefits. The event giving rise to the payment obligation is the termination of the contract, rather than the employee's years of service. Therefore, in accordance with IAS 19, an entity should recognize termination benefits when, and only when, it has made a clear commitment to terminate the employment of an employee or group of employees before the normal retirement dates, or to pay termination benefits as a result of an offer made to employees to voluntarily terminate their employment contracts. Severance indemnities do not imply for the entity the obtainment of economic benefits in the future, so they should be recognized as an expense immediately.

2.12.4. Voluntary severance plans

On December 21, 2015, Unicaja implemented a voluntary severance plan, which contemplates the continuity of the existing early retirement scheme, as well as the possibility of leaving the Bank by mutual agreement. The voluntary severance plan is voluntary for Unicaja employees. In the case of early retirements, Unicaja employees who reach the age of 58 years or older within two years as from January 1, 2016 are eligible. In the event of termination of the employment contract by mutual agreement, employees who, for reasons of age, are unable to apply for early retirement may be eligible.

On December 17, 2018, Unicaja reached an agreement with the majority of the Employees' Legal Representation, which regulates a voluntary and progressive process of voluntary and progressive voluntary severance through compensated resignations and early retirements with termination of contract until December 31, 2021. It features the same conditions as those included in the previous plan and affects the whole of the Bank's workforce.

On September 30, 2020, Unicaja Banco launched a new voluntary early retirement plan, which is open to employees who reach the age of 58 years or older on December 31, 2023, and are not covered by any of the current severance plans.

2.12.5. Other employee termination plans

On December 3, 2021, the consultation period for the collective dismissal, geographic mobility and substantial modification of working conditions, provided for in Articles 51, 40 and 41 of the Workers' Statute at Unicaja Banco, S.A., was concluded with the agreement between the Management and the Workers' Representatives, whereby a restructuring process was initiated, mainly derived from the need to resolve the duplications and overlaps resulting from the process of merger by absorption of Liberbank by Unicaja. To cover the effect of this agreement, the Unicaja Group made a provision of 368 million Euro during financial year 2021 (Note 18). As of December 31, 2023 and 2022, the amount of the provision is 221 million euros and 280 million euros respectively (Note 18).

2.12.6. Death and disability

The commitments assumed by the Group to cover the contingencies of death and disability of employees during the period in which they remain in active service and which are covered by insurance policies underwritten by the Pension Plan (Note 2.12.1) taken out with Unicorp Vida, Compañía de Seguros y Reaseguros, S.A. and with Caja de Seguros Reunidos, Compañía de Seguros y Reaseguros, S.A. (Caser), are recorded in the consolidated income statement for an amount equal to the amount of the premiums of such insurance policies accrued in each year.

2.12.7. Seniority awards:

Unicaja has undertaken with its employees the commitment to pay a benefit of 1,697.40 euros and 2,102.00 euros, in the event that the employee reaches 20 and 35 years of service in the Bank respectively.

Commitments for seniority awards or loyalty bonuses are treated for accounting purposes, in all applicable aspects, using the same criteria as those explained above for defined benefit commitments.

2.13. Income tax

The Bank, as the parent company of the Tax Group, is taxed under the special tax consolidation regime contemplated in Title VII of Law 27/2014, of November 27, on Corporate Income Tax. The criterion applied by the Group is to record, for each entity taxed under this regime, the income tax expense that would have corresponded had it filed its tax return individually, adjusted by the amount of the tax loss carryforwards, deductions or allowances generated by each company that are used by other Group companies, considering the tax consolidation adjustments to be made.

Income tax expense is recognized on the consolidated income statement, unless it arises from a transaction the result of which is recognized directly in net equity, in which case the income tax is also recognized with a charge or credit to the Group's net equity.

The income tax expense for the financial year is calculated as the tax payable with respect to the taxable income for the year, adjusted by the amount of the changes during the year in the recognized assets and liabilities arising from temporary differences, tax credits and tax relief and possible tax loss carryforwards (Note 24).

The Group considers that there is a temporary difference when there is a difference between the carrying amount of an asset or liability and its tax base. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes. A taxable temporary difference is one that will generate a future obligation for the Group to make a payment to the related authorities. A deductible temporary difference is one that will generate a right for the Group to a refund or a reduction in the tax charge in the future.

Tax credits and tax loss carryforwards are amounts that, after performance of the activity or obtainment of the profit or loss giving entitlement to these, are not used for tax purposes on the related tax return until the conditions for doing so established in the tax regulations are met, and the Group considers it probable that they will be used in future periods.

Current tax assets and liabilities are the taxes that are expected to be recoverable from or payable to the related tax authorities within 12 months from the date they are recognized. Deferred tax assets and liabilities are the taxes that are expected to be recoverable from or payable to respectively, the corresponding tax authorities in future years.

Deferred tax liabilities are recognized for all the taxable time differences. Notwithstanding the foregoing, no deferred tax liabilities arising from the recognition of goodwill are recorded.

The Group only recognizes deferred tax assets arising from deductible temporary differences, tax credits or allowances or tax loss carryforwards if it is considered probable that the consolidated companies will have sufficient future taxable profits against which they can be utilized; or they are guaranteed in accordance with the provisions of Royal Decree Law 14/2013 of November 20 on urgent measures for the amendment of Spanish law to comply with European Union regulations on the supervision and solvency of financial institutions, as detailed below.
On November 30, 2013, Royal Decree-Law 14/2013, of November 29, on urgent measures for the adaptation of Spanish law to European Union regulations on the supervision and solvency of financial institutions was published in the Official State Gazette, which, among other aspects, introduced amendments to the revised text of the Corporate Income Tax Law approved by Royal Legislative Decree 4/2004 of March 5, establishing, for tax periods beginning on or after January 1, 2011, a new treatment relating to the inclusion in the tax bases, with certain limits, for tax periods beginning in or after 2014, certain temporary differences arising from provisions for impairment of loans or other assets deriving from possible insolvencies of debtors not related to the taxpayer and those corresponding to provisions for contributions to social welfare systems and, where applicable, pre-retirement, it also establishes the possibility, in addition, that these temporary differences may be exchanged for government debt securities and deferred tax assets once the period for offsetting tax loss carryforwards established in the applicable regulations has elapsed.

Deferred tax assets and liabilities are reviewed at the end of each reporting period to check that they are still effective, and the appropriate adjustments are made on the basis of the results of the review.

2.14. Tangible assets

2.14.1. Tangible fixed assets for own use

Tangible fixed assets for own use include those assets, owned or acquired under finance leases, as well as rights of use that meet the conditions established in IFRS 16, which the Group has for current or future use for administrative purposes other than those of the Welfare Projects or for the production or supply of goods and which are expected to be used for more than one financial year. This category includes, inter alia, tangible assets received by the consolidated entities in full or partial satisfaction of financial assets representing receivables from third parties, where these assets are intended to be held for continuing own use.

Tangible fixed assets for own use, excluding rights of use, are stated in the consolidated balance sheet at acquisition cost, consisting of the fair value of any consideration given plus all cash payments made or committed, less accumulated amortization and, if applicable, estimated impairment losses (carrying amount higher than recoverable amount). The acquisition cost of tangible fixed assets for own use includes the valuation made at January 1, 2004 at fair value. This fair value as at January 1, 2004 was obtained based on appraisals performed by independent experts. The rights of use are valued in accordance with Note 2.9.2. on operating leases.

For this purpose, the acquisition cost of assets form foreclosure, included in the Group's tangible fixed assets for own use, is the same as the carrying amount of the financial assets settled through foreclosure.

Amortization is calculated, applying the straight-line method, on the acquisition cost of the assets less their residual value; it being understood that the land on which the buildings and other constructions stand have an indefinite life and, therefore, are not subject to amortization.

The annual provisions for amortization of tangible assets are made with a balancing entry under "Amortization" of the consolidated income statement and are basically equivalent to the following amortization percentages (determined based on the average years of the estimated useful life of the different elements):

	Annual percentage
Real Estate	1% a 5%
Furniture and fixtures	8% a 15%
Machinery and electronic equipment	13% a 27%
Others	10% a 16%

The annual allowance for leasehold rights of use is calculated as described in Note 2.9.2.

On each closing of accounts, the consolidated companies perform an analysis to detect both internal and external signs that the net value of the material assets exceeds their corresponding recoverable value (Note 2.14.4).

Similarly, when there is an indication of a recovery in the value of an impaired tangible asset, the consolidated companies record the reversal of the impairment loss recognized in prior periods with a corresponding credit to "Impairment losses or reversal of impairment losses of non-financial assets - tangible assets" in the consolidated income statement and adjust the future amortization charges accordingly. In no case may the reversal of an impairment loss on an asset raise its carrying amount above that which it would have had if no impairment losses had been recognized in prior years.

The estimated useful lives of tangible fixed assets for own use are reviewed at least once a year with a view to detecting significant changes therein. If changes are detected, the useful lives of the assets are adjusted by correcting the amortization charge to be recognized on the consolidated income statement in future years on the basis of the new useful lives.

Maintenance and upkeep expenses for tangible assets for own use are charged against profit or loss for the financial year in which they are incurred under "Administrative expenses - other general administrative expenses" on the consolidated income statement. Finance costs incurred as a result of the financing of tangible fixed assets for own use are charged to the consolidated income statement as they accrue and are not included in their acquisition cost.

Tangible assets that require more than twelve months to be readied for use include as part of their acquisition or production cost the borrowing costs incurred before the assets are ready for use and which have been charged by the supplier or relate to loans or other types of borrowings directly attributable to their acquisition, production or construction. Capitalization of borrowing costs is suspended, if appropriate, during periods in which the development of the assets is interrupted, and ceases when substantially all the activities necessary to prepare the asset for its intended use are complete.

2.14.2. Investment property

The “Investment Property” caption in the consolidated balance sheet includes the net values of land, buildings and other structures held either to operate them on a rental basis or to obtain a capital gain on their sale as a result of future increases in their respective market prices.

The criteria applied for the recognition of the acquisition cost of investment property, for its amortization, for the estimation of their respective useful lives coincide with those described in relation to tangible assets for own use (Note 2.14.1).

2.14.3. Tangible assets - Leased under operating leases

The heading “Tangible assets - Loaned under operating leases” in the consolidated balance sheet includes the net values of tangible assets other than land and real estate leased by the Group under operating leases.

The criteria applied for recognizing the acquisition cost of leased assets, for their amortization, for estimating their respective useful lives and for recording possible impairment losses coincide with those described in relation to property, plant and equipment for own use (Note 2.14.1).

2.14.4. Recoverable amount of tangible assets

Both tangible fixed assets for own use and investment property are valued at acquisition cost, recording valuation adjustments due to impairment in the event that the recoverable amount of the assets is lower than such cost.

In the Unicaja Group, the buildings for own use are mainly allocated to the different cash-generating units (CGUs) they belong to. These CGUs are subject to the corresponding impairment analysis to check that sufficient cash flows are generated to cover the value of the assets they comprise.

The recoverable value is the greater of the following: i) the market or reasonable value minus the sales costs and ii) the value in use. The value in use is defined as the current value of the expected future cash flows of an asset or a cash-generating unit through its use in the normal course of business.

The value in use is calculated as the current value of the expected cash flows generated by the asset, taking the following assumptions into account:

a) Forecasting of the financial statements and profit or loss account. Based on the most recent actual data, a forecast is made of the main balance sheet items: customer funds on the balance sheet (demand and term), off-balance sheet customer funds, performing credit investment (mortgages and other assets), etc., as well as their impact on the profit or loss account, on incorporation of the evolution of the interest rates, adjustment rates, amortization of the portfolio, commissions, administration expenses, amortization of real estate, and credit write-offs.

b) The forecasting of the financial statements and the profit or loss account takes place at the territorial level, which includes the offices of the commercial network and the Bank’s other head offices. It has been determined that the Cash-Generating Unit is the Territory, as this is the smallest identifiable group of assets that generates incoming cash in favor of the entity which is, to a large extent, independent of the cash flows from other assets or groups of assets.

A discount rate is applied to said cash flows which allows the forecast cash flows to be updated to the time at which the valuation is taking place.

When the net value of its tangible asset items exceeds the corresponding recoverable amount, the book value of the asset in question is reduced to its recoverable value and the future depreciation expense is reduced in proportion to its new book value and new remaining useful life, with a recalculation of this if necessary. This reduction in the carrying amount of property, plant and equipment for own use is recognized, if necessary, in the consolidated income statement under “Impairment or reversal of impairment of non-financial assets - Tangible assets”.

2.15. Intangible assets

Intangible assets are identifiable non-monetary assets, although without physical appearance, that arise as a result of a legal transaction or have been developed internally by consolidated companies. Only intangible assets the cost of which can be estimated in a reasonably objective manner and from which the consolidated companies believe they will likely obtain future economic benefits are recognized.

Intangible assets, other than goodwill, are initially recognized in the consolidated balance sheet at acquisition or production cost and subsequently measured at cost less, as appropriate any accumulated amortization and any accumulated impairment losses.

Intangible assets may have an "indefinite useful life" when, based on an analysis of all relevant factors, it is concluded that there is no foreseeable limit to the period over which they are expected to generate net cash flows for the consolidated companies, or a "finite useful life" in other cases (using a period generally not exceeding 5 years).

Intangible assets with indefinite useful lives are not amortized; however, at each balance sheet date, the consolidated companies review their respective remaining useful lives to ensure that they continue to be indefinite or, if not, to proceed accordingly.

Intangible assets with a defined life are amortized based on it, applying criteria similar to those adopted for the amortization of tangible assets. The annual amortization of intangible assets with finite useful lives is recorded under “Amortization - Intangible assets” in the consolidated statement of income.

At each reporting date, consolidated entities test for indications, either internal or external, that the carrying amount of its intangible assets exceeds their recoverable value. If so, the carrying amount of the asset is reduced to its recoverable value and the future depreciation expense is reduced to take account of its new value and, where necessary, its revised useful life. When necessary, the book value of intangible assets is reduced with a charge to “Impairment losses or reversal of impairment losses of non-financial assets - intangible assets” on the consolidated income statement

Similarly, if there is an indication of a recovery in the value of an impaired intangible asset item, the consolidated entities recognize the reversal of the impairment loss recognized in prior periods by crediting “Impairment losses or reversal of impairment losses of non-financial assets - intangible assets” on the consolidated income statement and adjusting the future depreciation charges accordingly. In no case may the reversal of an impairment loss on an asset raise its carrying amount above that which it would have had if no impairment losses had been recognized in prior years.

The criteria for recognizing impairment losses on these assets and, if applicable, recoveries of impairment losses recorded in prior years are similar to those applied to property, plant and equipment for own use (Note 2.14.1).

2.16. Goodwill

Positive differences between the cost of equity investments in consolidated companies accounted for by the equity method and the corresponding underlying book values acquired, adjusted at the date of first consolidation, are recognized as follows:

- If they are allocable to specific assets and liabilities of the acquired companies, by increasing the value of the assets (or reducing the value of the liabilities) whose fair values are higher (lower) than the net book values at which they appear in the balance sheets of the acquired companies.
- If they are allocable to specific intangible assets, recognizing them explicitly in the consolidated balance sheet provided that their fair value at the date of acquisition can be reliably determined.
- The remaining differences are recorded as goodwill, which is allocated to one or more specific cash generating units.

Goodwill, which is only recorded when acquired for consideration, therefore represents prepayments made by the acquiring company for future economic benefits derived from the assets of the acquired company that are not individually and separately identifiable and recognizable.

On the occasion of each accounting closing, it is proceeded to estimate whether any impairment has occurred that reduces its recoverable value to an amount lower than the recorded net cost and, if so, its appropriate write-down is carried out, charged to the heading “Impairment of value or reversal of the impairment of the value of non-financial assets - Intangible assets” of the consolidated profit and loss account.

Impairment losses related to goodwill are not subject to subsequent reversal.

2.17. Inventories

This item on the consolidated balance sheet includes non-financial assets held by the consolidated companies:

– held for sale in the ordinary course of business,

– in the process of production, construction, or development for sale, or

– scheduled to be consumed in the production process or in the rendering of services.

Consequently, inventories include land and other property held for sale or for inclusion in a property development.

Inventories are measured at the lower amount between their cost, which comprises all purchase costs, conversion costs, and direct and indirect costs incurred in bringing the inventories to their present location and condition, as well as the directly attributable borrowing costs, provided the inventories require more than one year to be sold, taking into account the criteria set forth above for the capitalization of borrowing costs relating to tangible fixed assets for own use, and their “net realizable value”. The net realizable value of the inventories is understood as the estimated price of their sale during the ordinary course of business, minus the estimated costs to finish the production thereof and those inherent in the sale thereof.

Any write-downs of the carrying amount of inventories to net realizable value and any subsequent reversals of write-downs are recognized under “Impairment losses or reversal of impairment losses of non-financial assets - others” on the consolidated income statement for the year in which the write-down or reversal occurs.

Assets acquired by the Group through foreclosure, which are deemed to be the assets received by the Group from its borrowers or other debtors as total or partial payment for financial assets representing receivables from them, regardless of how they were acquired, and which, on the basis of their nature and intended purpose, are classified as inventories by the Group, are initially recognized at acquisition cost, which is the carrying amount of the liability incurred to acquire the asset, which is calculated in accordance with the legislation applicable to the Group. Subsequently, the foreclosed assets are subject to the estimation of the corresponding impairment losses that may occur on them, calculated in accordance with the criteria described in Note 2.20.

2.18. Provisions and contingent liabilities

At the time of preparing the consolidated financial statements, the Group differentiates between:

– Provisions: credit balances that cover present obligations at the date of the consolidated balance sheet arising as a result of past events that may give rise to financial losses for the companies, which are considered probable in terms of their occurrence; specific as to their nature, but undetermined as to their amount and/or time of cancellation.

– Contingent liabilities: possible obligations arising as a result of past events, the materialization of which is conditional on the occurrence, or not, of one or more future events independent of the will of the consolidated companies.

The Group’s consolidated financial statements include all the material provisions with respect to which it is considered that it is more likely than not that the obligation will have to be settled. Contingent liabilities are not recognized on the consolidated annual financial statements, but are disclosed, as required by IAS 37 (Note 18).

Provisions are measured based on the best information available regarding the consequences of the events giving rise to them and re-measured at each balance sheet date. They are used to meet the specific obligations for which they were originally recognized, and may be wholly or partly reversed if these obligations cease to exist or diminish.

The appropriation and release of provisions that are considered necessary according to the above criteria are recorded with a charge or credit to the “Provisions or reversal of provisions” caption in the consolidated income statement.

At the end of the fiscal years 2023 and 2022, various legal proceedings and claims filed against the consolidated companies arising from the normal development of their activities were in progress. Both the Group’s legal advisors and its Directors understand that the conclusion of these procedures and claims will not have a significant effect on the consolidated financial statements for the years in which they end.

Paragraph 92 of IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” allows that, in cases where the disclosure in the financial statements of detailed information on certain provisions or contingent liabilities for disputes with third parties could affect them or seriously prejudice the Group's position, the Group may choose not to disclose such information in detail.

2.19. Transfers of financial assets

The accounting treatment of transfers of financial assets depends on the extent to which the risks and rewards associated with the transferred assets are transferred to third parties:

- If the risks and rewards of the transferred assets are substantially transferred to third parties - case of unconditional sales, sales with a repurchase agreement for their fair value on the date of repurchase, sales of financial assets with a purchase option acquired or sale issued deeply out-of-the-money, of asset securitizations in which the assignor does not retain subordinated financing or grant any type of credit enhancement to the new holders and other similar cases -, similar -, the transferred financial asset is given removed from the balance sheet, consolidated balance sheet, simultaneously recognizing any right or obligation retained or created as a result of the transfer.

- If the group retains substantially all the risks and rewards associated with the financial asset transferred (such as in the sale of financial assets under an agreement to repurchase them at a fixed price or at the sale price plus interest, a securities lending agreement in which the borrower undertakes to return the same or similar assets, securitization of financial assets in which subordinated debts or other types of credit enhancement are retained that absorb substantially all the expected credit losses for the securitized assets, and other similar cases), the financial asset transferred is not derecognized and continues to be measured by the same criteria as those used before the transfer. However, the following items are recognized, without offsetting:

  – An associated financial liability in the amount equal to the consideration received; this liability is subsequently measured at amortized cost, or at fair value if the aforementioned requirements are met for classification as other financial liabilities at fair value through profit or loss, in accordance with the aforementioned criteria for this type of financial liability.

  – The income from the financial asset transferred, but not derecognized, and any expense incurred on the new financial liability.

- If the Group neither transfers nor retains substantially all the risks and rewards associated with the financial asset transferred – sale of financial assets with a purchased call option or issued put option that is not considerably in or out-of-the-money, securitization of financial assets in which the transferor retains a subordinated debt or other type of credit enhancement for a portion of the transferred asset, and other similar cases – the following distinction is made:

  – If the transferring entity does not retain control of the transferred financial asset: in this case, the transferred asset is removed from the balance sheet and any right or obligation retained or created as a result of the transfer is recognized.

  – If the transferor retains control: it continues to recognize the transferred financial asset on the consolidated balance sheet for an amount equal to its exposure to changes in value and recognizes a financial liability associated with the transferred financial asset. The net amount of the asset transferred and the associated liability will be the amortized cost of the rights and obligations retained, if the asset transferred is measured at amortized cost, or the fair value of the rights and obligations retained, if the asset transferred is measured at fair value.

In accordance with the foregoing, financial assets are only derecognized from the balance sheet when the cash flows they generate have been extinguished or when the implicit risks and benefits have been substantially transferred to third parties.

2.20. Non-current assets and liabilities included in disposal groups of items that have been classified as held for sale

The heading “Non-current assets and disposal groups that have been classified as held for sale” in the consolidated balance sheet includes the book value of the items, individual or integrated in a set, “disposal group”, or that form part of a business unit that is intended to be disposed of “interrupted operations”, the sale of which is highly likely to take place, in the conditions in which such assets are currently found, within a period of one year from the date to which the referred to in these consolidated financial statements.

Shareholdings in associates and joint ventures that meet the conditions set forth in the foregoing paragraph are also considered to be non-current assets and disposal groups that have been classified as held for sale.

Therefore, the carrying amount of these items, which can be of a financial nature or otherwise, will foreseeably be recovered from sale rather than from continuing use.

Specifically, the real estate assets or other non-current assets received by the consolidated companies to satisfy, in whole or in part, their debtors’ payment obligations to them are considered non-current assets held for sale; unless the Group has decided, based on their nature and the use to which these assets will be put, to make continued use of those assets (Note 16).

Symmetrically, the heading “Liabilities included in disposal groups of items classified as held for sale” in the consolidated balance sheet includes, if any, the balances payable associated with disposal groups or discontinued operations that the Group may have.

In general, assets classified as non-current assets held for sale are initially measured at the lower of their carrying amount at the time they are considered as such and their fair value, net of estimated costs to sell. To determine these values, the Group has developed certain internal methodologies, which allow estimating the fair value of the assets at the present time, based on the latest appraisals received, the Group’s sales experience and expected sales costs. This estimate is made by the Group separately for each type of asset, separating them into relevant segments. While they remain classified in this category, assets are not amortized.

After initial recognition, these real estate assets foreclosed or received in payment of debts, classified as "Non-current assets and disposal groups of items that have been classified as held for sale" and the liabilities included in said groups are valued at the lower amount between: the updated fair value less the estimated cost of its sale and its book value. It should be able to recognize an impairment or reversal of impairment for the difference, which will be included in the heading "Gains or losses from non-current assets and groups disposal of items classified as held for sale not admissible as discontinued operations" of the consolidated profit and loss account.

The results from the sale of non-current assets held for sale are presented under the heading "Gains or losses from non-current assets and disposal groups of items classified as held for sale not eligible as discontinued operations" of the income statement and consolidated earnings.

Notwithstanding the foregoing, financial assets, assets from employee benefits, deferred tax assets and assets from insurance contracts that are part of a disposal group or a discontinued operation are not valued in accordance with the provisions of the preceding paragraphs, but in accordance with the principles and rules applicable to these items, which have been explained in the preceding sections of Note 2.

2.21. Insurance or reinsurance contracts

The Group applies IFRS 17 from January 1, 2023, which has replaced IFRS 4 "Insurance contracts" as the accounting standard applicable to the recognition, measurement and presentation of contracts that transfer significant insurance risk.

The new accounting principles and criteria that the Unicaja Group has begun to apply to its insurance and reinsurance contracts as from January 1, 2023, pursuant to IFRS 17, are summarized below:

- Identification of insurance contracts:
    - An insurance contract is defined as a contract where one party (the issuer) accepts a significant insurance risk from the other party (the policyholder) and agrees to compensate the policyholder if a specified uncertain future event (the insured event) that adversely affects the policyholder occurs.
    - IFRS 17 defines insurance risk as "the risk, other than financial risk, transferred by the holder of a contract to the issuer." A contract that exposes the issuer to a financial risk without a significant insurance risk is not an insurance contract.
    - In turn, the insurance risk will be significant if, and only if, an insured event could cause the issuer to pay significant additional amounts in any given scenario, excluding scenarios that are not commercial in nature (i.e. that have no discernible effect on the economics of the transaction). If an insured event may result in significant additional amounts being payable in any scenario that is commercial in nature, the condition in the preceding sentence may be met even if the insured event is extremely unlikely, or even if the expected present value (i.e., probability-weighted) of the contingent cash flows is a small proportion of the expected present value of the remaining cash flows of the insurance contract.
- Level of aggregation of insurance contracts:
    - A portfolio comprises contracts that are subject to similar risks and are managed together. Contracts within a product line can be assumed to have similar risks and hence to be in the same portfolio if managed together. Contracts in different product lines (e.g. single premium fixed income insurance versus ordinary term life insurance) can be assumed to not have similar risks and therefore can be expected to be in different portfolios.
    - The Group aggregates in a single insurance contract portfolio all Unit Linked contracts from Unión del Duero, Compañía de Seguros de Vida, S.A.U., as it is a company with a run-off portfolio with no new business which meets the requirements of Article 2 of Commission Regulation (EU) 2021/2036 of November 19, 2021.

- Recognition of groups of insurance contracts:

  - The Group recognizes the groups of insurance contracts it issues from the earliest of the following dates: (a) the beginning of the coverage period of the group of contracts; (b) the date on which the first payment of a policyholder of a policy in the group becomes due and (c) in the case of a group of contracts of an onerous nature, the date on which the group becomes onerous.

- Valuation methods:

  - The Unicaja Group has conducted an analysis of insurance and reinsurance contracts under IFRS 17, adopting the decision to apply the general model, known as the “Building Block Approach” (BBA), for long-term commitments, the simplified model, known as the “Premium Allocation Approach” (PAA), for short-term commitments, and the variable fee model, known as the “Variable Fee Approach” (VFA), for unit-linked contracts. Most of the insurance contract liabilities correspond to long-term commitments, so the method with the greatest weight is the general model (BBA).

  - The following sections of this note explain in detail the valuation methodology under the General Model (BBA), both in the initial and subsequent recognition, as well as those differentiating elements of this General Model (BBA) in the Contractual Service Margin (CSM) for those contracts valued following the Variable Fee Model (VFA).

  - For the simplified Premium Allocation Approach (PAA), the remaining hedge liability consists of the premiums received, less the insurance acquisition cash flows paid, plus or minus the allocation to income of the expected premiums or acquisition cash flows, plus any adjustment of a financing component, less any investment component paid or transferred to the liability for claims incurred. Income is taken to income on a straight-line basis over the hedging period of the contract, in the event that the accrual of income is also straight-line. In turn, the groups of contracts valued under the PAA have a liability for claims incurred calculated in a manner similar to that of the General Approach.

- Valuation in the initial recognition:

  - At the time of initial recognition, the Group values the groups of insurance contracts for the total amount of:

    a) Cash flows arising from compliance, comprising: (i) estimates of future cash flows, (ii) an adjustment to reflect the time value of money and the financial risks related to future cash flows, to the extent that financial risks are not included in the estimates of future cash flows, and (iii) a risk adjustment for the non-financial risk.

    b) Contractual Service Margin (CSM)

  - With respect to the estimates of future cash flows, the Group includes in the valuation of groups of insurance contracts all future cash flows within the limits of each contract in the group. Estimates of future cash flows include, without bias, all reasonable and supportable information that is available, without unreasonable cost or disproportionate effort, about the amount, timing and uncertainty of those future cash flows. To this end, the Group estimates the expected value (i.e. the probability-weighted average) of all potential outcomes. The estimates reflect the Group’s perspective and the conditions existing on the valuation date, including assumptions at that date about the future. The Group estimates the non-financial risk adjustment separately from other estimates, and also separately takes into account the cash flows of the adjustment due to the time value of money and the financial risk, unless the most appropriate valuation technique combines these estimates.

- As far as discount rates are concerned, the Group adjusts estimates of future cash flows to reflect the time value of money. Thus, the discount rates applied to future cash flow estimates reflect the time value of money, the characteristics of the cash flows and the liquidity characteristics of the insurance contracts; are consistent with current observable market prices (if any) of the financial instruments with cash flows whose characteristics match those of the insurance contracts (in terms of e.g. timing, currency and liquidity); and exclude the effect of factors that influence such observable market prices but do not affect the future cash flows of the insurance contracts.

- In regards to the risk adjustment due to the non-financial risk, the Group adjusts the estimate of the present value of future cash flows to reflect the compensation it requires for bearing the uncertainty about the impact and timing of cash flows arising from the non-financial risk.

- With regard to the Contractual Service Margin (CSM), this is an asset or liability component in relation to groups of insurance contracts that represents the unearned income that the Group will recognize as it provides insurance contract services in the future. This amount is not recognized in the income statement on initial recognition but will be recognized as the services of the contract are rendered. When this margin is negative, the insurance contract is onerous, and the loss must be immediately recognized in the income statement, without the contractual service margin being recognized in the consolidated balance sheet.

- Additionally, in the case of insurance contracts with direct participation characteristics, where the Variable Fee Approach (VFA) is used for the valuation, the Group considers, with the corresponding impact on income the Contractual Service Margin (CSM), the variation in the fair value of the underlying elements, unless the risk is reduced or the decrease in the fair value of the underlying elements exceeds the carrying amount of the Contractual Service Margin, generating in this case a loss to be recorded directly in the consolidated income statement.

• <u>Subsequent valuation:</u>

  - The carrying amount of a group of insurance contracts at each accounting close is the sum: (i) of the liability for remaining coverage (comprising the cash flows arising from performance relating to future services assigned to the group at that date and the group's contractual service margin at that date) and (ii) of the liability for incurred claims, which comprises the cash flows arising from performance relating to past services assigned to the group at that date.

  - The Group recognizes income and expenses for the following changes in the carrying amount of the liability for remaining coverage: (a) ordinary insurance-related income: for the reduction of the liability for remaining coverage on account of services rendered during the fiscal year; (b) insurance-related service expenses: for losses on groups of contracts of an onerous nature, and the reversals of such losses and (c) insurance-related financial expenses or income: for the effect of the time value of money and the effect of the financial risk.

  - In addition, the Group recognizes income and expenses for the following changes in the carrying amount of the liability for incurred claims: (a) expenses of the insurance service: for the increase in liabilities due to claims and expenses incurred during the year, excluding any investment component; (b) expenses of the insurance service: for any subsequent change in the cash flows arising from performance relating to claims and expenses incurred and (c) insurance-related financial expenses or income: for the effect of the time value of money and the effect of the financial risk.

- Derecognition of insurance contracts:

  - The Group records the derecognition of an insurance contract only where: (a) it has expired, i.e. when the obligation specified in the insurance contract expires or has been fulfilled or canceled or (b) a modification of the contract has taken place and the conditions set out in paragraph 72 of IFRS 17 are met.

- Recognition of profit or loss:

  - The profit or loss is shown divided into: (a) the profit or loss of the insurance service, which comprises ordinary insurance-related income and the expenses of the insurance service, and (b) insurance-related financial income or expenses.

  - The Group presents the ordinary insurance-related income from the groups of insurance contracts issued under the "Profit or loss of the insurance service" heading. The income is shown as an amount that reflects the consideration to which the Group expects to be entitled in exchange for said services.

  - Insurance-related financial income or expense comprises the change in the carrying amount of the group of insurance contracts resulting from the effect of the time value of money and the changes in that value and the effect of the financial risk and the changes it experiences. The Group has adopted, as permitted by IFRS 17, the accounting policy option of recognizing the impact of the changes in discount rates and other financial variables in "Other comprehensive income" to minimize accounting asymmetries. The headings "Financial expenses from insurance contracts" and "Financial income from reinsurance contracts" are used for this purpose.

2.22. Gains/losses from discontinued operations

Income and expenses, whatever their nature, including those relating to impairment losses, generated in the year by the operations of a Group component which have been classified as discontinued operations, even if they were generated prior to such classification, are presented, net of the tax effect, in the consolidated income statement as a single amount under "Profit/loss after tax from discontinued operations," whether the component remains in the consolidated balance sheet or has been removed from it, also including in this item the results obtained on its sale or disposal.

During the fiscal years 2023 and 2022, the Group did not have any gains/losses from discontinued operations that should be recorded under this caption in the consolidated statement of income.

2.23. Business combinations

Business combinations are considered to be those transactions by which two or more entities or economic units are merged into a single entity or group of companies.

Business combinations carried out after January 1, 2004 by which the Group acquires control of an entity are accounted for as follows:

– The Group estimates the cost of the business combination, defined as the fair value of the assets delivered, the liabilities incurred and the equity instruments issued, if any, by the acquirer.

– The fair value of the assets, liabilities and contingent liabilities of the acquired entity is estimated, including those intangible assets that may not be recorded by the acquired entity, which are included in the consolidated balance sheet at those values.

– The difference between the net fair value of the assets, liabilities and contingent liabilities of the acquired entity or economic unit and the cost of the business combination is recorded in the consolidated financial statements as follows:

  - If the difference between the net fair value of the assets, liabilities and contingent liabilities of the entity or economic unit acquired and the cost of the business combination is negative, it will be recognized in the consolidated income statement as income, under "Negative goodwill recognized in income", after reassessing the fair values assigned to all the assets and liabilities and the cost of the business combination.

  - If the difference between the net fair value of the net fair value of the assets, liabilities and contingent liabilities of the entity or economic unit acquired and the cost of the business combination is positive, goodwill in consolidation will be recorded, which in no case will be amortized, but will be subject to the impairment analysis established in International Financial Reporting Standards on an annual basis.

In acquisitions of staged participations in a certain entity, whereby, by virtue of one of the purchases made, control over the investee is acquired, the following accounting criteria are applied by the Group:

– The cost of the business combination is the sum of the cost of each of the individual transactions.

– For each of the acquisitions of shareholdings made up to the time that control over the acquired entity is acquired, goodwill or the negative consolidation difference is calculated separately for each transaction, applying the procedure described earlier in this Note.

– The difference that may exist between the fair value of the acquired entity's assets and liabilities at each successive acquisition date and their fair value at the date on which control over such interest is acquired is recorded as a revaluation of such assets and liabilities.

2.24. Net equity

The accounting policies considered by the Unicaja Group for net equity that have not been described in other sections of this note are included below:

- Issued capital: The "Capital" heading in the consolidated balance sheet includes the amount of capital issued and subscribed, paid-up or required to be paid by the Parent Company's shareholders. The breakdown of this caption is as follows:

  - Paid-up capital: Includes the amount of paid-up capital.

  - Non paid-up capital required: Comprises the amount of issued and subscribed capital called up from shareholders and pending payment.

- Pro memoria: uncalled capital: Includes the amount of issued and subscribed capital that has not been required from shareholders. This heading has no impact on the Group's net worth.

• Share premium: Includes the amount paid in by members or shareholders in capital issues above the nominal amount.

• Equity instruments issued other than share capital: This item is broken down as follows:

  - Net equity component of compound financial instruments: Includes the amount of the segregated net equity component of compound financial instruments, as described in Note 2.2.

  - Other equity instruments issued: Includes equity instruments that are financial instruments other than "equity" and "equity component of compound financial instruments".

• Other elements of net equity: Comprises all equity instruments that are not financial instruments, including, but not limited to, transactions with payments based on equity instruments.

• Accumulated earnings: The net amount of retained earnings (profit or loss) recognized in prior years through the condensed consolidated income statement that are pending distribution or that, in the distribution of profit, were allocated to equity. Therefore, it includes legal, statutory and voluntary reserves arising from the distribution of profits.

• Revaluation reserves: This includes the amount of reserves resulting from the first application of Bank of Spain Circular 4/2004, of December 22, 2004, to credit institutions, on public and confidential financial reporting standards and financial statement formats, which have not been transferred to other types of reserves.

• Other reserves: This item is broken down in the consolidated balance sheet as follows:

  - Cumulative reserves or losses on investments in joint ventures and associates: Includes the net amount of accumulated profit or loss from previous years by companies accounted for using the equity method and recognized on the consolidated income statement.

  - Others: Includes the amount of reserves not included in other items, such as amounts arising from permanent adjustments made directly in equity as a result of expenses in the issuance or reduction of own equity instruments, disposals of own equity instruments and the retrospective restatement of financial statements due to errors and changes in accounting criteria, net, if applicable, of the tax effect.

• Own shares: Includes the amount of financial instruments (shares or other equity instruments), which have the characteristics of equity, and which have been repurchased by the Parent Company or any other Group entity.

  The value of equity instruments issued by Unicaja and in the possession of the Bank and/or Group entities is recorded, net of consolidated equity, under "Own funds – Own shares" of the consolidated balance sheet. These own equity instruments are recorded at acquisition cost and gains and losses generated on disposal are credited or debited, as appropriate, to "Own funds - Other reserves" in the consolidated balance sheet. Changes in the value of instruments classified as own funds are not recorded in the financial statements.

• Profit attributable to the owners of the parent company: This item includes the amount of the profit generated in the year attributable to the shareholders or owners of the parent company recorded through the income statement.

• Interim dividends: Includes the amount of dividends agreed or paid on account of income for the year.

Regarding the accounting treatment of dividends, these are recorded as distributions of net equity at the time they are approved by the Parent Company's Shareholders' Meeting, recording a liability until the time of payment. When interim dividends are distributed, they are recorded as a deduction from equity under "Interim dividends" in the consolidated balance sheet until the distribution of income is approved by the Shareholders' Meeting.

- Other cumulative comprehensive income: "Accumulated other comprehensive income" in the consolidated balance sheet includes the cumulative amounts, net of the tax effect, of adjustments made to assets and liabilities whose changes in value are recorded in other comprehensive income. Items included in this category are broken down, based on their type, into "Items that will not be reclassified to profit or loss" and "Items that may be reclassified to profit or loss".

- Minority interest: The heading "Minority interests [non-controlling interests]" in the consolidated balance sheet includes the net amount of the equity of the subsidiaries attributed to the external partners of the group (i.e. the amount that has not been attributed, directly or indirectly, to the owners of the parent company), including the amount, in the part corresponding to them, of the profit or loss for the year. This item consists of the following entries:

    - Accumulated other comprehensive income: includes amounts attributed to minority interests, net of the tax effect, of accumulated gains and losses recognized directly in equity through the statement of recognized income and expense.

    - Other items: includes the remaining equity attributable to minority holdings in the group, including the income for the year attributable to them.

2.25. Balances and transactions with related parties

A party is considered to be related to the entity if this party:

a) directly, or indirectly through one or more intermediaries: (i) controls, is controlled by or is under common control with the entity (this includes parents, subsidiaries and other subsidiaries of the same parent); (ii) has an interest in the entity that gives it significant influence over the entity or (iii) has joint control over the entity;

b) is an associated entity (as defined in Note 2.1.3);

c) is a joint venture (as defined in Note 2.1.2);

d) is key management personnel of the entity or its parent company;

e) is a close relative of a person falling under (a) or (d);

f) is an entity over which any of the persons in (d) or (e) exercises control, joint control or significant influence, or has, directly or indirectly, significant voting power; or

g) is a post-employment benefit plan for employees, whether they are employees of the entity itself or of another related party.

A related party transaction is any transfer of resources, services or obligations between related parties, whether or not a price is charged. When considering each potential related party relationship, attention must be paid to the substance of the relationship, not just its legal form.

2.26. Consolidated statement of recognized income and expense

This financial statement presents the income and expenses generated by the Group as a result of its activity during the year, distinguishing those recorded as results in the consolidated profit and loss account for the year and the other income and expenses recorded, in accordance with the provided for in the current regulations, directly in the consolidated equity, distinguishing between the latter, in turn, between those items that may be reclassified to results in accordance with the provisions of the applicable regulations and those that cannot. Accordingly, this statement presents:

a) The consolidated profit or loss for the year.

b) The net amount of income and expenses recognized directly and temporarily during the year as "Accumulated other comprehensive income" in net equity.

c) The net amount of income and expenses recognized during the year directly and definitively recorded in net equity as "Accumulated other comprehensive income".

d) Income tax accrued for the items indicated in letters b) and c) above, except for valuation adjustments originating from shares in associated companies or joint ventures valued using the equity method, which are presented in net terms.

e) The transfer to the consolidated income statement of income and expenses recognized temporarily under "Accumulated other comprehensive income".

f) Total recognized income and expenses, calculated as the sum of letters a) to d) above, showing separately the amount attributed to the parent company and the amount corresponding to minority interests.

The amount of income and expenses corresponding to entities accounted for using the equity method recorded directly against consolidated equity is presented in this statement, whatever its nature, under the heading "Share in other recognized income and expenses of investments in joint ventures and associates."

Variations in income and expenses recognized in equity as "Accumulated other comprehensive income" temporarily until their reversal in the profit and loss account are broken down into:

– Gains (losses) from valuation: includes the amount of income, net of expenses originating in the year, recognized directly in equity. The amounts recognized in the year as "Other accumulated comprehensive income" are recorded in this item, even if in the same year they are transferred to the consolidated profit and loss account, at the initial value of other assets or liabilities or are reclassified to another item.

– Amounts transferred to the consolidated profit and loss account: includes the amount of valuation gains or losses previously recognized in consolidated equity, even in the same year, which are recognized in the consolidated profit and loss account for the year.

– Amounts transferred to the initial value of hedged items: includes the amount of valuation gains or losses previously recognized in equity, even in the same year, which are recognized in the initial value of assets or liabilities as a result of cash flow hedges.

– Other reclassifications: these include the amount of the transfers made in the year between items of "Accumulated other comprehensive income" in accordance with the criteria established in current regulations.

The amounts of these items are presented by their gross amount, showing their corresponding tax effect in the "Income Tax" headings of the state.

2.27. Total statement of changes to consolidated net equity

The consolidated statement of changes in total net equity presents all changes in equity, including those originating from changes in accounting criteria and corrections of errors. This statement thus shows a reconciliation of the book value at the beginning and at the end of the year of all the items that make up the equity, grouping the movements according to their nature in the following items:

– Effects of the correction of errors and changes in accounting policies: includes changes in equity due to retroactive adjustments to financial statement balances because of changes in accounting principles or to correct errors.

– Total overall profit or loss for the year: this includes the aggregate total of all the items recorded on the recognized income and expenditure statement mentioned above.

– Other changes in equity: includes the rest of the items recorded in equity, such as the distribution of results, operations with own equity instruments, payments with equity instruments, transfers between equity items and any other increase or decrease in net worth.

2.28. Consolidated cash flow hedges

"Cash" includes both cash and demand bank deposits. "Cash equivalents" are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

In the Group's consolidated statements of cash flows for the years 2023 and 2022, the following expressions are used in the following senses:

– Cash flows: inflows and outflows of cash and cash equivalents, which are short-term, highly liquid investments that are subject to an insignificant risk of changes in value and, exclusively, since they form part of cash management, bank overdrafts repayable on demand, which reduce the amount of cash and cash equivalents.

– Operating activities: the typical activities of credit institutions, as well as other activities that cannot be classified as investment or financing. Interest paid on any financing received, even if considered as financing activities, is also considered as operating activities.

– Investment activities: activities that involve the acquisition, sale or disposal by other means of long-term assets and other investments that are not considered to be cash and cash equivalents.

– Financing activities: activities that cause changes to the size and composition of the net equity and liabilities that are not considered operating activities, such as subordinated liabilities.

Certain adjustments are included as part of the cash flows from operating activities in order to obtain the amount of such cash flows from the consolidated income for the year. As of December 31, 2023 and 2022, in addition to amortization, "Other adjustments" are included, which correspond to items in the consolidated income statement that do not generate cash flows.

In preparing the consolidated cash flow statements, "Cash and cash equivalents" were considered to be short-term, highly liquid investments that are subject to a negligible risk of changes in value. In this way, the Unicaja Group considers cash or cash equivalents, the following financial assets and liabilities:

– Cash owned by the Group, which is recorded under "Cash, cash balances at central banks and other demand deposits" in the consolidated balance sheet. The amount of cash owned by the Group at December 31, 2023 amounts to 513,327,000 euros (494,083,000 euros as of December 31, 2022) (Note 7).

- The balances held with central banks, which are recorded under “Cash, cash balances at central banks and other demand deposits” in the consolidated balance sheet at December 31, 2023, including valuation adjustments of 2,232,000 euros (908,000 euros at December 31, 2022), amounted to 7,338,402,000 euros (4,071,871,000 euros at December 31, 2022) (Note 7).

- The balances held with Central Banks, recorded under “Cash, Cash Balances at Central Banks, and Other Demand Deposits” in the balance sheet, which at December 31, 2023 and 2022 amounted to 7,340,635,000 euros and 4,072,779,000 euros respectively (Note 6).

- Demand balances held with credit institutions, other than balances held with Central Banks and except for mutual accounts. Demand debit balances held with credit institutions other than central banks are recorded, among other items, under the heading “Cash, cash balances in central banks and other demand deposits” of the consolidated balance sheet, increasing their amount as of December 31, 2023 to 188,303,000 euros (95,872,000 euros as of December 31, 2022) (Note 7).

In accordance with paragraph 48 of IAS 7, the Group is required to disclose in its consolidated financial statements, with appropriate explanations, any material amounts of its cash and cash equivalents that are not available for use by the Group.

2.29. Segment reporting

In accordance with IFRS 8, an operating segment is a component of an entity: (a) that engages in business activities from which it may earn revenues from ordinary activities and incur expenses (including revenues from ordinary activities and expenses for transactions with other components of the same entity), (b) whose operating results are regularly reviewed by the chief operating decision maker of the entity to decide on the resources to be allocated to the segment and to evaluate its performance and (c) for which discrete financial information is available.

An operating segment may comprise business activities from which revenues are not yet earned, for example, newly created businesses may be operating segments before revenues are earned from their ordinary activities.

An entity must disclose information about each operating segment separately: (a) has been identified in accordance with the above criteria or results from the aggregation of two or more of these segments, and (b) exceeds the following quantitative thresholds:

- Its reported revenues from ordinary activities, including both sales to external customers and inter-segment sales or transfers, are equal to or greater than 10 percent of the combined revenues from ordinary activities, internal and external, of all operating segments.

- The absolute amount of its reported results is, in absolute terms, equal to or greater than 10 percent of the greater of (i) the combined profit reported by all operating segments that have not presented losses; (ii) the combined loss reported by all operating segments that have presented losses.

- Its assets are equal to or greater than 10 percent of the combined assets of all operating segments.

2.30. Earnings per share

“Basic earnings per share” is intended to provide a measure of the parent entity’s share of the parent entity’s performance for the reporting period. The Group calculates basic earnings per share on the profit for the year attributable to ordinary equity holders of the parent entity and, if applicable, on the profit for the year from operations or activities other than restructuring due to discontinuance or cessation of one of the components of the entity, or continuing operations, attributable to such equity holders. Basic earnings per share are calculated by dividing the profit or loss attributable to ordinary equity holders of the parent company (the numerator) by the weighted average number of ordinary shares outstanding (the denominator) during the year.

“Diluted earnings per share” are intended to provide a measure of the participation of each common share in the entity’s performance, but taking into account the dilutive effects inherent in the potential common shares outstanding during the period. As a result of the above:

a) income for the year attributable to holders of common equity instruments will be increased by the amount of dividends and interest, after tax, recognized in the period in respect of the dilutive potential common shares, and adjusted for any other changes in income and expense that may result from the conversion of the dilutive potential common shares and

b) the weighted average number of ordinary shares outstanding will be increased by the weighted average number of additional ordinary shares that would have been outstanding if all potential ordinary shares had been converted on a dilutive basis.

The Group calculates diluted earning amounts per share amounts for the profit or loss attributable to ordinary equity holders of the parent company and, if applicable, the profit or loss from continuing operations attributable to such equity holders. To calculate diluted earnings per share, the Group adjusts the profit for the year attributable to holders of ordinary equity instruments and the weighted average number of shares outstanding for all dilutive effects inherent to potential ordinary shares.

To calculate diluted earnings per share, the Group adjusts the profit for the year attributable to ordinary equity holders of the parent entity for the effect, net of tax, of the following: (a) the amount of dividends, or other items associated with the dilutive potential ordinary shares, deducted in arriving at profit or loss attributable to ordinary equity holders of the parent; (b) any rights recognized in the period associated with the dilutive potential ordinary shares and (c) any other changes in income or expense for the period that would result from the conversion of the dilutive potential ordinary shares.

3. Distribution of Parent Company's results and earnings per share

3.1. Distribution of Parent Company's income

The Parent Bank's net profit distribution proposal for financial year 2023 that its Board of Directors will submit to the approval of the General Shareholders' Meeting, together with the one already approved for financial year 2022, is as follows:

Thousands of euros	**Proposal 2023**	**Approved 2022**
Dividends - Dividend assets	132,004	128,576
Reserves - Voluntary reserves	140,558	106,483
Net income for the year	**272,562**	**235,059**

The proposed distribution of the profit for 2023 includes an active dividend of 132,004,000 euros, which represents a dividend of 0.0498 euros per share. The proposed distribution of the 2022 profit included an active dividend of 128,576,000 euros, representing a dividend of 0.0484 euros per share.

In accordance with Royal Legislative Decree 1/2010, of July 2, which approves the Consolidated Text of the Capital Companies Law, entities that obtain profits in a financial year must provide 10% of the profit for the year to the legal reserve. These allocations must be made until the legal reserve reaches at least 20% of the paid-up share capital. The legal reserve may be used to increase the capital stock in the part of its balance that exceeds 10% of the capital stock already increased. As long as it does not exceed 20% of the capital stock, the legal reserve may only be used to offset losses, provided that sufficient other reserves are not available for this purpose. In the proposal for the distribution of the profit for the years 2023 and 2022, the allocation of the legal reserve is not proposed as 20% of the paid-up capital stock was already reached.

3.2. Earnings per share

The basic profit per share is determined by dividing the net income for the year attributed to the Bank by the weighted average number of shares outstanding during that year, excluding the average number of treasury shares held throughout the year.

Diluted earnings per share are determined similarly to basic earnings per share, but the weighted average number of shares outstanding is adjusted to take into account the potential dilutive effect of stock options, warrants and convertible debt outstanding at year-end.

The basic and diluted earnings per share of the Unicaja Group for the years ended December 31, 2023 and 2022 are presented below:

	2023	2022 (*)
Profit/loss attributed to the dominant entity (in thousands of euros)	266,703	277,576
Adjustments: Remuneration of contingently convertible instruments (thousands of euros)	(6,850)	(6,850)
Adjusted income (in thousands of Euros)	259,853	270,726
Of which: Income (loss) from continuing operations (in thousands of euros)	*259,853*	*270,726*
Of which: Income (loss) from discontinued operations (in thousands of euros)		-
Weighted average number of common shares outstanding minus the weighted average number of common shares outstanding	2,655,118	2,653,106
Basic earnings per share in continuing operations (in euros)	0.098	0.102
Basic earnings per share in discontinued operations (in euros)	-	-
Total basic earnings per share (in euros)	**0.098**	**0.102**

	2023	2022 (*)
Profit/loss attributed to the dominant entity (in thousands of euros)	266,703	277,576
Adjustments: Remuneration of contingently convertible instruments (thousands of euros)	(6,850)	(6,850)
Adjusted income (in thousands of Euros)	259,853	270,726
Of which: Income from continuing operations (net of minority interests)	*259,853*	*270,726*
Of which: Income from discontinued operations (net of minority interests)	-	-
Weighted average number of common shares outstanding reduced by treasury stock (in thousands)	2,655,118	2,653,106
Average number of shares resulting from conversion of bonds (in thousands)	-	-
Adjusted average total number of shares for the calculation of the benefit diluted per share (in thousands)	2,655,118	2,653,106
Diluted earnings per share from continuing operations (in euros)	0.098	0.102
Diluted earnings per share in discontinued operations (in euros)	-	-
Total diluted earnings per share (in euros)	**0.098**	**0.102**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

At December 31, 2023 and 2022, the Unicaja Group has issued Perpetual Contingent Convertible Bonds (CoCos) recorded under the caption "Equity instruments issued other than capital" whose discretionary remuneration is conditioned to the fulfillment of a series of conditions (Note 22.2).

In application of IAS 33 "Earnings per share", the average number of shares outstanding during fiscal years 2023 and 2022 has been used.

Contingent Convertible Perpetual Debentures (CoCos) have no impact on the calculation of diluted earnings as their conversion is remote. In the event of considering the convertibility of these instruments, at December 31, 2023 they would have an anti-dilutive effect, as earnings per share would be increased to 0.099 euros per share in the event of conversion of CoCos into shares (at December 31, 2022 they would have an anti-dilutive effect, as earnings per share would have been increased to 0.103 euros per share).

3.3. Dividends paid

Based on the foregoing, the dividends paid by Unicaja during the years ended December 31, 2023 and 2022 are as follows:

Thousands of euros			2023			2022
	% of nominal	euros per share	Amount	% of nominal	euros per share	Amount
Ordinary shares	19.4%	0.048	128,576	10.1%	0.025	67,338
Other shares (with no vote, redeemable,	- %	-	-	- %	-	-
Total dividends paid	**19.4%**	**0.048**	**128,576**	**10.1%**	**0.025**	**67,338**
Dividends charged to profit or loss			128,576			67,338
Dividends charged to reserves or issue premium			-			-
Dividends in kind			-			-

The above calculation has been made taking into account the number of shares existing at the date on which the distribution of income occurred, without taking into account convertible instruments with dilutive effect.

In addition, discretionary distributions on the Contingent Convertible Perpetual Bonds (CoCos) were agreed and paid in 2023 for a total amount of 6,850,000 euros (6,850,000 euros in 2022) (Note 22.2). In 2023, discretionary remuneration was paid in relation to the Contingently Redeemable Preferred Participations in the amount of 24,375,000 euros (24,373,000 euros in 2022) (Note 22.2).

4. Goodwill in entities accounted for using the equity method

At December 31, 2023 and 2022, the Bank held goodwill in entities accounted for using the equity method amounting to 52,500,000 euros and 53,104,000 euros respectively. This goodwill was generated mainly on the basis of the comparison with the net fair value of the assets, liabilities and contingent liabilities acquired by the Bank in the acquisition of the ownership interest in Hidralia, Gestión Integral de Aguas de Andalucía, S.A., Liberbank Vida y Pensiones, Seguros y Reaseguros, S.A. and CCM Vida y Pensiones de Seguros y Reaseguros, S.A. The latter two companies were been absorbed by Unicorp Vida, Compañía de Seguros y Reaseguros, S.A., with accounting effects as from 1 January 2023 (Note 1.2).

As of December 31, 2023 and 2022, goodwill is recorded as part of the acquisition cost of the acquired entities (or, as the case may be, of the absorbing entity), under “Investments in joint ventures and associates” in the consolidated balance sheet. The amounts pending impairment in each of the years are based on the profits of the acquired entities expected by the Parent Company’s directors, considering the strength of its customer base and the average revenue per customer figures.

Pursuant to Note 2.16, the goodwill in the company Hidralia, Gestión Integral de Aguas de Andalucía, S.A. has been impaired by 604,000 euros in 2023 and 2022, being recorded under the heading “Impairment or reversal of non-financial assets - Intangible assets” in the consolidated income statement (Note 42).

Below is a table showing the initial recognition date of goodwill in these companies and its initial gross amount, as well as the amounts impaired since their origin (accumulated write-downs) and the net amount of goodwill as of December 31, 2023 and 2022:

Thousands of euros

	Initial amount	Initial registration	Accumulated write-downs 2023	Accumulated write-downs 2022	Net amount 2023	Net amount 2022
Hidralia, Gestión Integral de Aguas de Andalucía, S.A.	20,467	Sep. 2005	20,255	19,651	212	816
Unicorp Vida, Compañía de Seguros y Reaseguros, S.A. (*)	52,288	Jul. 2021	-	-	52,288	52,288
	72,755		**20,255**	**19,651**	**52,500**	**53,104**

(*) Goodwill now considered as assigned to the company Unicorp Vida, Compañía de Seguros y Reaseguros, S.A. after the merger with CCM Vida y Pensiones de Seguros y Reaseguros, S.A. and Liberbank Vida y Pensiones, Seguros y Reaseguros, S.A.

In the case of Hidralia, Gestión Integral de Aguas de Andalucía, S.A., since the goodwill is linked to administrative concessions and licenses of the acquired entity for a certain period of time, the Bank’s directors consider that, unless there is other evidence of impairment, the recoverable amount of the goodwill recorded is reduced in proportion to the number of years remaining until the end of the administrative concession or license. In this regard, the Group performs a periodic valuation of goodwill, based on its recoverable amount, in order to verify whether an additional impairment is necessary over time, in accordance with IAS 36.

In the case of Unicorp Vida, Compañía de Seguros y Reaseguros, S.A., the implicit goodwill is subject to periodic valuation by the Group in order to determine the recoverable amount and verify whether it is necessary to make value corrections for impairment on the shareholding.

5. Segment reporting

The Group's main activity is retail banking, carrying out practically all of its activity in Spain, and the Directors consider that the type of customers is similar throughout its territorial scope of action. Therefore, in accordance with the provisions of the regulations, it is considered that the information corresponding to the segmentation of the Group's operations into different business lines and geographic segments is not relevant.

The information is reported using these segments, in line with the definition of operating segments in IFRS 8, and because it is considered to be the most relevant information in terms of providing the information required under IFRS 8.

The following segments identified were used as the basis upon which to report the information required under IFRS 8:

- Credit and insurance entities: these are the activities of the Bank and other Group companies that carry out financial services activities, as well as other activities of an ancillary nature carried out by the Group and for non-relevant amounts, and central or general services that are not have been allocated to any segment.
- Other entities, which includes the activities carried out by the rest of the Group companies that have not been included in the previous section.

Information by sector (products and services)

The following is the consolidated balance sheet of the Unicaja Group with a breakdown by sector as of December 31, 2023 and 2022, with the same breakdown as the sector information reported to the Bank of Spain.

As of December 31, 2023 and 2022, the credit institutions and insurance sector accounts for almost all of total consolidated assets and consolidated equity.

a) Consolidated balance sheet as of December 31, 2023:

ASSETS	Total	Credit and insurance companies	Other entities	Adjustments and eliminations
	Distribution (thousands of euros)			
Cash, cash balances with central banks and other deposits on demand	8,040,032	8,045,267	3,905	(9,140)
Financial assets held for trading	809,430	809,430	-	-
Non-trading financial assets mandatorily valued at fair value through income	108,562	108,562	-	-
Financial assets designated at fair value through profit or loss	-	-	-	-
Financial assets at fair value with changes in other results global	1,501,554	1,504,308	-	(2,754)
Financial assets at amortized cost	77,451,855	77,453,073	32,393	(33,611)
Derivatives - Hedge accounting	1,222,395	1,222,395	-	-
Changes in fair value of hedged items of a portfolio with hedged interest rate risk	(63,020)	(63,020)	-	-
Investments in subsidiaries, joint ventures and associates	940,102	977,379	-	(37,277)
Assets from insurance contracts	-	-	-	-
Assets from reinsurance contracts	1,882	1,882	-	-
Tangible assets	1,766,326	1,766,320	4	2
Intangible assets	84,826	58,831	-	25,995
Tax assets	4,719,580	4,718,364	1,706	(490)
Other assets	235,231	237,667	20,427	(22,863)
Non-current assets and disposable groups of items classified as held for sale	333,895	333,895	-	-
Total assets	**97,152,650**	**97,174,353**	**58,435**	**(80,138)**

LIABILITIES AND NET EQUITY	Total	Credit and insurance companies	Other entities	Adjustments and eliminations
	Distribution (thousands of Euros)			
Financial liabilities held for trading	462,839	462,839	-	-
Financial liabilities at amortized cost	86,556,316	86,553,696	40,890	(38,270)
Derivatives - Hedge accounting	1,148,038	1,148,038	-	-
Liabilities from insurance contracts	441,377	441,377	-	-
Liabilities from reinsurance contracts	-	-	-	-
Provisions	957,053	955,428	2,254	(629)
Tax liabilities	413,961	413,961	-	-
Other liabilities	527,009	534,807	904	(8,702)
Total liabilities	**90,506,593**	**90,510,146**	**44,048**	**(47,601)**
Shareholders' equity	6,522,817	6,502,249	14,387	6,181
Other cumulative comprehensive income	120,809	159,966	-	(39,157)
Non-controlling interests (non-significant holdings)	2,431	1,992	-	439
Total net equity	**6,646,057**	**6,664,207**	**14,387**	**(32,537)**
Total liabilities and net equity	**97,152,650**	**97,174,353**	**58,435**	**(80,138)**

b) Consolidated balance as at December 31, 2022 (*):

	Distribution (thousands of euros)			
ASSETS	**Total**	**Credit and insurance companies**	**Other entities**	**Adjustments and eliminations**
Cash, cash balances with central banks and other deposits on demand	4,661,826	4,675,799	-	(13,973)
Financial assets held for trading	61,159	61,159	-	-
Non-trading financial assets mandatorily valued at fair value through income	146,549	146,549	-	-
Financial assets designated at fair value through profit or loss	-	-	-	-
Financial assets at fair value with changes in other results global	1,007,806	1,011,979	1,746	(5,919)
Financial assets at amortized cost	82,183,048	82,184,154	33,171	(34,277)
Derivatives - Hedge accounting	1,812,887	1,812,887	-	-
Changes in fair value of hedged items of a portfolio with hedged interest rate risk	(237,836)	(237,836)	-	-
Investment in joint ventures and associates	964,715	1,000,862	-	(36,147)
Assets from insurance contracts	-	-	-	-
Assets from reinsurance contracts	1,472	1,472	-	-
Tangible assets	1,995,541	1,995,534	50,036	(50,029)
Intangible assets	74,750	42,586	5,066	27,098
Tax assets	5,076,283	5,075,191	15,407	(14,315)
Other assets	662,362	660,237	7,590	(5,465)
Non-current assets and disposable groups of items classified as held for sale	558,422	558,422	7,818	(7,818)
Total assets	**98,968,984**	**98,988,995**	**120,834**	**(140,845)**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

	Distribution (thousands of euros)			
LIABILITIES AND NET EQUITY	**Total**	**Credit and insurance companies**	**Other entities**	**Adjustments and eliminations**
Financial liabilities held for trading	53,305	53,305	15,255	(15,255)
Financial liabilities at amortized cost	88,932,761	88,938,259	71,934	(77,432)
Derivatives - Hedge accounting	1,081,824	1,081,824	-	-
Liabilities from insurance contracts	468,461	468,461	-	-
Liabilities from reinsurance contracts	-	-	-	-
Provisions	1,085,330	1,084,556	2,279	(1,505)
Tax liabilities	364,480	364,480	7,979	(7,979)
Other liabilities	523,769	527,065	3,882	(7,178)
Total liabilities	**92,509,930**	**92,517,950**	**101,329**	**(109,349)**
Shareholders' equity	6,465,182	6,482,622	24,524	(41,964)
Other cumulative overall income	(6,573)	(11,577)	(5,019)	10,023
Non-controlling interests (non-significant holdings)	445	-	-	445
Total net equity	**6,459,054**	**6,471,045**	**19,505**	**(31,496)**
Total liabilities and net equity	**98,968,984**	**98,988,995**	**120,834**	**(140,845)**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

Information on products or services

The Unicaja Group understands that the information required in IFRS 8, Paragraph 32, which requires a breakdown of revenues from ordinary activities from external customers for each product and service, or for each group of similar products and services, is already included in the breakdowns in the notes on “Interest income” (Note 32) and “Fee and commission income” (Note 36) of this report, where detailed information is presented by major groups of products/services.

Information on geographical areas

The Unicaja Group operates in Spain, with similar customer typology throughout the country. Therefore, the Group considers a single geographical segment for its operations, and the breakdown of the information required in paragraph 33 of IFRS 8 is not applicable.

For illustrative purposes, the distribution of interest income by geographic area for the years ending December 31, 2023 and 2022 is presented below.

Thousands of euros	Distribution of interest income by geographic area			
	Individual		Consolidated	
	2023	2022 (*)	2023	2022 (*)
Domestic market	2,349,965	1,260,632	2,345,904	1,274,834
Export				
European Union	-	-	-	-
OECD countries	-	-	-	-
Other countries	-	-	-	-
Total	**2,349,965**	**1,260,632**	**2,345,904**	**1,274,834**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

Although the entire amount of interest income has been allocated to the Spanish domestic market, because the transactions are all recorded in the accounting records of Group entities domiciled in Spain (mainly Unicaja), it is noted that the amount of interest income obtained in 2023 from customers domiciled outside Spain amounts to 3,247,000 euros, while the commission income obtained in 2022 from these same customers amounts to 4,286,000 euros.

Information on main customers

The Unicaja Group is mainly engaged in the retail banking business and there are no customers that account for more than 10% of the Group’s ordinary revenues, so the Group considers that the disclosure required in IFRS 8, Paragraph 34 is not applicable.

6. Remuneration of the Board of Directors and Senior Management

6.1. Remuneration to the Parent Company's Board of Directors

The following table shows a detail of the remuneration accrued in favor of the members of the Board of Directors of the Parent Company, Unicaja, exclusively in their capacity as Board members during the fiscal years 2023 and 2022, which correspond to the amounts accrued as attendance fees, as well as fixed remuneration solely for their condition as Board members.

Thousands of euros	2023	2022
Manuel Azuaga Moreno	104	60
Isidro Rubiales Gil	18	-
Juan Fraile Cantón	27	87
Teresa Sáez Ponte	25	89
Ana Bolado Valle	-	13
Manuel Conthe Gutiérrez	-	10
Petra Mateos-Aparicio Morales	22	79
Manuel Muela Martín-Buitrago	22	76
María Luisa Arjonilla López	123	109
Jorge Delclaux Bravo	29	86
Felipe Fernández Fernández	74	75
María Garaña Corces	25	102
Manuel González Cid	-	19
Manuel Menéndez Menéndez	47	60
Ernesto Luis Tinajero Flores	-	53
David Vaamonde Juanatey	-	-
María Teresa Costa Campi	21	5
Rafael Domínguez de la Maza	84	27
Carolina Martínez Caro	124	39
Isidoro Unda Urzaiz	26	26
Nuria Aliño Pérez	19	-
Antonio Carrascosa Morales	29	-
Rocío Fernández Funcia	38	-
Miguel González Moreno	59	-
Inés Guzmán Arruez	26	-
Juan Antonio Izaguirre Ventosa	75	-
Natalia Sánchez Romero	60	-
José Ramón Sánchez Serrano	69	-

6.2. Remuneration of the parent company's senior management

For the purpose of preparing the 2023 financial statements, Unicaja's Senior Management has been considered to include twenty-four people (twenty-one in 2022), including three executive board members (two in 2022). The remuneration received by the members of this group in fiscal years 2023 and 2022 amounted to 5,307,000 euros and 5,390,000 euros respectively. The obligations incurred, based on the aforementioned schemes, in respect of post-employment benefits, arising exclusively from their status as employees or executives of the Bank, amounted to 501,000 euros in 2023, with 547,000 euros having been charged in 2022, amounts fully covered by the corresponding funds.

6.3. Other operations carried out with the members of the Board of Directors and with Senior Management

Note 45 “Related parties” includes the asset and liability balances at December 31, 2023 and 2022 corresponding to transactions with the members of the Board of Directors and the Bank’s Senior Management indicated above, as well as the detail of the income and expenses recorded in the income statement for both periods for transactions carried out by these groups with the Bank, other than those included in Notes 6.1 and 6.2.

6.4. Post-employment benefits of former members of the Parent Company’s Board of Directors and Senior Management

No charge has been made in the consolidated statement of income for 2023 and 2022 for pension commitments and similar obligations held by the Bank with former members of the Board of Directors and Senior Management of the Bank, since such commitments were fully covered in previous years through insurance policies.

7. Cash, cash balances with central banks and other demand deposits

The breakdown of the balance of this heading in the consolidated balance sheets as of December 31, 2023 and 2022 is as follows:

Thousands of euros	**2023**	**2022**
Cash	513,327	494,083
Deposits at the Bank of Spain	7,338,402	4,071,871
Other demand deposits	186,071	94,964
Valuation adjustments - accrued interest	2,232	908
	8,040,032	**4,661,826**

The interest accrued during the fiscal years 2023 and 2022 on the Deposits at the Bank of Spain amounted to 195,896,000 euros and 32,641,000 euros respectively, and was recorded under “Interest Income” of the consolidated income statement (Note 32).

8. Financial assets and liabilities at fair value through profit or loss

8.1. Financial assets and liabilities held for trading

8.1.1. Composition of the balance and maximum credit risk - debit balances

Below is a breakdown of the financial assets included in this category at December 31, 2023 and 2022, classified by class of counterparties and type of instrument:

Thousands of euros	2023	2022 (*)
By classes of counterparties -		
Credit institutions	78,678	45,465
Resident Public Administrations	472,800	-
Non-Resident Public Administrations	176,259	-
Other resident sectors	18,967	15,694
Other non-resident sectors	62,726	-
	809,430	**61,159**
By type of instrument -		
Listed shares	8,581	14,591
Obligations and listed bonds	749,072	-
Derivatives traded in organized markets	-	-
Derivatives not traded in organized markets	51,777	46,568
	809,430	**61,159**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

The carrying value recorded in the above table represents the Group's level of exposure to credit risk at the end of those years in relation to the financial instruments included therein.

The interest accrued during the years 2023 and 2022 for the debt instruments classified in the portfolio of financial assets held for trading were 926,000 euros and 20,000 euros respectively, and are included under the heading "Interest income" of the consolidated profit and loss account (Note 32).

The average effective interest rate of the debt instruments classified in this portfolio and in the rest of the portfolios at fair value through profit or loss as of December 31, 2023 was 3.33% (3.05% as of December 31, 2022).

The negative cash flow included in the consolidated statement of cash flows for the 2023 fiscal year for the debit balances of the portfolio of financial assets held for trading amounts to 748,271,000 euros (negative cash flow of 16,418,000 euros in the 2022 fiscal year).

8.1.2. Composition of the balance - credit balances

Following is a breakdown of the financial liabilities included in this category at December 31, 2023 and 2022, classified by class of counterpart and type of instrument:

Thousands of euros	2023	2022 (*)
By classes of counterparties -		
Credit institutions	454,215	38,442
Other resident sectors	8,619	14,863
Other non-resident sectors	5	-
	462,839	**53,305**
By type of instrument -		
Derivatives traded in organized markets	-	-
Derivatives not traded in organized markets	51,003	53,305
Short positions in securities	411,836	-
	462,839	**53,305**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

The positive flow included in the consolidated statement of cash flows for the year 2023 for the credit balances of the portfolio of financial liabilities held for trading amounts to 409,534,000 euros (positive flow of 22,182,000 euros in the year 2022).

8.1.3. Financial derivatives held for trading

Below is a breakdown, by derivative class, of the fair value of the Group's financial derivatives held for trading, as well as their notional value (amount based on which future payments and receipts of these derivatives are calculated) as of December 31, 2023 and 2022:

Thousands of euros	2023				2022 (*)			
	Receivables		Payables		Receivables		Payables	
	Fair value	Notional amount	Fair value	Notional amount	Fair value	Notional amount	Fair value	Notional amount
Purchase and sale of unexpired foreign	**34**	**18,673**	**21**	**19,200**	**394**	**29,496**	**379**	**30,018**
Purchases of foreign currencies against euros	22	1,803	6	17,395	394	-	-	30,018
Sales of foreign currencies against euros	12	16,870	15	1,805	-	29,496	379	-
Securities and interest rate futures:	**-**	**-**	**-**	**115,548**	**-**	**-**	**-**	**-**
Purchased	-	-	-	-	-	-	-	-
Sold	-	-	-	115,548	-	-	-	-
Security options:	**-**	**-**	**59**	**269,227**	**-**	**-**	**223**	**416,393**
Purchased	-	-	-	-	-	-	-	-
Issued	-	-	59	269,227	-	-	223	416,393
Interest rate options:	**1,634**	**46,699**	**1,671**	**71,695**	**2,557**	**34,507**	**2,628**	**78,853**
Purchases	1,634	46,699	-	-	2,557	34,507	-	9,084
Sales	-	-	1,671	71,695	-	-	2,628	69,769
Other Securities Operations	**-**	**-**	**1,640**	**194,081**	**-**	**-**	**-**	**-**
Financial swaps on securities	-	-	-	-	-	-	-	-
Term operations	-	-	1,640	194,081	-	-	-	-
Currency options	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Purchased	-	-	-	-	-	-	-	-
Issued	-	-	-	-	-	-	-	-
Other foreign exchange operations	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Currency swaps	-	-	-	-	-	-	-	-
Other interest rate transactions	**50,109**	**376,273**	**47,612**	**357,156**	**43,617**	**126,813**	**50,075**	**399,576**
Financial swaps on interest rates Interest (IRS)	50,109	376,273	47,612	357,156	43,617	126,813	50,075	399,576
Other products	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	51,777	**441,645**	**51,003**	**1,026,907**	**46,568**	**190,816**	**53,305**	**924,840**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

The notional amount of the contracts entered into does not reflect the actual risk assumed by the Group, since the net position in these financial instruments is the result of offsetting and/or combining these.

The methods applied by the Group in the valuation of financial instruments classified in this category are detailed in Note 26.

8.2. Non-trading financial assets mandatorily at fair value through profit or loss

Below is a breakdown of the financial assets included in this category at December 31, 2023 and 2022, classified by class of counterparties and type of instrument:

Thousands of euros	2023	2022
By types of counterparts -		
Credit institutions	33,224	31,418
Resident Public Administrations	-	-
Non-Resident Public Administrations	-	-
Other resident sectors	67,459	106,267
Other non-resident sectors	-	-
(Impairment losses)	(435)	(507)
Other valuation adjustments	8,314	9,371
	108,562	**146,549**
By type of instrument -		
Debt securities:	35,265	33,522
Spanish public debt	-	-
Treasury bills	-	-
Government bonds	-	-
Other Spanish public administrations	-	-
Foreign public debt	-	-
Issued by financial institutions	33,224	31,418
Other fixed-income securities	2,041	2,104
(Impairment losses)	-	-
Other valuation adjustments	-	-
Loans and receivables	73,256	112,986
Loans and advances to customers	*65,377*	*104,122*
(Impairment losses)	*(435)*	*(507)*
Other valuation adjustments	*8,314*	*9,371*
Equity instruments:	41	41
Shares of listed Spanish companies	-	-
Shares of unlisted Spanish companies	41	41
Shares of listed foreign companies	-	-
Shares of unlisted foreign companies	-	-
Other investments	-	-
	108,562	**146,549**

The interest accrued on the debt securities classified in this portfolio of financial assets during the years 2023 and 2022 amounted to 4,192,000 euros and 3,670,000 euros respectively, which are recorded under the heading “Interest income” of the consolidated profit and loss account (Note 32).

The average effective interest rate of the debt instruments classified in this portfolio and in the other portfolios at fair value with changes in the profit or loss results at December 31, 2023 and 2022 was 3.33%and 3.05% respectively.

The positive flow included in the consolidated statement of cash flows for the year 2023 for the debit balances of the portfolio of financial assets not intended for trading, valued compulsorily at fair value through profit or loss, amounts to 37,987,000 euros (positive flow of 81,678,000 euros in the 2022 financial year).

Loans and advances in this portfolio include at December 31, 2023 balances categorized as special surveillance in the amount of 1,456,000 euros with an associated credit risk impairment of 305,000 euros. This category also includes balances classified as non-performing for an amount of 436,000 euros with an associated impairment of 130,000 euros.

9. Financial assets at fair value through other comprehensive income

9.1. Composition of balance and maximum credit risk

Below is a breakdown of the financial assets included in this category at December 31, 2023 and 2022, classified by class of counterparties and type of instrument:

Thousands of euros	2023	2022 (*)
By classes of counterparties -		
Credit institutions	415,387	231,054
Resident Public Administrations	628,092	356,063
Non-Resident Public Administrations	59,322	40,574
Other resident sectors	323,382	323,496
Other non-resident sectors	55,125	56,619
(Impairment losses) (*)	-	-
Other valuation adjustments	20,246	-
	1,501,554	**1,007,806**
By type of instrument -		
Debt securities:	1,154,835	649,829
Spanish public debt	595,802	344,771
Treasury bills	-	-
Government bonds	*595,802*	*344,771*
Other Spanish public administrations	30,619	11,293
Foreign public debt	59,322	40,574
Issued by financial institutions	398,919	214,621
Other fixed-income securities	49,928	38,570
(Impairment losses)	-	-
Other valuation adjustments	20,245	-
Equity instruments:	346,719	357,977
Shares of listed Spanish companies	68,377	73,921
Shares of unlisted Spanish companies	269,749	262,578
Shares of listed foreign companies	-	-
Shares of unlisted foreign companies	-	-
Other investments	8,593	21,478
	1,501,554	**1,007,806**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

The carrying value recorded in the above table represents the Group’s level of exposure to credit risk at the end of those years in relation to the financial instruments included therein.

All debt instruments at fair value through other comprehensive income are classified as normal risk (Stage 1) for credit risk purposes.

In 2023, the most significant movements in the portfolio of equity instruments classified as financial assets at fair value through other comprehensive income include the following transactions by the Group:

- Intragroup transfer of 3,069,054 shares of Silicius Real Estate SOCIMI S.A. amounting to 47,968,000 euros, from Midamarta S.L.U. to Unicaja Banco, S.A.
- Entry of 2,300,000 euros in the Alteralia III, S.C.A., RICAV-RAIF fund (total committed amount of 10,000,000 euros).
- Acquisition of 2,959,500 Amundi Euro STOXX 50 Daily (-1x) Inverse securities for the amount of 28,589,000 euros.
- Acquisition of 468,704 securities of Ishares STOXX Global Select Dividend 100 UCITS ETF for 13,510,000 euros.
- Acquisition of 91,269,098 Dunas Valor Flexible FI shares for 9,998,000 euros.
- Acquisition of 206,000 Deutsche Post AG shares for 8,331,000 euros.
- Disposal of 2,348,500 Amundi EURO STOXX 50 Daily (-1x) Inverse securities for 22,616,000 euros, which generated a loss of 370,000 euros.
- Disposal of 639,000 shares of Orange S.A. for 7,473,000 euros, which gave rise to a loss of 472,000 euros.

In 2022, the most significant movements in the portfolio of equity instruments classified as financial assets at fair value through other comprehensive income include the following transactions by the Group:

- Acquisition of 178,000 shares of Lyxor MSCI EMU Value (DR) UCITS ETF for 19,992,000 euros.
- Acquisition of 22,600,000 shares of STOXX Europe 600 Basic Resources UCITS ETF for 15,000,000 euros.
- Acquisition of 337,500 shares of NN Group NV for 14,793,000 euros.
- Acquisition of 158,400 shares of Sanofi S.A. for 14,523,000 euros.
- Acquisition of 672,000 securities of SPDR® S&P Euro Dividend Aristocrats UCITS ETF (EUR) | EUDI for 13,937,000 euros.
- Disposal of 1,540,300 securities of Invesco AT1 Capital Bond UCITS ETF EUR Hedged Dist amounting to 30,723,000 euros, which generated a positive result of 2,649,000 euros.
- Disposal of 221,120 securities of Invesco iShares J.P. Morgan $ EM Bond EUR Hedged UCITS ETF (Dist), amounting to 19,987,000 euros, which has generated a negative result of 2,463,000 euros.

In addition, on June 27, 2022, Unicaja signed with Helvetia Schweizerische Versicherungsgesellchaft AG (hereinafter, Helvetia) a contract for the purchase and sale of shares of Caja de Seguros Reunidos, Compañía de Seguros y Reaseguros, S.A. (hereinafter, Caser) whereby Unicaja transferred 718,661 shares of Caser, equivalent to 9.99% of the capital of this company, for a price of 122,519,000 euros, equivalent to 170.48 euros per share. On the same date, June 27, 2022, the deed of elevation to public deed and execution of the purchase and sale agreement was executed. This sale transaction led to a reclassification of the heading “Other cumulative comprehensive income” to “Reserves” in the amount of 44,937,000 euros (of which 7,345,000 euros represented an increase in equity for the Unicaja Group in financial year 2022), since it was an equity instrument classified in the portfolio of financial assets at fair value with changes in other comprehensive income. As a result, Unicaja’s stake in Caser at year-end 2022 was 9.99%, down from 19.97% at year-end 2021.

In 2023 and 2022 the results generated by sales of equity instruments have not been recorded in the consolidated income statement, pursuant to the provisions of IFRS 9 in this regard. Instead, they have been transferred from the “Accumulated other comprehensive income” section directly to the equity reserves caption.

The interest accrued during the years 2023 and 2022 for the debt instruments classified in this portfolio amounted to 16,675,000 euros and 10,747,000 euros respectively, and is included under the heading "Interest income" in the income statement. and consolidated earnings (Note 32).

The average effective interest rate of debt securities in this portfolio as at December 31, 2023, was 4.33% (4.32% as at December 31, 2022).

The negative flow included in the consolidated statement of cash flows for the 2023 financial year for the financial assets classified in this portfolio amounts to 493,748,000 euros (positive flow of 290,014,000 euros in the 2022 financial year).

9.2. Other cumulative global income - Items that may be reclassified to the income statement

The reconciliation of the opening and closing balances of accumulated other comprehensive income for the portion that refers to this portfolio and for the items that can be reclassified to profit or loss, of equity in the consolidated balance sheet for the years 2023 and 2022, with the amounts recorded in the consolidated statement of income as income from financial transactions and impairment losses on financial assets, as well as the amounts recorded in the consolidated statement of recognized income and expense, are presented below.

Thousands of euros	**2023**	**2022 (*)**
Changes in fair value of debt instruments at fair value through other comprehensive income - Balance at end of the previous year	**(53,364)**	**26,757**
Transfers to results	**-**	**-**
Portion allocated in the consolidated profit and loss account	-	-
Fair value changes	**29,083**	**(114,459)**
Income tax	**(8,725)**	**34,338**
Changes in fair value of debt instruments at fair value through other comprehensive income - Balance at end of the current year	**(33,006)**	**(53,364)**

9.3. Other accumulated comprehensive income - Items that cannot be reclassified in results

The reconciliation of the opening and closing balances of accumulated other comprehensive income - Items that cannot be reclassified to income in equity in the consolidated balance sheet for the years 2023 and 2022, based on the amounts recorded in the consolidated statement of recognized income and expense, is presented below.

Thousands of euros	**2023**	**2022 (*)**
Financial assets at fair value through other comprehensive income - Balance at end of the previous year	**(14,121)**	**83,927**
Fair value changes	52,977	(140,070)
Other changes	-	-
Income tax	4,383	42,022
Financial assets at fair value through other comprehensive income - Balance at end of the current year	**43,239**	**(14,121)**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

10. Financial assets at amortized cost

Below is a breakdown of the financial assets included in this category at December 31, 2023 and 2022, by nature of exposure:

Thousands of euros	2023	2022 (*)
Debt securities	25,098,802	26,867,077
Loans and advances	52,353,053	55,315,971
Central banks	-	-
Credit institutions	*2,291,379*	989,977
Customers	*50,061,674*	54,325,994
	77,451,855	**82,183,048**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

10.1. Composition of balance and maximum credit risk

Below is a breakdown of the financial assets included in this category at December 31, 2023 and 2022, classified by class of counterparties and type of instrument:

Thousands of euros	2023	2022 (*)
By classes of counterparties -		
Credit institutions	3,256,268	2,157,290
Resident Public Administrations	20,860,952	23,051,913
Non-Resident Public Administrations	8,641,830	9,900,083
Other resident sectors	45,432,412	48,956,432
Other non-resident sectors	551,919	700,260
(Impairment losses)	(1,016,876)	(1,303,817)
Other valuation adjustments	(274,650)	(1,279,113)
Accrued interest	*149,640*	92,367
Micro hedge operations	*(777,748)*	(1,702,376)
Commissions pending accrual	*(48,398)*	(58,318)
Other products and discounts in assumption	*401,856*	389,214
	77,451,855	**82,183,048**
By type of instrument -		
Credits and loans at variable interest rate	24,172,254	26,713,603
Credits and loans at a fixed interest rate	25,655,378	28,073,518
Debt securities	25,839,317	28,535,297
Temporary acquisitions of assets	1,483,340	300,000
Term deposits with credit institutions	70,562	29,847
Other deposits into credit institutions	18	-
Other financial assets	1,522,512	1,113,713
(Impairment losses)	(1,016,876)	(1,303,817)
Other valuation adjustments	(274,650)	(1,279,113)
	77,451,855	**82,183,048**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

The carrying value recorded in the above table represents the Group's level of exposure to credit risk at the end of those years in relation to the financial instruments included therein.

Loans and advances with credit institutions, consisting mainly of deposits with these types of institutions, are classified entirely at normal risk (Stage 1). The breakdown by stages of the remaining exposures under this caption is detailed in Notes 10.2 and 10.3.

The interest accrued during the years 2023 and 2022 for the credit to customers has been 1,443,087 euros and 821,052 euros respectively (including non-performing), and is included in the heading of "Interest income" of the account of consolidated profit and loss (Note 32). The interest accrued for deposits in credit institutions totaled 19,354,000 euros and 2,545,000 euros respectively, and are also included under the "Interest Income" heading in the accompanying statement of income (Note 32).

The interest accrued during the years 2023 and 2022 on the debt securities classified in the portfolio of financial assets at amortized cost was 698,019,000 euros and 1,042,425,000 euros respectively, and is included under the heading "Interest income" of the consolidated profit and loss account (Note 32).

The average effective interest rate on debt instruments classified in this portfolio at December 31, 2023 for loans and advances to customers was 2.78% (1.74% at December 31, 2022) and for deposits with credit institutions was 3.13% (0.84% at December 31, 2022).

The positive cash flow included in the consolidated cash flow statement for 2023 from financial assets at amortized cost recorded under this caption amounts to 4,609,434,000 euros (negative cash flow of 285,499,000 euros in 2022).

10.2. Loans and advances

The breakdown by counterparty of the gross amount of loans and advances recorded at amortized cost as of December 31, 2023 and 2022 is as follows:

Thousands of euros	2023	2022
Credit institutions	2,285,964	989,036
Resident Public Administrations	4,700,919	5,680,817
Non-Resident Public Administrations	100,000	100,000
Other resident sectors	45,311,989	48,818,492
Other non-resident sectors	505,309	641,706
	52,904,181	**56,230,051**

The detail by type of instrument of the gross amount of loans and advances, classified by credit risk level (stages) as of December 31, 2023 is as follows:

Thousands of euros	Stage 1	Stage 2	Stage 3	Total
Temporary acquisitions of assets	166,923	-	-	166,923
Term deposits with credit institutions	1,386,979	-	18	1,386,997
Loans to customers	45,022,804	3,236,740	1,568,087	49,827,632
Other financial assets	1,495,801	996	25,832	1,522,629
Balance as at December 31, 2023	**48,072,507**	**3,237,736**	**1,593,937**	**52,904,181**

The movement during 2023 of loans and advances recorded at amortized cost classified by credit risk stages (excluding impairment losses and other valuation adjustments) is as follows:

Thousands of euros	Stage 1	Stage 2	Stage 3	Total
Balance at beginning of year	**50,603,203**	**3,671,428**	**1,955,420**	**56,230,051**
Transfers between stages:	(716,630)	362,838	353,792	-
At normal risk (stage 1)	635,120	(626,480)	(8,640)	-
To special surveillance (stage 2)	(1,119,722)	1,260,590	(140,868)	-
To non-performing (stage 3)	(232,028)	(271,272)	503,300	-
Additions of new financial assets	6,844,266	-	-	6,844,266
Write-downs of financial assets (excluding bad	(8,658,333)	(796,528)	(394,057)	(9,848,918)
Reclassification to write-downs	-	-	(226,876)	(226,876)
Asset Foreclosures	-	-	(94,342)	(94,342)
Other changes	-	-	-	-
Closing balance	**48,072,506**	**3,237,738**	**1,593,937**	**52,904,181**

The movement during financial year 2022 was as follows:

Thousands of euros	Stage 1	Stage 2	Stage 3	POCI (*)	Total
Balance at beginning of year	**52,507,427**	**3,567,930**	**1,980,413**	**5,195**	**58,060,965**
Transfers between stages:	(1,162,090)	725,967	436,123	-	-
At normal risk (stage 1)	484,164	(474,900)	(9,264)	-	-
To special surveillance (stage 2)	(1,393,552)	1,504,067	(110,515)	-	-
To non-performing (stage 3)	(252,702)	(303,200)	555,902	-	-
Additions of new financial assets	14,785,396	-	-	-	14,785,396
Write-downs of financial assets	(15,527,530)	(622,469)	(187,048)	(5,195)	(16,342,242)
Reclassification to write-downs	-	-	(181,646)	-	(181,646)
Asset Foreclosures	-	-	(92,422)	-	(92,422)
Other changes	-	-	-	-	-
Closing balance	**50,603,203**	**3,671,428**	**1,955,420**	**-**	**56,230,051**

(*) POCIs should be understood as financial assets purchased or originated with credit impairment as described in Note 2.7.

10.3. Debt securities

The breakdown by counterpart and type of issue of debt securities recorded at amortized cost at December 31, 2023 and 2022 is as follows:

Thousands of euros	2023	2022
By types of counterparts -		
Credit institutions	963,186	1,158,602
Resident Public Administrations	15,334,441	16,057,231
Non-Resident Public Administrations	8,642,917	9,474,173
Other resident sectors	112,482	119,723
Other non-resident sectors	45,776	57,348
	25,098,802	**26,867,077**
By type of instrument -		
Spanish public debt	11,198,133	11,560,932
Treasury bills	-	-
Government bonds	*11,198,133*	*11,560,932*
Other Spanish public administrations	4,136,308	4,496,299
Foreign public debt	8,642,917	9,474,173
Issued by financial institutions	963,186	1,158,602
Other fixed-income securities	158,258	177,071
	25,098,802	**26,867,077**

The breakdown of debt securities recorded under this caption at December 31, 2023 based on the credit rating of the issue and the level of credit risk (excluding valuation adjustments) is as follows:

Thousands of euros	Stage 1	Stage 2	Stage 3
Rating Aaa	613,624	-	-
Rating Aa1-Aa3	834,761	-	-
Rating A1-A3	15,367,680	-	-
Rating Baa1-Baa3	8,217,240	-	-
Rating Ba1-Ba3 (*)	65,497	-	-
Rating B1-C	-	-	-
No credit rating	-	-	-
	25,098,802	**-**	**-**

(**) Debt securities with a rating between Ba1 and Ba3 correspond in their entirety to exposures with a low credit risk (no appreciable risk). This is why it has been considered that there has been no significant increase in the credit risk, so they continue to be classified as normal risk (stage 1).

The breakdown of debt securities recorded under this caption as of December 31, 2022 (excluding valuation adjustments) is as follows:

Thousands of euros	Stage 1	Stage 2	Stage 3 (*)
Rating Aaa	1,301,167	-	-
Rating Aa1-Aa3	138,570	-	-
Rating A1-A3	16,159,186	-	-
Rating Baa1-Baa3	9,192,299	-	-
Rating Ba1-Ba3 (*)	75,855	-	-
Rating B1-C	-	-	-
No credit rating	-	-	-
	26,867,077	**-**	**-**

(**) Debt securities with a rating between Ba1 and Ba3 correspond in their entirety to exposures with a low credit risk (no appreciable risk). This is why it has been considered that there has been no significant increase in the credit risk, so they continue to be classified as normal risk (stage 1).

10.4. Refinancing and restructuring operations

The balances of refinancing and restructuring at December 31, 2023 and 2022 are as follows:

Thousands of euros	2023		2022	
	Total	Of which: Stage 3	Total	Of which: Stage 3
Gross	**1,084,100**	**480,194**	**1,316,385**	**732,768**
Value corrections due to the impairment of	**402,774**	**244,501**	**596,764**	**388,623**
Of which: Collectively determined	302,576	175,333	425,609	246,710
Of which: Individually determined	100,198	69,168	171,155	141,913
Net amount	**681,326**	**235,693**	**719,621**	**344,145**
Of which: granted to the customers	681,326	235,693	719,621	344,145
Value of guarantees received	**713,820**	**350,947**	**906,928**	**537,586**
Of which: value of guarantees	698,554	350,947	891,534	537,389
Of which: value of other guarantees	15,266	-	15,394	197

The reconciliation of the book value of refinanced and restructured operations at December 31, 2023 and 2022 is as follows:

Thousands of euros	2023	2022
Opening balance	**719,621**	**929,344**
Refinancing and restructuring for the period	185,410	305,913
Debt repayments	(303,256)	(118,766)
Asset Foreclosures	(257)	(3,082)
Derecognition from balance sheet (reclassification to non-performing)	(108,710)	(12,474)
Other changes	188,518	(381,314)
Of which: Changes in the gross balance	*1,310*	*(61,074)*
Of which: Variations in credit loss coverage	*187,208*	*(320,240)*
Balance at the end of the period	**681,326**	**719,621**

The changes in the gross balance of the "Other changes" caption correspond mainly to derecognitions of the inventory of refinanced transactions as a result of the application of the cure criteria described below. The effect on provisions is not significant since most of these transactions were classified in the normal risk category, and only the refinancing mark has been eliminated, in compliance with the cure criteria indicated below.

As of December 31, 2023, the detailed information of refinanced and restructured operations is as follows:

Thousands of euros							December 31, 2023
	Total						
	Secured				Unsecured		
			Maximum amount of collateral that may be considered				
	No. of operations	Gross	Real estate guarantee	Other guarantees	No. of operations	Gross	Accumulated impairment or fair value losses due to credit risk
Credit institutions	-	-	-	-	-	-	-
Public Administration Bodies	10	9,815	1	9,814	4	756	(215)
Other financial companies and individual employers (financial business activity)	4	245	245	-	5	160	(405)
Non-financial corporations and individual employers (non-financial business activity)	1,492	352,351	259,029	5,298	1,978	252,571	(221,547)
Of which: financing of the construction and development	*207*	*68,507*	*66,283*	*1,164*	*53*	*6,061*	*(21,393)*
Other household	6,895	459,651	439,279	154	1,288	8,551	(180,607)
	8,401	**822,062**	**698,554**	**15,266**	**3,275**	**262,038**	**(402,774)**
Additional information							
Financing classified as non-current assets and groups disposable items that have been classified as	-	-	-	-	-	-	-

Thousands of euros							**December 31, 2023**
	Of which: Non-performing (Stage 3)						
	Secured				**Unsecured**		
			Maximum amount of collateral that may be considered				
	No. of operations	Gross	Real estate guarantee	Other guarantees	No. of operations	Gross	**Accumulated impairment or fair value losses due to credit risk**
Credit institutions	-	-	-	-	-	-	-
Public Administration Bodies	4	1	-	-	-	-	-
Other financial companies and individual employers (financial business activity)	4	245	245	-	5	160	(100)
Non-financial corporations and individual employers (non-financial business activity)	790	143,776	113,595	-	596	83,962	(115,455)
Of which: financing of the construction and development	*116*	*37,404*	*36,821*	-	*13*	*560*	*(12,549)*
Other household	3,653	248,192	237,107	-	605	3,858	(128,946)
	4,451	**392,214**	**350,947**	**-**	**1,206**	**87,980**	**(244,501)**
Additional information							
Financing classified as non-current assets and groups disposable items that have been classified as	-	-	-	-	-	-	-

As of December 31, 2022, the detail of refinanced and restructured operations was as follows:

Thousands of euros							**December 31, 2022**
	Total						
	Secured				**Unsecured**		
			Maximum amount of collateral that may be considered				
	No. of operations	Gross	Real estate guarantee	Other guarantees	No. of operations	Gross	**Accumulated impairment or fair value losses due to credit risk**
Credit institutions	-	-	-	-	-	-	-
Public Administration Bodies	9	10,087	-	10,087	5	1,747	(171)
Other financial companies and individual employers (financial business activity)	2	82	82	-	7	2,753	(2,755)
Non-financial corporations and individual employers (non-financial business activity)	2,043	518,439	386,147	5,151	1,537	229,739	(355,968)
Of which: financing of the construction and development	*331*	*124,207*	*106,419*	*1,158*	*38*	*14,596*	*(66,114)*
Other household	7,641	539,459	505,305	156	1,584	14,079	(237,870)
	9,695	**1,068,067**	**891,534**	**15,394**	**3,133**	**248,318**	**(596,764)**
Additional information							
Financing classified as non-current assets and groups disposable items that have been classified as	29	3,742	3,455	-	2	230	(2,691)

Thousands of euros — **December 31, 2022**

	Of which: Non-performing (Stage 3)						
	Secured				Unsecured		
			Maximum amount of collateral that may be considered				
	No. of operations	Gross	Real estate guarantee	Other guarantees	No. of operations	Gross	Accumulated impairment or fair value losses due to credit risk
Credit institutions	-	-	-	-	-	-	-
Public Administration Bodies	5	1	-	-	-	-	-
Other financial companies and individual employers (financial business activity)	2	82	82	-	3	2,522	(2,242)
Non-financial corporations and individual employers (non-financial business activity)	1,243	288,709	228,071	197	671	100,793	(218,362)
Of which: financing of the construction and development	*211*	*82,898*	*66,365*	*197*	*22*	*10,554*	*(61,240)*
Other household	4,536	332,982	309,236	-	877	7,679	(168,019)
	5,786	**621,774**	**537,389**	**197**	**1,551**	**110,994**	**(388,623)**
Additional information							
Financing classified as non-current assets and groups disposable items that have been classified as	29	3,742	3,455	-	2	230	(2,691)

The Group has a policy of refinancing, restructuring, renewal and renegotiation of operations, which details the requirements, conditions and situations under which a range of measures are offered to assist the entity's customers who are experiencing financial difficulties.

In general terms, these renegotiated transactions do not include modifications of conditions considered substantial, other than extensions of the terms thereof, inclusions or extensions of grace periods, or improvements in the guarantees associated with such transactions, and therefore, for accounting purposes, they do not entail the derecognition of the original assets and the subsequent recognition of new assets at their fair value.

The policies and procedures applied in risk management allow for individual monitoring of credit operations. In this regard, any transaction that may require modifications in its conditions as a result of deterioration in the borrower’s creditworthiness, already has, at the date of novation, the corresponding provision for impairment. Therefore, since the transactions are correctly valued, no additional impairment provision requirements are evidenced on the refinanced loans.

Renegotiated or refinanced assets are classified according to their risk based on aspects such as the determination of the borrowers’ ability to pay, the updated valuation of the collateral provided and, additionally, other factors such as the grace periods of the transactions or the number of times a transaction has been restructured.

Subsequent to the initial rating, there are prudent cure criteria, so that the subsequent development of the operations may allow their reclassification to normal risk. These criteria are based on the effective repayment of the refinanced transactions, so that doubts about collection are removed, taking into account both the amount repaid and the length of time the borrower has been in compliance with its payment obligations.

The Group's refinancing cure criteria are consistent with what is indicated in IFRS 9, in the European Banking Authority (EBA) Guidelines and in Annex 9 of Bank of Spain Circular 4/2017 after its amendment by Bank of Spain Circular 3/2020. A summary of these criteria is presented below:

To reclassify the exposure to non-performing risk (stage 3) to normal risk in special surveillance (stage 2):

- That all the criteria that, in general, determine the classification of transactions in this category are verified (Note 2.7).
- A period of one year has elapsed since the date of refinancing or restructuring.
- The borrower must have settled the principal and interest, reducing the renegotiated principal, since the date on which the restructuring or refinancing transaction was formalized or, if this was subsequent, since the date on which it was reclassified to non-performing. As a result, the operation must not show any amounts overdue. It will also be necessary to ensure that the holder has, through regular payments, paid an amount equivalent to all the amounts, principal and interest, that were due at the date of the restructuring or refinancing operation, or that were written off as a consequence thereof, or when it is more appropriate in view of the characteristics of the operations, that other objective criteria have been verified that demonstrate the holder's payment capacity.
- The borrower must not have any operation with amounts overdue by more than 90 days on the date of reclassification of the refinancing, refinanced, or restructured operation to the underperforming category.

To reclassify the exposure from normal risk in special surveillance (stage 2) to normal risk (stage 1):

- As long as they remain identified as such, refinancing, refinanced or restructured transactions that should not be classified as non-performing risk will be included in the normal risk category under special surveillance, unless it is justified that no significant increase in their credit risk has been identified since initial recognition, in which case the transaction will be classified as normal risk.

For the exposure to cease to be considered as a refinancing, refinanced or restructured transaction:

- Following an exhaustive review of the holder's assets and financial situation, it has been concluded that it is not foreseeable that they may have financial difficulties and that it is therefore highly probable that they will be able to meet their obligations to the entity on time and in the correct form.
- A minimum period of two years has elapsed from the date of formalization of the restructuring or refinancing operation or, if later, from the date of reclassification from the non-performing risk category.
- The holder has paid the accrued installments of principal and interest from the date on which the restructuring or refinancing operation was formalized or, if later, from the date of reclassification from the non-performing category. Additionally, the holder must have, through regular payments, paid an amount equivalent to all the amounts (principal and interest) that were due or were paid on the date of the restructuring or refinancing operation, or that were written off as a consequence of it, or when it is more appropriate in view of the characteristics of the operations, that other objective criteria have been verified that demonstrate the borrower's ability to pay.
- The holder has no other transaction with amounts overdue by more than 30 days at the end of the trial period.

10.5. Financing operations with ICO Covid-19 guarantee

On March 18, 2020, Royal Decree-Law 8/2020 on urgent measures to deal with the economic and social impact of Covid-19.

One of the measures was the creation of a line of guarantees of 100 billion on behalf of the State to guarantee part of the financing that credit institutions grant to companies and the self-employed to meet their liquidity needs. This line is managed by the Official Credit Institute (ICO, initials in Spanish) and its objective is to facilitate the granting of sufficient liquidity to maintain employment and mitigate the economic effects of COVID-19.

With regard to financing that has guarantees from the ICO COVID-19 Line, until December 31, 2022, the guarantee lines that have been activated by the Government constitute the full amount of the guarantee line, which was divided into four lines, approved by Agreement of the Council of Ministers on March 24, April 10, May 5, May 19, 2020, and June 16, whose total amounts were allocated 67,500 million euros to SMEs and the self-employed and 25 billion euros to non-SME companies, 4 billion euros to cover promissory notes from the Alternative Fixed Income Market (MARF), 2.5 billion euros for the self-employed and SMEs in the tourism sector and related activities, 500 million euros to reinforce the guarantees granted by the Compañía Española de Reafianzamiento (CERSA) and 500 million euros for the self-employed and companies for the acquisition or operating financial lease of road transport motor vehicles used professionally.

In addition to the aforementioned guarantees, Royal Decree-Law 25/2020, dated July 3, approved a 40 billion Euro Guarantee Line, from the Ministry of Economic Affairs and Digital Transformation, with the purpose of guaranteeing the financing granted to companies and the self-employed to mainly meet their financial needs arising from the implementation of new investments. Part of this line was approved by resolutions of the Council of Ministers on July 28, 2020 and November 24, 2020.

In this context, since March 2020 the Group has been granting operations for which it has received guarantees from the ICO COVID-19 line and for which certain commissions are paid to the ICO depending on the characteristics of the operation: applicable aid scheme, type of borrower and term.

On November 18, 2021, Royal Decree-Law 34/2020, of November 17, on urgent measures to support business solvency and the energy sector, and on tax matters, entered into force, which, among other aspects, regulates the extension of the maturity and grace period of financing operations for self-employed persons and companies that have received public guarantees channeled through the ICO, allowing the maturity to be extended for an additional maximum period of three years (up to a maximum of eight years from the date of the initial formalization of the transaction) and increasing the grace period for the repayment of the principal of the transaction by a maximum of 12 additional months, provided that the total grace period, taking into account the initial grace period, does not exceed 24 months.

Additionally, on March 30, 2022 the Resolution of March 29, 2022 of the Secretary of State for Economy and Business Support was published in the Official State Gazette, publishing the Agreement of the Council of Ministers of March 29, 2022, which amends the Code of Best Practices for the renegotiation framework for customers with guaranteed financing provided for in Royal Decree-Law 5/2021 of March 12, 2022. Based on this agreement and for maturity extensions requested and granted as from March 31, 2022, self-employed people and SMEs belonging to sectors with certain CNAE classifications (basically, agriculture, livestock, fishing, land passenger transportation and road freight transportation) will be entitled to a six-month suspension of the repayment installments of the principal of the operation, either in the form of an extension of the current grace period or in the form of an additional grace period if the latter has expired.

The detail information of the operations with ICO COVID-19 guarantee as of December 31, 2023 is as follows:

Thousands of euros

	Total data				Breakdown of outstanding balance by risk stages		
	Number of operations granted	Funded limit	Amount guaranteed	Outstanding Balance	Stage 1	Stage 2	Stage 3
ICO COVID-19 Guarantees	**37,989**	**2,715,227**	**1,055,728**	**1,372,513**	**561,145**	**552,939**	**258,429**
Self-employed	10,588	244,656	108,443	135,590	75,739	50,733	9,118
Small and medium-sized	22,304	1,480,707	667,227	840,803	366,165	381,376	93,262
Other Companies	5,097	989,864	280,058	396,120	119,241	120,830	156,049

The detail of the operations with Government guarantee at December 31, 2022 was as follows:

Thousands of euros

	Total data				Breakdown of outstanding balance by risk stages		
	Number of operations granted	Funded limit	Amount guaranteed	Outstanding Balance	Stage 1	Stage 2	Stage 3
ICO COVID-19 Guarantees	**49,586**	**3,215,254**	**1,562,894**	**2,044,825**	**1,054,506**	**737,935**	**252,384**
Self-employed	12,172	282,554	156,468	195,769	132,484	52,765	10,520
Small and medium-sized companies	31,642	1,874,354	1,050,251	1,324,195	665,282	527,247	131,666
Other Companies	5,772	1,058,346	356,175	524,861	256,740	157,923	110,198

The Group considers that the ICO COVID-19 guarantees are a substantial part of the secured financing (integral guarantee) since they are in all cases new operations or renewals of existing credit lines with substantial modifications to the original conditions. Therefore, the accounting treatment applied to them is based on the following premises: (i) the commission paid by the Bank to the ICO (as guarantee manager) is incorporated as an incremental cost in the calculation of the effective interest rate of the transaction as indicated in paragraph B5.4.1 of IFRS 9, and (ii) the flows expected to be obtained as a result of the execution of the guarantee are taken into account in the calculation of the expected loss of the transaction as indicated in paragraph B5.5.55 of IFRS 9.

With regard to the accounting policy for derecognizing loans with ICO Covid-19 Guarantee, the Unicaja Group applies the provisions of section 3.2 of IFRS 9, which requires that, in order to derecognize a financial asset (or part thereof), the transfer of its cash flows and the substantial transfer of its risks and rewards must take place. In turn, according to the rules of this same section of IFRS 9, the transfer of the cash flows of the asset occurs either when the contractual rights to receive them are transferred, or when these rights are retained, but the entity undertakes to pay (without significant delay) the amounts received and the recipient assumes the losses for amounts not collected. Applying these criteria to the particular case of loans with ICO Covid-19 guarantees, the Unicaja Group considers that the transfer of the guaranteed amounts from the lender to the guarantor occurs as the guarantee is executed, or in the event of total or partial subrogation of the ICO in the guaranteed loan. The derecognition of the transferred guaranteed amounts in the balance sheet would entail the recognition of a collection right against the ICO for their fair value.

It should be noted that, in accordance with the Agreement of the Council of Ministers of June 21, 2022 and the Decision of the European Commission of June 30, 2022, the ICO has proceeded to enable, in collaboration with the financial institutions operating the ICO Covid-19 Guarantee Lines, the possibility of extending the maturity of the guarantees managed on behalf of the State. The purpose is to facilitate the extensions of the maturity of the financing granted to companies and self-employed guaranteed under Royal Decree Law 8/2020 of March 17 and Royal Decree Law 25/2020 of July 3, once its validity expires on June 30, 2022, and in accordance with the European Temporary Framework for State Aid, regarding the aid measures to support the economy in the context of the Covid-19 pandemic. The extension of the guarantee will be carried out when, at the request of the debtor, the financial institution decides to extend the maturity of the financing granted.

10.6. Past due and impaired assets

Following is a detail of those financial assets classified as financial assets at amortized cost and considered as impaired due to their credit risk at December 31, 2023 and 2022, as well as those which, without being considered as impaired, have an amount past due at those dates, classified by counterparts, as well as according to the period elapsed since the maturity of the oldest past due amount of each transaction:

Impaired assets at December 31, 2023

Thousands of euros

	Up to 180 days	Between 180 days	Between 1 and 2 years	More than 2 years	Total
By classes of counterparties -					
Public Administration Bodies	440	69	512	801	1,822
Credit institutions	16	-	17	18	51
Other financial companies	8,076	38	13	206	8,333
Non-financial companies	451,312	43,177	59,843	53,350	607,682
Households	484,365	126,136	123,584	241,963	976,048
	944,209	**169,420**	**183,969**	**296,338**	**1,593,936**

Impaired assets as of December 31, 2022

Thousands of euros

	Up to 180 days	Between 180 days	Between 1 and 2 years	More than 2 years	Total
By classes of counterparties -					
Public Administration Bodies	769	112	1	13,053	13,935
Credit institutions	14	67	-	16	97
Other financial companies	46	-	7	2,495	2,548
Non-financial companies	517,557	58,036	59,370	167,903	802,866
Households	465,832	124,073	111,840	434,229	1,135,974
	984,218	**182,288**	**171,218**	**617,696**	**1,955,420**

Unimpaired past due assets as of December 31, 2023

Thousands of euros

	Less than one month	Between 1 and 3 months	More than 3 months	Total
By classes of counterparties -				
Public Administration Bodies	3,089	2,983	-	6,072
Credit institutions	-	-	-	-
Other financial companies	7,930	58	-	7,988
Non-financial companies	280,746	13,077	-	293,823
Households	478,668	86,273	-	564,941
	770,433	**102,391**	**-**	**872,824**

Unimpaired past due assets as of December 31, 2022

Thousands of euros

	Less than one month	Between 1 and 3 months	More than 3 months	Total
By classes of counterparties -				
Public Administration Bodies	6,998	122	-	7,120
Credit institutions	-	-	-	-
Other financial companies	9,834	-	-	9,834
Non-financial companies	452,287	14,841	-	467,128
Households	518,806	115,940	-	634,746
	987,925	**130,903**	**-**	**1,118,828**

10.7. Credit risk hedging

The detail by type of instrument of impairment losses on loans and advances, classified by credit risk level (stages) as of December 31, 2023 is as follows:

Thousands of euros	Stage 1	Stage 2	Stage 3	Total
Temporary acquisitions of assets	-	-	-	-
Term deposits with credit institutions	-	-	-	-
Loans to customers	171,009	168,701	657,892	997,602
Other financial assets	254	-	18,625	18,879
Closing balance	**171,263**	**168,701**	**676,517**	**1,016,481**

The detail by type of instrument of impairment losses on loans and advances, classified by credit risk level (stages) as of December 31, 2022 was as follows:

Thousands of euros	Stage 1	Stage 2	Stage 3	Total
Temporary acquisitions of assets	-	-	-	-
Term deposits with credit institutions	-	-	25	25
Loans and advances to customers and OAF	216,723	214,223	872,498	1,303,444
Closing balance	**216,723**	**214,223**	**872,523**	**1,303,469**

The movement in impairment losses recorded to hedge credit risk and the cumulative amount thereof at the beginning and end of 2023 and 2022 of those debt instruments classified as loans and receivables are presented below.

The movement in impairment losses for each of the levels (stages) in which the Group's credit risk exposures are classified for the year 2023 is as follows:

Thousands of euros				**2023**
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance at the beginning of the period	**216,723**	**214,223**	**872,523**	**1,303,469**
Transfers between stages:	7,615	25,299	(32,914)	-
At normal risk (stage 1)	16,501	(12,186)	(4,315)	-
To special surveillance (stage 2)	(6,476)	49,948	(43,472)	-
To non-performing (stage 3)	(2,410)	(12,463)	14,873	-
For additions of new financial assets	24,637	-	-	24,637
Changes in parameters	(45,479)	(47,006)	169,921	77,436
Changes in methodologies	(4,672)	(3,532)	19,073	10,869
Write-downs of financial assets (excluding	(27,561)	(20,283)	(146,792)	(194,636)
Reclassifications to bad debts	-	-	(162,829)	(162,829)
Awarded	-	-	(42,465)	(42,465)
Other changes	-	-	-	-
Balance at the end of the period	**171,263**	**168,701**	**676,517**	**1,016,481**
Of which:				
Individually determined	94	40,805	122,610	163,509
Collectively determined	171,169	127,896	553,907	852,972
	171,263	**168,701**	**676,517**	**1,016,481**

The changes in impairment losses for 2022 are as follows:

Thousands of euros					**2022**
	Stage 1	**Stage 2**	**Stage 3**	**POCI (*)**	**Total**
Balance at the beginning of the period	**128,118**	**318,311**	**916,440**	**3,153**	**1,366,022**
Transfers between stages:	48,707	(49,389)	682	-	-
At normal risk (stage 1)	57,332	(55,674)	(1,658)	-	-
To special surveillance (stage 2)	(6,116)	24,654	(18,538)	-	-
To non-performing (stage 3)	(2,509)	(18,369)	20,878	-	-
For additions of new financial assets	26,109	-	-	-	26,109
Changes in parameters	47,271	(40,819)	187,351	-	193,803
Changes in methodologies	(1,852)	8,130	14,929	-	21,207
Write-downs of financial assets (excluding bad debts)	(31,630)	(22,010)	(17,064)	-	(70,704)
Reclassifications to bad debts	-	-	(129,760)	(3,153)	(132,913)
Awarded	-	-	(52,283)	-	(52,283)
Other changes	-	-	(47,772)	-	(47,772)
Balance at the end of the period	**216,723**	**214,223**	**872,523**	**-**	**1,303,469**
Of which:					
Individually determined	172	37,011	204,259	-	241,442
Collectively determined	216,551	177,212	668,264	-	1,062,027
	216,723	**214,223**	**872,523**	**-**	**1,303,469**

(*) POCIs should be understood as financial assets purchased or originated with credit impairment as described in Note 2.7.

11. Derivatives - Hedge accounting (accounts receivable and accounts payable)

As of December 31, 2023 and 2022, the contracted derivatives designated as hedging items and their hedged items were mainly the following:

- Interest Rate Swaps, which hedge mortgage bonds issued by the Bank and bonds issued by third parties acquired by the Group.
- Futures and options on listed securities, which hedge changes in the market price of securities prior to the sale of such securities.

The Group applies fair value hedge accounting mainly to those transactions that are exposed to changes in the fair value of certain assets and liabilities that are sensitive to changes in interest rates, i.e. mainly assets and liabilities referenced to a fixed interest rate, which are converted to a floating interest rate through the corresponding hedging instruments. Cash flow hedges are generally contracted to exchange a variable interest rate for a fixed interest rate.

The valuation methods used to determine the fair values of OTC derivatives were the discounted cash flow method for interest rate derivative valuations and the Monte Carlo simulation technique for valuations of structured products with an optional component. For those transactions admitted to official listing, the quoted price has been considered as an indicator of their fair value.

The Group conducted an analysis to assess the extent to which volatility in the financial markets may have had an effect on the effectiveness of the accounting hedges recorded in the consolidated financial statements as of December 31, 2023 and 2022 in accordance with IAS 39.

The Group has not identified any accounting hedges that should be modified due to the effect of the volatility of the financial markets.

Following is an outline of the maturities of the notional amounts of the hedging instruments used by the Bank at December 31, 2023:

Thousands of euros						**2023**
	Up to 1 month	**Between 1 and 3 months**	**Between 3 months and 1 year**	**Between 1 and 5 years**	**More than 5 years**	**Total**
Fair value hedge:	**3,517,280**	**1,427,167**	**1,000,000**	**5,602,051**	**11,749,209**	**23,295,707**
Futures on securities and types of interest	**-**	**-**	**-**	**-**	**-**	**-**
Future sales on interest rates	-	-	-	-	-	-
Other Securities Operations	**3,517,280**	**1,427,167**	**-**	**-**	**-**	**4,944,447**
Financial swaps on securities	-	-	-	-	-	-
Security options	-	-	-	-	-	-
Term operations	3,517,280	1,427,167	-	-	-	4,944,447
Currency options	**-**	**-**	**-**	**-**	**-**	**-**
Currency options issued	-	-	-	-	-	-
Other operations on types of interest	**-**	**-**	**1,000,000**	**5,602,051**	**11,749,209**	**18,351,260**
Interest rate swaps (IRS bonds)	-	-	200,000	1,692,051	1,600,000	3,492,051
Interest rate swaps (Senior Bonds)	-	-	500,000	1,960,000	-	2,460,000
Interest rate swaps (IRS Customer loans)	-	-	-	-	-	-
Interest rate swaps (IRS loan portfolio)	-	-	-	575,000	3,350,960	3,925,960
Interest rate swaps (Securitizations)	-	-	-	-	171,896	171,896
Interest rate swaps (IRS central bank deposits)	-	-	-	-	-	-
Subordinated liabilities	-	-	300,000	300,000	-	600,000
Interest rate swaps (IRS fixed income)	-	-	-	1,075,000	6,626,353	7,701,353
Interest rate swaps (Structured Terms)	-	-	-	-	-	-
Cash flow hedging:	**200,067**	**300,000**	**865,000**	**1,234,192**	**1,946,625**	**4,545,884**
Futures on securities and interest rate	**-**	**-**	**-**	**-**	**-**	**-**
Future sales on interest rates	-	-	-	-	-	-
Other Securities Operations	**-**	**-**	**-**	**-**	**119,531**	**119,531**
Financial swaps on securities	-	-	-	-	-	-
Security options	-	-	-	-	119,531	119,531
Term operations	-	-	-	-	-	-
Other operations on types of interest	**200,000**	**300,000**	**865,000**	**1,150,000**	**1,827,094**	**4,342,094**
Interest rate swaps (IRS loan portfolio)	200,000	300,000	-	-	1,146	501,146
Interest rate swaps (IRS deposits in central banks)	-	-	-	-	-	-
Interest rate swaps (IRS fixed income)	-	-	865,000	1,150,000	1,825,948	3,840,948
Other foreign exchange operations	**67**	**-**	**-**	**84,192**	**-**	**84,259**
Currency swaps (CCS fixed income)	67	-	-	84,192	-	84,259
Total	**3,717,347**	**1,727,167**	**1,865,000**	**6,836,243**	**13,695,834**	**27,841,591**

The detail of maturities of the notional amounts of the hedging instruments used by the Group as of December 31, 2022 was as follows:

Thousands of euros						2022
	Up to 1 month	Between 1 and 3 months	Between 3 months and 1 year	Between 1 and 5 years	More than 5 years	Total
Fair value hedge:	**6,236,615**	**307,133**	**450,500**	**4,185,025**	**10,753,879**	**21,933,152**
Futures on securities and types of interest	**-**	**-**	**-**	**-**	**-**	**-**
Future sales on interest rates	-	-	-	-	-	-
Other Securities Operations	**6,236,615**	**307,133**	**-**	**-**	**-**	**6,543,748**
Financial swaps on securities	-	-	-	-	-	-
Security options	-	-	-	-	-	-
Term operations	6,236,615	307,133	-	-	-	6,543,748
Currency options	**-**	**-**	**-**	**-**	**-**	**-**
Currency options issued	-	-	-	-	-	-
Other operations on types of interest	**-**	**-**	**450,500**	**4,185,025**	**10,753,879**	**15,389,404**
Interest rate swaps (IRS bonds)	-	-	450,000	1,892,051	1,600,000	3,942,051
Interest rate swaps (Senior Bonds)	-	-	-	1,660,000	-	1,660,000
Interest rate swaps (IRS Customer loans)	-	-	-	-	-	-
Interest rate swaps (IRS loan portfolio)	-	-	500	-	3,551,186	3,551,686
Interest rate swaps (Securitizations)	-	-	-	-	202,096	202,096
Interest rate swaps (IRS central bank deposits)	-	-	-	-	-	-
Subordinated liabilities	-	-	-	600,000	-	600,000
Interest rate swaps (IRS fixed income)	-	-	-	32,974	5,400,597	5,433,571
Interest rate swaps (Structured Terms)	-	-	-	-	-	-
Cash flow hedging:	**67**	**100,000**	**2,766,667**	**2,538,419**	**1,823,675**	**7,228,828**
Futures on securities and interest rate	**-**	**-**	**-**	**-**	**-**	**-**
Future sales on interest rates	-	-	-	-	-	-
Other Securities Operations	**-**	**-**	**-**	**-**	**-**	**-**
Financial swaps on securities	-	-	-	-	-	-
Security options	-	-	-	-	-	-
Term operations	-	-	-	-	-	-
Other operations on types of interest	**-**	**100,000**	**2,766,667**	**2,515,000**	**1,763,374**	**7,145,041**
Interest rate swaps (IRS loan portfolio)	-	100,000	2,066,667	500,000	2,895	2,669,562
Interest rate swaps (IRS deposits in central banks)	-	-	-	-	-	-
Interest rate swaps (IRS fixed income)	-	-	700,000	2,015,000	1,760,479	4,475,479
Other foreign exchange operations	**67**	**-**	**-**	**23,419**	**60,301**	**83,787**
Currency swaps (CCS fixed income)	67	-	-	23,419	60,301	83,787
Total	**6,236,682**	**407,133**	**3,217,167**	**6,723,444**	**12,577,554**	**29,161,980**

As of December 31, 2023 and 2022, the Unicaja Group has not recorded any financial instruments that should be classified as hedges of the net investment in foreign businesses.

Below is presented the detailed information of the fair value and cash flow hedging instruments used by the Bank as of December 31, 2023:

Thousands of euros **2023**

	Debtor fair value	Creditor fair value	Notional amount	Change in fair value used to calculate hedge ineffectiveness	Hedged item
Fair value hedge:	**1,140,077**	**651,256**	**23,295,707**	**488,821**	
Futures on securities and types of interest	-	-	-	-	
Future sales on interest rates	-	-	-	-	
Other Securities Operations	**1,004**	**163,674**	**4,944,447**	**(162,670)**	
Financial swaps on securities	-	-	-	-	
Security options	-	-	-	-	
Term operations	1,004	163,674	4,944,447	(162,670)	Debt securities
Currency options	-	-	-	-	
Purchased currency options	-	-	-	-	
Currency options issued	-	-	-	-	
Other operations on types of interest	**1,139,073**	**487,582**	**18,351,260**	**651,491**	
Interest rate swaps (IRS bonds)	76,238	120,933	3,492,051	(44,695)	Issued bonds and securities
Interest rate swaps (Senior Bonds)	-	40,995	2,460,000	(40,995)	Loans and advances
Interest rate swaps (IRS IPF customers)	-	-	-	-	Loans to customers
Interest rate swaps (IRS loan portfolio)	38,130	56,993	3,925,960	(18,863)	Loan portfolio
Interest rate swaps (Securitizations)	120,291	357	171,896	119,934	Asset-backed securities
Interest rate swaps (IRS over IPF)	-	-	-	-	
Subordinated liabilities	28,630	38,188	600,000	(9,558)	Subordinated issue
Interest rate swaps (IRS fixed income)	875,784	230,116	7,701,353	645,668	Debt securities
Interest rate swaps (Structured Terms)	-	-	-	-	
Cash flow hedging:	**82,318**	**496,782**	**4,545,884**	**(414,464)**	
Other Securities Operations	4,499	-	119,531	4,499	
Financial swaps on securities	-	-	-	-	
Security options	4,499	-	119,531	4,499	
Term operations	-	-	-	-	
Other operations on types of interest	**-**	**406,816**	**4,342,094**	**(406,816)**	
Interest rate swaps (IRS loan portfolio)	-	499	501,146	(499)	Coverage of loans to customers
Interest rate swaps (IRS deposits in central banks)	-	-	-	-	
Interest rate swaps (IRS fixed income)	-	406,317	3,840,948	(406,317)	Debt securities
Other foreign exchange operations	**77,819**	**89,966**	**84,259**	**(12,147)**	
Currency swaps (CCS fixed income)	77,819	89,966	84,259	(12,147)	Debt securities
Total	**1,222,395**	**1,148,038**	**27,841,591**	**74,357**	

The detail of the fair value and cash flow hedging instruments used by the Group as of December 31, 2022 is as follows:

Thousands of euros **2022**

	Debtor fair value	Creditor fair value	Notional amount	Change in fair value used to calculate hedge ineffectiveness	Hedged item
Fair value hedge:	**1,733,820**	**478,211**	**21,933,152**	**1,255,609**	
Futures on securities and types of interest	**-**	**-**	**-**	**-**	
Future sales on interest rates	-	-	-	-	
Other Securities Operations	**268,773**	**-**	**6,543,748**	**268,773**	
Financial swaps on securities	-	-	-	-	
Security options	-	-	-	-	
Term operations	268,773	-	6,543,748	268,773	Debt securities
Currency options	**-**	**-**	**-**	**-**	
Purchased currency options	-	-	-	-	
Currency options issued	-	-	-	-	
Other operations on types of interest	**1,465,047**	**478,211**	**15,389,404**	**986,836**	
Interest rate swaps (IRS bonds)	60,323	232,055	3,942,051	(171,732)	Issued bonds and securities
Interest rate swaps (Senior Bonds)	-	75,873	1,660,000	(75,873)	Loans and advances
Interest rate swaps (IRS IPF customers)	-	-	-	-	Loans to customers
Interest rate swaps (IRS loan portfolio)	57,611	706	3,551,686	56,905	Loan portfolio
Interest rate swaps (Securitizations)	242,190	-	202,096	242,190	Asset-backed securities
Interest rate swaps (IRS over IRPF)	-	-	-	-	
Subordinated liabilities	-	55,932	600,000	(55,932)	Subordinated issue
Interest rate swaps (IRS fixed income)	1,104,923	113,645	5,433,571	991,278	Debt securities
Interest rate swaps (Structured Terms)	-	-	-	-	
Cash flow hedging:	**79,067**	**603,613**	**7,228,828**	**(524,546)**	
Other Securities Operations	**-**	**-**	**-**	**-**	
Financial swaps on securities	-	-	-	-	
Security options	-	-	-	-	
Term operations	-	-	-	-	
Other operations on types of interest	**4,513**	**515,317**	**7,145,041**	**(510,804)**	
Interest rate swaps (IRS loan portfolio)	-	28,851	2,669,562	(28,851)	Coverage of loans to customers
Interest rate swaps (IRS deposits in central banks)	-	-	-	-	
Interest rate swaps (IRS fixed income)	4,513	486,466	4,475,479	(481,953)	Debt securities
Other foreign exchange operations	**74,554**	**88,296**	**83,787**	**(13,742)**	
Currency swaps (CCS fixed income)	74,554	88,296	83,787	(13,742)	Debt securities
Total	**1,812,887**	**1,081,824**	**29,161,980**	**731,063**	

The following is the detail of the items covered by the Group as of December 31, 2023 through the hedging instruments detailed above:

	Carrying amount of the hedged instrument		Accumulated fair value adjustment on the hedged instrument		Change in fair value used to calculate hedge effectiveness	Cash flow hedge reserve
2023	Assets	Liabilities	Assets	Liabilities		
Fair value hedge	**13,924,518**	**7,083,153**	**(757,502)**	**(176,371)**	**927,729**	**-**
Debt securities	13,458,258	-	(719,874)	-	720,640	-
Balances in foreign currency	-	-	-	-	-	-
Issued bonds and securities	-	3,052,036	-	(48,900)	48,969	-
Customer deposits	-	3,737,562	-	(120,455)	120,492	-
Deposits from credit institutions	-	293,555	-	(7,016)	-	-
Credits to customers	466,260	-	(37,628)	-	37,628	-
Cash flow hedging	**10,917,718**	**-**	**-**	**-**	**16,184**	**(16,184)**
Deposits with credit institutions	-	-	-	-	-	-
Debt securities	10,796,803	-	-	-	15,832	(15,832)
Credits to customers	5,741	-	-	-	497	(497)
Equity instruments	115,174	-	-	-	(145)	145
Total	**24,842,236**	**7,083,153**	**(757,502)**	**(176,371)**	**943,913**	**(16,184)**

The detail of the items hedged by the Group as of Saturday, December 31, 2022 through the hedging instruments described above is as follows:

	Carrying amount of the hedged instrument		Accumulated fair value adjustment on the hedged instrument		Change in fair value used to calculate hedge effectiveness	Cash flow hedge reserve
2022	Assets	Liabilities	Assets	Liabilities		
Fair value hedge	**11,351,489**	**5,915,971**	**(1,702,376)**	**(399,027)**	**(1,302,054)**	**-**
Debt securities	11,048,928	-	(268,773)	-	(268,773)	-
Balances in foreign currency	(857)	-	-	-	-	-
Issued bonds and securities	-	6,200,997	-	(395,511)	397,601	-
Customer deposits	-	-	-	(3,516)	3,516	-
Deposits from credit institutions	-	(285,026)	-	-	-	-
Credits to customers	303,418	-	(1,433,603)	-	(1,434,398)	-
Cash flow hedging	**10,047,830**	**-**	**-**	**-**	**113,832**	**(113,832)**
Debt securities	10,042,506	-	-	-	108,508	(108,508)
Credits to customers	5,324	-	-	-	5,324	(5,324)
Total	**21,399,319**	**5,915,971**	**(1,702,376)**	**(399,027)**	**(1,188,222)**	**(113,832)**

The Unicaja Group considers as “hedging operations” only those that are considered highly effective throughout their duration. A hedge is considered highly effective if, during the expected term of the hedge, the variations that occur in the fair value or in the cash flows attributed to the hedged risk in the hedging operation of the hedged financial instruments are compensated in almost entirely due to variations in the fair value or in the cash flows, as the case may be, of the hedging instruments.

The balance of the caption "Changes in fair value of hedged items in a portfolio hedged for interest rate risk" includes the accumulated valuation adjustments corresponding to the portfolio of loans and receivables that are hedged through macro hedges to mitigate interest rate risk, amounting at December 31, 2023, the balance of this caption to a negative amount of 63,020,000 euros (positive amount of 237,836,000 euros at December 31, 2022).

The breakdown of the "Changes in the fair value of the items covered in a portfolio with interest rate risk coverage" heading as at December 31, 2023 is as follows:

Thousands of euros

Counterparty	Interest paid	Interest charged	Maturity	Notional amount	Changes in the fair value of the hedged item
J.P. Morgan Securities	1.69 %	6-month Euribor	04/27/2048	488,528	(29,625)
J.P. Morgan Securities	1.57 %	6-month Euribor	04/26/2048	130,432	(8,098)
BNP Paribas	2.39 %	6-month Euribor	12/28/2027	250,000	(12,349)
Banco Santander	2.39 %	6-month Euribor	12/28/2027	250,000	(12,347)
BBVA	1.14 %	6-month Euribor	04/25/2032	630,000	(39,655)
BBVA	1.17 %	6-month Euribor	05/24/2032	273,000	(15,836)
BBVA	1.43 %	6-month Euribor	06/17/2032	39,000	348
BBVA	1.63 %	6-month Euribor	09/16/2032	178,000	1,721
BBVA	1.57 %	6-month Euribor	10/27/2034	262,000	15,363
BBVA	1.79 %	6-month Euribor	11/22/2034	376,000	12,037
BBVA	2.12 %	6-month Euribor	12/27/2034	227,000	13,416
BBVA	2.31 %	6-month Euribor	01/19/2035	64,000	809
BBVA	2.53 %	6-month Euribor	02/16/2035	29,000	1,008
BBVA	2.83 %	6-month Euribor	03/30/2035	66,000	3,062
BBVA	2.68 %	6-month Euribor	05/18/2035	52,000	2,279
BBVA	2.12 %	6-month Euribor	06/02/2033	72,000	2,752
BBVA	2.45 %	6-month Euribor	06/23/2035	44,000	2,095
				3,430,960	**(63,020)**

The breakdown at December 31, 2022 was as follows:

Thousands of euros

Counterparty	Interest paid	Interest charged	Maturity	Notional amount	Changes in the fair value of the hedged item
J.P. Morgan Securities	1.69 %	6-month Euribor	04/27/2048	531,638	(52,099)
J.P. Morgan Securities	1.57 %	6-month Euribor	04/26/2048	144,548	(13,748)
BNP Paribas	2.39 %	6-month Euribor	12/28/2027	250,000	(21,588)
Banco Santander	2.39 %	6-month Euribor	12/28/2027	250,000	(21,588)
BBVA	1.14 %	6-month Euribor	04/25/2032	630,000	(76,229)
BBVA	1.17 %	6-month Euribor	05/25/2032	273,000	(31,934)
BBVA	1.43 %	6-month Euribor	06/17/2032	39,000	(1,782)
BBVA	1.63 %	6-month Euribor	09/16/2032	178,000	(8,078)
BBVA	1.57 %	6-month Euribor	10/27/2034	262,000	(199)
BBVA	1.79 %	6-month Euribor	11/22/2034	376,000	(11,171)
BBVA	2.12 %	6-month Euribor	12/27/2034	227,000	580
				3,161,186	**(237,836)**

In all cases of macro hedging transactions, the hedging instrument is an Interest Rate Swap (IRS), in which a fixed interest is charged and a variable interest is paid, the hedged instrument consists of loans and advances at amortized cost, the hedging relationship is fair value and the risk being hedged is the interest rate risk of the aforementioned loans and advances.

Hedges designated as “fair value hedges” are those that hedge exposure to changes in the fair value of financial assets and liabilities or firm commitments not yet recognized, or of an identified portion of such assets, liabilities or commitments in firm, attributable to a particular risk and provided that they may affect the consolidated profit and loss account. The information required by paragraph 24 of IFRS 7 in relation to these fair value hedges is presented below:

- Profit and loss of the hedging instrument: See the following table for a breakdown of the gains and losses for 2023 and 2022 associated with the hedging instrument.
- Gains and losses on the hedged item that are attributable to the hedged risk: See the following table for a breakdown of the gains and losses for 2023 and 2022 associated with hedged instruments that are effectively attributable to the hedged risk.

Hedges designated as “cash flow hedges” are those that hedge the variation in cash flows that is attributed to a particular risk associated with a financial asset or liability or a highly probable forecast transaction, provided that it may affect the account. consolidated profit and loss. The information required by paragraph 23 of IFRS 7 in relation to these cash flow hedges is presented below:

- Exercises in which the flows are expected to occur: The flows associated with the debt securities will occur until November 2030.
- Years in which it is expected to affect the results for the year: They coincide with the years in which the cash flows are expected to occur.
- Amount recognized during the last fiscal year under “Interest income” in the consolidated statement of income as a correction of income from hedging transactions: negative correction of 49,678,000 euros (negative correction of 703,805,000 euros in 2022) (Note 32).
- Amount recognized during the last fiscal year under “Interest expense” in the consolidated statement of income as a correction of hedging expenses: positive correction of 126,858,000 euros (negative correction of 59,458,000 euros in 2022) (Note 33).
- Ineffectiveness recognized in income for the year arising from cash flow hedges: No inefficiencies have been recorded during fiscal years 2023 and 2022.

In both cases, the Group contemplates that the sources of ineffectiveness of fair value or cash flow hedges may be as follows:

- Possible economic events affecting the Bank (e.g. defaults).
- Possible movements or differences relative to the market in the collateralized and uncollateralized curves used in the valuation of derivatives and hedged items.
- Possible differences between the nominal value, settlement/repricing dates and credit risk of the hedged item and the hedged item.

The following is a detail of the impact on the income statement and the statement of recognized income and expense of the hedging relationships designated by the Bank at December 31, 2023 and 2022:

Fair value hedges

Thousands of euros	2023				2022			
	Results in hedging instruments		Results on covered instruments		Results in hedging instruments		Results on covered instruments	
	Losses	Benefit	Losses	Benefit	Losses	Benefit	Losses	Benefit
Futures on securities and types of interest	-	-	-	-	-	-	-	-
Futures sales on interest rates interest	-	-	-	-	-	-	-	-
Currency options	-	-	-	-	-	-	-	-
Currency options issued	-	-	-	-	-	-	-	-
Other operations on interest types	**120,880**	**(747,838)**	**(747,841)**	**120,877**	**772,237**	**1,925,172**	**1,918,042**	**765,107**
Financial swaps on interest rates (IRS bonds)	(195,755)	37,321	37,321	(195,755)	722,454	1,781	1,215	721,888
Interest rate swaps (IRS Credit to customers)	3,245	-	-	3,245	-	73,348	73,348	-
Financial swaps on interest rates (IRS of IPF customers)	53,756	(142,112)	(142,112)	53,756	-	400,032	400,032	-
Financial swaps on interest rates (IRS fixed	-	(375,278)	(375,278)	-	-	1,154,984	1,154,984	-
Options on types of interest (fixed income)	259,634	(267,769)	(267,772)	259,631	49,783	295,027	288,463	43,219
	120,880	**(747,838)**	**(747,841)**	**120,877**	**772,237**	**1,925,172**	**1,918,042**	**765,107**

Cash flow hedging

Thousands of euros	2023			2022		
	Change in the value of the hedged item recognized in other comprehensive income	Amount reclassified from equity to income		Change in the value of the hedged item recognized in other comprehensive income	Amount reclassified from equity to income	
		Coverage interruption	Recognition in income of the hedged transaction		Coverage interruption	Recognition in income of the hedged transaction
Other transactions in foreign currencies	**470**	-	**(920)**	-	-	-
Other transactions on types of interest	**(18,100)**	-	**(120,220)**	**(143,646)**	-	**(422,579)**
Swaps on interest types (IRS deposits in central banks)	-	-	-	-	-	-
Swaps on interest types (IRS fixed income)	(18,100)	-	(120,220)	(143,646)	-	(422,579)
Total	**(17,630)**	-	**(121,140)**	**(143,646)**	-	**(422,579)**

12. Investment in joint ventures and associates

12.1. Holdings in entities accounted for by the equity method

Exhibits IV and V show a detail of the holdings in joint ventures and associates as of December 31, 2023 and 2022, and recorded in the consolidated financial statements using the equity method, together with other relevant information thereon.

The contribution of the main entities accounted for using the equity method to the balance of “Investments in joint ventures and associates” in the consolidated balance sheet as of December 31, 2023 and 2022 is as follows:

Thousands of euros	2023	2022 (*)
Unicorp Vida, Compañía de Seguros y Reaseguros, S.A.	296,958	171,393
Hidralia, Gestión Integral de Aguas de Andalucía, S.A.	18,209	18,773
Propco Eos, S.L.	7,617	11,401
Madrigal Participaciones, S.A.	15,233	16,790
Propco Epsilon, S.L.	6,095	10,006
Sociedad Municipal de Aparcamientos y Servicios, S.A.	12,242	11,673
Propco Malagueta, S.L.	302	1,239
Muelle Uno-Puerto de Málaga, S.A.	10,171	10,088
Ingeniería de Suelos y Explotación de Recursos, S.A.	15,070	12,463
Parque Científico-Tecnológico de Almería, S.A.	8,073	8,801
Proyecto Lima, S.L.	161	803
Propco Orange 1, S.L.	4,156	4,571
Espacio Medina, S.L.	-	3,138
Sociedad de Gestión San Carlos, S.A.	-	3,694
Participaciones Estratégicas del Sur, S.L.	4,026	4,399
Lico Leasing, S.A. (*)	3,818	4,543
Liberbank Vida y Pensiones, Seguros y Reaseguros, S.A. (**)	-	30,513
Hostelería Asturiana, S.A.	2,266	2,271
Sociedad Regional de Promoción del Principado de Asturias, S.A.	21,722	18,305
Global Berbice, S.L.	3,785	6,423
Oppidum Capital, S.L.	403,007	419,480
CCM Vida y Pensiones de Seguros y Reaseguros, S.A. (**)	-	79,012
Sociedad de Gestión y Promoción de Activos, S.L.	29,068	30,393
Experiencia Peñíscola, S.L.	4,965	4,564
Desarrollos Inmobiliarios Peña Vieja, S.L.	12,740	13,954
Convivenzia Projet, S.L.	2,921	2,928
Zedant Desarrollos, S.L.	3,029	2,922
Cartera de activos H&L, S.L.	1,388	1,642
Druet Real Estate, S.L.	7,971	8,061
Griffin Real Estate Developments, S.L.	4,123	3,863
Desarrollos Inmobiliarios Ronda Sur, S.L.	2,583	2,583
Pryconsa Ahijones, S.L.	16,902	16,700
Desarrollos Inmobiliarios Navalcan, S.L.	4,502	4,553
Baraka Home 20, S.L.	4,387	4,431
Azoe Inmuebles, S.L.	-	5,354
Other entities	12,612	12,988
	940,102	**964,715**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

(**) Companies that merged with Unicorp Vida, Compañía de Seguros y Reaseguros, S.A.

A reconciliation between the opening and closing balance of "Investments in joint ventures and associates" in the consolidated balance sheet for the years 2023 and 2022 is presented below:

Thousands of euros	2023	2022 (*)
Net book value as of January 1	**964,715**	**1,052,033**
Recognitions in the year	377	3,969
Losses from the fiscal year	(122,101)	(3,372)
Income from companies accounted for by the equity method	91,946	80,303
Impairment or reversal of impairment of investments in joint ventures or associates (Note 42)	3,358	(535)
Dividends distributed	(62,766)	(46,543)
Valuation adjustment differences	46,929	(88,814)
Other changes	17,644	(32,326)
Net fair value as at 31 December	**940,102**	**964,715**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

The detail of dividends received from joint ventures and associates during 2023 and 2022 is as follows:

Thousands of euros	**Dividends received**	
	2023	**2022 (*)**
Andalucía Económica, S.A.	12	11
Desarrollos Inmobiliarios Peña Vieja, S.L.	53	-
Euro 6000, S.A.	316	184
Hidralia, Gestión Integral de Aguas de Andalucía, S.A.	2,243	2,351
Ingenieria de Suelos y Explotación de Recursos, S.A.	1,500	900
Kenta Capital Investment Management, S.A.	99	-
Oppidum Capital, S.L.	17,244	18,097
Sociedad Municipal de Aparcamientos y Servicios, S.A.	515	-
Unicorp Vida, Compañía de Seguros y Reaseguros, S.A.	40,784	25,000
	62,766	**46,543**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

The net impairment reversals recorded in 2023 amount to 3,358,000 euros (net impairment charges of 535,000 euros in 2022) (Note 42). These endowments and recoveries are recorded under "Impairment or reversal of investments in joint ventures or associated companies" in the consolidated income statement.

The caption "Other changes" includes mainly capital increases and reductions in joint ventures and associates, which are not computed as additions or disposals for the purposes of this caption if the percentage of ownership in the company does not change.

The balance of "Investments in joint ventures and associates" in the consolidated balance sheets at December 31, 2023 and 2022 includes 52,500,000 euros and 53,104,000 euros respectively, relating to goodwill associated with this type of investment. Various disclosures relating to these goodwill are provided in Note 4.

12.2. Notifications on the acquisition and disposal of equity interests

The following are the notifications on the acquisition and sale of shares in the capital of Group, multi-group and associated companies, in compliance with the provisions of the Capital Companies Act and Article 53 of Law 24/1988, on the Securities Market.

During 2023 and 2022, the main acquisitions and disposals of investments in subsidiaries and entities accounted for using the equity method were as follows:

Acquisitions of equity interests during 2023

Thousands of euros

Name of the entity	Category	Date operation effective	Net cost of acquisition	% of voting rights acquired	% of total voting rights in the entity after the acquisition
Sociedad de Gestión San Carlos, S.A.	Group (*)	03/01/2023	-	- %	62.2%
Parque Industrial Humilladero, S.L.	Group	03/02/2023	170	0.38	92.38%
Digital Finance & Insurance Services, S.L.	Associated	05/08/2023	300	30%	30%
Mastercajas	Associated	06/01/2023	-	6.02	78.77%
Sociedad de Gestión San Carlos, S.A.	Group (*)	07/01/2023	-	1.41%	63.61%

(*) Until March 1, 2023, Sociedad de Gestión San Carlos, S.A. had been classified as a joint venture applying the equity method. However, as of March 1, 2023, the entity will be integrated as a Group company due to the fact that the Unicaja Group's shareholding has been growing continuously from 2013 (50.32%) to 2023 (62.2%). The Unicaja Group's interest in Sociedad de Gestión San Carlos, S.A. grants it qualified voting rights at the General Shareholders' Meeting for certain decisions and, therefore, a decision to change the consolidation method has been made. Subsequently, on July 1, 2023, the percentage of ownership was increased to 63.61%.

Acquisitions of equity interests during 2022

Thousands of euros

Name of the entity	Category	Date operation effective	Net cost of acquisition	% of voting rights acquired	% of total voting rights in the entity after the acquisition
Sedes, S.A.	Associated	02.02.2022	2,489	0.05%	39.9%
Kenta Capital Investment Management, S.A.	Associated	22.04.2022	2,881	36%	36%

Disposals and other derecognitions of investments during 2023

Thousands of euros

Name of the entity	Category	Date operation effective	% of voting rights disposed of or canceled	% of total voting rights in the entity after disposal	Profit/ (loss) generated
Malagaport, S.L.	Associated	01/01/2023	26.77%	- %	-
Electra de Malvana, S.A.	Associated	02/13/2023	20%	- %	-
Instituto de Medicina Oncológica y Molecular de Asturias, S.A.	Multigroup	03/02/2023	33.33%	- %	335
Liberbank Digital, S.L.U.	Group	03/28/2023	100%	- %	-
Azoe Inmuebles, S.L.	Associated	03/29/2023	48.40%	- %	216
Cantabria Capital S.G.E.I.C., S.A.	Associated	05/12/2023	20%	- %	(59)
Lisson Directorship, S.L.U.	Group	05/18/2023	100%	- %	(148)
CCM Vida y Pensiones de Seguros y Reaseguros, S.A. (*)	Associated	06/30/2023	50%	- %	-
Liberbank Vida y Pensiones, Seguros y Reaseguros, S.A. (*)	Multigroup	06/30/2023	50%	- %	-
Mosacata, S.L.U. (**)	Group	08/09/2023	100%	- %	-
Midamarta, S.L.U. (**)	Group	08/09/2023	100%	- %	-
Urbe Cantabria, S.L.U. (**)	Group	08/09/2023	100%	- %	-
Promociones Miralsur, S.L.U.	Group	07/18/2023	100%	- %	17
Espacio Medina, S.L.	Multigroup	10/09/2023	30%	- %	759
Uncro, S.L.	Associated	10/24/2023	25%	- %	-
Puertu Maravio, S.L.U.	Group	12/21/2023	100%	- %	(15)

(*) Entities merged with Unicorp Vida, Compañía de Seguros y Reaseguros, S.A. with an accounting effective date of January 1, 2023.

(**) Entities merged with Gestión de Inmuebles Adquiridos, S.L.U. with accounting effects as of January 1, 2023.

Disposals and other derecognitions of investments during 2022

Thousands of euros

Name of the entity	Category	Date operation effective	% of voting rights disposed of or canceled	% of total voting rights in the entity after disposal	Profit/ (loss) generated
Explotaciones Forestales y Cinegéticas Alta-Baja, S.A.U.	Group	25.02.2022	100%	- %	2,098
Caja Castilla La Mancha Conecta, S.A. Combined administrative services	Group	27.06.2022	100%	- %	(3)
Liberbank Servicios Auxiliares Bancaseguros, A.I.E.	Group	19.05.2022	100%	- %	(78)
Caja Castilla La Mancha Finance, S.A.U.	Group	28.06.2022	100%	- %	42
Banco de Castilla La Mancha Mediación Operador de Banca Seguros Vinculado, S.A.U.	Group	01.06.2022	100%	- %	-
Liberbank Mediación, Operador de Banca-Seguros Vinculado, S.L.U.	Group	01.06.2022	100%	- %	-
Fitex Ilunion, S.A.	Associated	07/07/2022	25%	- %	(32)
Liberbank Gestión, S.G.I.I.C, S.A.U.	Group	09/13/2022	100%	- %	-

These changes in the composition of the Group have had no significant impact on the consolidated financial statements for 2023 or 2022.

Additionally, it should be noted that on May 23, 2022, Unicaja reached an agreement with Santa Lucía, S.A., Compañía de Seguros y Reaseguros ("Santa Lucía") to extend its joint banking and insurance alliance in the life risk, savings, accident and pension plan lines following the merger of Unicaja with Liberbank. Under the agreement, Santa Lucía acquired 50% of CCM Vida y Pensiones de Seguros y Reaseguros, S.A. ("CCM Vida") and Liberbank Vida y Pensiones, Seguros y Reaseguros, S.A. ("Liberbank Vida"), with Unicaja maintaining the remaining percentage and extending the current alliance with Santa Lucía.

As previous steps to the extension of the alliance:

– On October 10, 2022, Unicaja acquired from Mapfre Vida, Sociedad Anónima de Seguros y Reaseguros sobre la Vida Humana (Mapfre) 50% of the shares of CCM Vida for 131.4 million euros, thus terminating the alliance with Mapfre for the banking and insurance business from Banco de Castilla-La Mancha, S.A. ("BCLM"), which was part of the Liberbank Group.

– On October 14, 2022, Unicaja acquired from Aegon España, S.A. de Seguros y Reaseguros (Aegon) 50% of the shares of Liberbank Vida for 176.5 million euros, thus terminating the alliance with Aegon for the banking and insurance business from Liberbank, S.A. ("Liberbank"), which was also part of the Liberbank Group.

– For urging Mapfre and Aegon to terminate the banking and insurance alliances that were in force, Unicaja paid a penalty of 41 million euros, which was part of the purchase price of the holdings in CCM Vida and Liberbank Vida. The Unicaja Group had set up a provision for this item amounting to 65 million euros, for which the corresponding provisions were used and an amount of 24 million euros was recovered under the heading "Provisions or reversal of provisions" in the consolidated income statement for the year 2022.

After executing the previous steps and receiving the corresponding regulatory and administrative authorizations, on November 2, 2022, Unicaja executed the sale to Santa Lucía of 50% of CCM Vida and Liberbank Vida, extending the banking and insurance alliance from that moment onwards, receiving a consideration consisting of a fixed amount of 318 million euros, of which 295 million corresponded to the sale price of the insurance companies, and 23 million corresponded to the complementary consideration linked to the novation of the insurance distribution agreement through Unicorp Vida, Compañía de Seguros y Reaseguros, S. A. ("Unicorp Vida"), in which there was a previous alliance with Santa Lucía.

The sale of the insurance companies to Santa Lucía generated a total capital gain of 36 million euros, of which 17 million euros were recorded under the heading "Gains/losses from non-current assets and disposal groups classified as held for sale not eligible as discontinued operations" in the consolidated income statement for 2022 (Note 44), and the remaining 19 million euros were expected to be recorded as the performance obligations associated with this amount are fulfilled.

In addition, the Unicaja Group will recognize in future years the amount of 23 million euros associated with the novation of the insurance distribution agreement through Unicorp Vida, as the associated performance obligations are fulfilled, as required by IFRS 15.

Finally, the agreements reached with Santa Lucía also include a variable amount of up to 40 million euros to be received by the Unicaja Group based on the level of compliance with certain business objectives over the next 10 years. This amount will be recognized in future periods based on compliance with the agreed Business Plan, considering the information available at each moment (historical, current and projected), as required by paragraphs 50 to 54 of IFRS 15.

13. Tangible assets

13.1. Property, plant and equipment

The breakdown of the balance of this line item in the consolidated balance sheets as at December 31, 2023 and 2022 is as follows:

Thousands of euros	**2023**	**2022**
Property, plant and equipment	1,227,166	1,286,647
Own use	1,227,166	1,286,647
Loaned under operating lease	-	-
Of which: Leasehold rights of use	*49,562*	*65,312*
Investment property	539,160	708,894
	1,766,326	**1,995,541**

13.1.1. Movement in property, plant and equipment

The movement in the heading “Property, plant and equipment” of the Group’s consolidated balance sheet during the years 2023 and 2022 has been as follows:

Thousands of euros

	Own use	**Investment property**	**Total**
Cost			
Balances as at December 31, 2022	**2,715,883**	**1,254,786**	**3,970,669**
Other additions	24,751	192	24,943
Additions for leasehold rights of use	19,293	-	19,293
Disposals due to other means	(32,671)	(230,181)	(262,852)
Disposals of leasehold rights of use	(28,902)	-	(28,902)
Other transfers and other movements	(24,420)	(514)	(24,934)
Balances as at Sunday, December 31, 2023	**2,673,935**	**1,024,283**	**3,698,218**
Accumulated amortization:			
Balances as at December 31, 2022	**(1,348,560)**	**(167,746)**	**(1,516,306)**
Disposals due to other means	23,715	22,257	45,972
Endowments	(44,749)	(14,208)	(58,957)
Allocations for leasehold use rights	(10,874)	-	(10,874)
Other transfers and other movements	6,843	(4,611)	2,232
Balances as at December 31, 2023	**(1,373,625)**	**(164,308)**	**(1,537,933)**
Impairment losses			
As at December 31, 2023	**(73,144)**	**(320,815)**	**(393,959)**
Net tangible fixed assets			
Balances as at December 31, 2023	**1,227,166**	**539,160**	**1,766,326**

Thousands of euros

	Own use	Investment property	Total
Cost			
Balances as at December 31, 2021	**2,828,921**	**1,533,713**	**4,362,634**
Other additions	44,450	1,104	45,554
Additions for leasehold rights of use	7,012	-	7,012
Disposals due to other means	(106,649)	(174,588)	(281,237)
Disposals of leasehold rights of use	(25,117)	-	(25,117)
Other transfers and other movements	(32,734)	(105,443)	(138,177)
Balances as at Saturday, December 31, 2022	**2,715,883**	**1,254,786**	**3,970,669**
Accumulated amortization:			
Balances as at December 31, 2021	**(1,384,799)**	**(182,758)**	**(1,567,557)**
Disposals due to other means	69,953	(21,511)	48,442
Endowments	(47,125)	(17,318)	(64,443)
Allocations for leasehold use rights	(9,400)	-	(9,400)
Other transfers and other movements	22,811	53,841	76,652
Balances as at December 31, 2022	**(1,348,560)**	**(167,746)**	**(1,516,306)**
Impairment losses			
As at December 31, 2022	**(80,676)**	**(378,146)**	**(458,822)**
Net tangible fixed assets			
Balances as at December 31, 2022	**1,286,647**	**708,894**	**1,995,541**

The above tables identify “Other transfers and movements” in both the cost and accumulated depreciation of assets. The breakdown by type of these movements for the fiscal years 2023 and 2022 is as follows:

Thousands of euros		**2023**		**2022**
	Own use	**Investment property**	**Own use**	**Investment property**
Transfers between non-current assets in real estate sales and investments (*) (Note 16)	-	(12,636)	-	(59,153)
Transfers between own use and investment property	(14,828)	14,828	(7,550)	7,550
Transfers from stock	-	-	-	-
Other movements	(2,747)	(7,317)	(2,373)	-
	(17,575)	**(5,125)**	**(9,923)**	**(51,603)**

(*) These transfers are due to changes in the lease/sale plans of the assets that took place during fiscal year 2022 by the Unicaja Group. Specifically, the transfers from investment property to non-current assets held for sale were due to a change in the management strategy for certain groups of assets held for sale.

The Group has contracted several insurance policies to cover the risks to which its property, plant and equipment are subject. The coverage of these policies is considered sufficient.

At December 31, 2023 and 2022, property, plant and equipment for own use and investment property were fully depreciated for a gross amount of 1,159,248,000 euros and 940,335,000 euros respectively.

Net collections recorded in the consolidated statement of cash flows for 2023 for tangible assets recorded under this caption amount to 248,676,000 euros (net collections of 176,530,000euros in 2022).

13.1.2. Tangible fixed assets for own use

The breakdown of the items that make up the balance of this item of the consolidated balance sheets as at December 31, 2023 and 2022, is as follows:

Thousands of euros

	Cost	Accumulated amortization:	Impairment losses	Net balance
Computer hardware and installations	196,530	(157,978)	-	38,552
Furniture, vehicles, and other fixtures	884,350	(813,279)	(9,604)	61,467
Buildings	1,298,071	(317,890)	(56,109)	924,072
Construction in progress	6,217	-	-	6,217
Others	288,766	(84,477)	(7,431)	196,858
Balances as at December 31, 2023	**2,673,934**	**(1,373,624)**	**(73,144)**	**1,227,166**

Thousands of euros

	Cost	Accumulated amortization:	Impairment losses	Net balance
Computer hardware and installations	239,785	(146,465)	-	93,320
Furniture, vehicles, and other fixtures	880,292	(816,535)	-	63,757
Buildings	1,288,482	(309,289)	(61,223)	917,970
Construction in progress	6,082	-	-	6,082
Others	301,242	(76,271)	(19,453)	205,518
Balances as at December 31, 2022	**2,715,883**	**(1,348,560)**	**(80,676)**	**1,286,647**

As part of the net balance at December 31, 2023 and 2022 shown in the table above, there are no items of net value corresponding to property, plant and equipment that the Group companies are acquiring under finance leases.

13.2. Investment property

The “Investment property” heading of the consolidated balance sheet generally includes the net value of the land, buildings and other constructions that are held for rental purposes. Investment property is stated in the consolidated balance sheet at acquisition cost, consisting of the fair value of any consideration given plus all cash payments made or committed, less the related accumulated depreciation and, if applicable, estimated losses resulting from comparing the net value of each item with its corresponding recoverable amount.

With respect to real estate investments in which the Group acts as lessor, the conditions of the regulations applicable to each lease are respected, especially with respect to Law 29/1994, of November 24, 1994, on Urban Leases, and Law 4/2013, of June 4, 2013, on measures to make the housing rental market more flexible and promote it.

The expenses recorded in the consolidated income statements for 2023 and 2022 for direct operating expenses (including repairs and maintenance) associated with investment property, with a separation between those that generate income and those that do not, are as follows:

Thousands of euros	2023	2022
Expenses associated with investment property that generates income	9,095	8,710
Expenses associated with real estate investments that do not generate income	3,323	5,617
	12,418	**14,327**

Rental income from investment property owned by Group companies in 2023 and 2022 amounted to 33,708,000 euros and 38,872,000 euros respectively, and was recorded under “Other operating income” (Note 39).

The following is a breakdown as of December 31, 2023 and 2022 of investment property by nature, indicating its carrying value and the best estimate that the Group can reach of its fair value at that same date:

Thousands of euros					**December 31, 2023**
	Gross carrying amount	**Accumulated amortization:**	**Valuation adjustments due to**	**Carrying amount**	**Estimated fair value**
Premises and warehouses	554,447	(108,850)	(121,486)	324,111	358,864
Completed housing	316,590	(25,979)	(133,157)	157,454	266,086
Parking and storage rooms	13,491	(1,523)	(6,277)	5,691	7,845
Developed plots	8,118	-	(4,122)	3,996	7,094
Rural properties	2,221	-	(655)	1,566	3,123
Others	129,416	(27,956)	(55,118)	46,342	77,124
Total	**1,024,283**	**(164,308)**	**(320,815)**	**539,160**	**720,136**

Thousands of euros					December 31, 2022
	Gross carrying amount	Accumulated amortization:	Valuation adjustments due to	Carrying amount	Estimated fair value
Premises and warehouses	609,397	(109,626)	(124,567)	375,204	427,549
Completed housing	484,108	(29,748)	(196,049)	258,311	407,878
Parking and storage rooms	20,451	(1,687)	(9,025)	9,739	14,943
Developed plots	8,934	(5)	(4,221)	4,708	8,005
Rural properties	8,442	(287)	(3,107)	5,048	12,423
Others	123,454	(26,393)	(41,177)	55,884	81,630
Total	**1,254,786**	**(167,746)**	**(378,146)**	**708,894**	**952,428**

The fair value was estimated mainly based on the latest appraisal reports received for each of the assets included under “Investment property”.

In this regard, the Unicaja Group has a corporate policy that guarantees the professional competence, independence, and objectivity of the external measurement companies, in accordance with the regulations, which requires the appraisal companies to comply with neutrality and credibility requirements so that the use of their estimates does not undermine the reliability of their measurements. This policy states that all the appraisal companies with which the Unicaja Group works in Spain must be registered in the Official Register of the Bank of Spain and their measurements must be carried out following the methodology established in the Ministry of the Economy Order ECO/805/2003, dated March 27, 2003, regarding the rules for apprising real estate and certain rights for certain financial purposes.

13.3. Value adjustments due to impairment of tangible assets

A summary of the movements that affected the valuation adjustments due to impairment of these items throughout in 2023 and 2022 is shown below:

			Thousands of euros
	Own use	Investment property	Total
Balances as at December 31, 2021	**51,206**	**494,575**	**545,781**
Endowments	32,884	9,974	42,858
Recoveries on sales	-	(65,548)	(65,548)
Other recoveries	-	(4,015)	(4,015)
Remaining transfers and reclassifications	(3,414)	(56,840)	(60,254)
Balances as at Saturday, December 31, 2022	**80,676**	**378,146**	**458,822**
Endowments	3,458	26,280	29,738
Recoveries on sales	-	(13,158)	(13,158)
Other recoveries	(362)	-	(362)
Remaining transfers and reclassifications	(10,628)	(70,689)	(81,317)
Balances as at Sunday, December 31, 2023	**73,144**	**320,579**	**393,723**

The provisions made are recorded under “Impairment or reversal of non-financial assets” in the consolidated statement of income (Note 42).

13.4. Leasehold rights of use

The Group holds rights of use by lease mainly on buildings, premises and offices for carrying out its business, as well as, to a lesser extent, vehicles, information processing equipment and parking lots.

The following is a breakdown of rights of use by lease and the movements thereunder during the fiscal years 2023 and 2022:

Thousands of euros

	Land and buildings	Others	Total
Balances as at January 01, 2022	**88,421**	**2,326**	**90,747**
Recognitions	6,839	-	6,839
Write-downs	(25,067)	-	(25,067)
Amortization	(9,400)	-	(9,400)
Other changes	4,519	(2,326)	2,193
Balances as at December 31, 2022	**65,312**	**-**	**65,312**
Recognitions	16,580	-	16,580
Write-downs	(26,870)	-	(26,870)
Amortization	(10,874)	-	(10,874)
Other changes	5,414	-	5,414
Balances as at December 31, 2023	**49,562**	**-**	**49,562**

With respect to the lease liabilities associated with the rights of use (which are recorded under "Financial liabilities at amortized cost"), the details of the balances at December 31, 2023 and 2022 are presented below:

Thousands of euros	2023	2022
Lease liabilities:		
Current leases	9,529	8,891
Non-current leases	43,401	61,580
	52,930	**70,471**

The following is a breakdown by maturity of the Group's expected lease liabilities as of December 31, 2023 and 2022:

Thousands of euros

	Up to 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years
As at December 31, 2023	9,529	5,313	4,896	4,623	4,136	24,433
As at December 31, 2022	8,891	8,256	6,352	6,196	5,986	34,790

The breakdown by maturity of the contractual cash flows (undiscounted) linked to the Unicaja Group's lease contracts at the end of 2023 is as follows:

Thousands of euros	2023
Up to 1 year	9,610
Between 1 and 2 years	5,465
Between 2 and 3 years	5,129
Between 3 and 4 years	4,930
Between 4 and 5 years	4,492
More than 5 years	26,737
	56,363

The impact on the consolidated income statement for the Group's rights of use by lease as of December 31, 2023 and 2022 is:

Thousands of euros	2023	2022
Expenses for amortization of rights of use	10,874	(9,400)
Land and buildings	*10,874*	*(9,400)*
Others	-	-
Interest expense on lease liabilities	1,309	(1,140)
	12,183	**(10,540)**

Finally, the Group has made exceptions to the general treatment of leases for those contracts for 12 months or less, as well as those contracts where the value of the leased item is low. Although these exceptions were not for a significant amount, their impact on the Group's income statement as of December 31, 2023 and 2022 is presented below:

Thousands of euros	2023	2022
Short-term lease expenses	78	112
Expenses for low-value leases	820	805
	898	**917**

14. Intangible assets

As of December 31, 2023 and 2022, the breakdown by item of "Intangible assets" in the consolidated balance sheet is as follows:

Thousands of euros	2023	2022
Goodwill	25,995	32,164
Other intangible assets	58,831	42,586
	84,826	**74,750**

The heading "Other intangible assets" includes mainly computer software used in the development of the activities of the Unicaja Group companies.

The movements under "Intangible assets" in the consolidated balance sheet during the years ended December 31, 2023 and 2022 are as follows:

Thousands of euros

	Cost	Accumulated amortization:	Valuation adjustments due to	Carrying amount
Balance as at December 31, 2021	**131,272**	**(26,790)**	**(24,676)**	**79,806**
Additions	17,670	(16,557)	(6,169)	(5,056)
Write-downs	-	-	-	-
Other movements	-	-	-	-
Balance as at 12/31/2022	**148,942**	**(43,347)**	**(30,845)**	**74,750**
New registrations (*)	43,800	(20,670)	(8,201)	14,929
Write-downs	(5,644)	8	-	(5,636)
Other changes	517	266	-	783
Balance as at December 31, 2023	**187,615**	**(63,743)**	**(39,046)**	**84,826**

(*) Additions for impairment losses amounted to 8,201,000 euros, of which 6,169,000 euros relate to the allocation of goodwill associated with the group company Unión del Duero Seguros de Vida S.A.

The amounts recorded under "Amortization" in the consolidated income statement amount to 20,670,000 euros in the year ended December 31, 2023 (16,557,000 euros in the year ended December 31, 2022).

The amount of fully amortized intangible assets in use as of December 31, 2023 and 2022 totals 15,163,000 euros and 1,767,000 euros respectively.

Net payments recorded in the consolidated statement of cash flows for 2023 for intangible assets recorded under this line item amount to 38,164,000 euros (net payments of 11,564,000 euros in 2022).

The breakdown of "Goodwill" at December 31, 2023 and 2022 by each of the companies generating goodwill, is as follows:

Thousands of euros	2023	2022
Unión del Duero, Compañía de Seguros de Vida, S.A.U.	25,995	32,164
	25,995	**32,164**

Detailed information on goodwill is presented below:

Thousands of euros			Accumulated write-downs		Net amount	
	Initial amount	Initial registration	2023	2022	2023	2022
Unión del Duero, Company de Seguros de Vida, S.A.U.	63,009	March 2018	(37,014)	(30,845)	25,995	32,164

The goodwill recorded in Unión del Duero, Compañía de Seguros de Vida, S.A.U. corresponds to the price paid in the acquisition of a 50% stake in this company and in Duero Pensiones, E.G.F.P., S.A.U. (subsequently absorbed by the former) in March 2018, in relation to a portfolio of insurance contracts that is in “run-off”. In order to compare the value of this goodwill, the Group performs a periodic analysis of the fair value of the business, considering, among other factors, the average financial duration of such contracts at the year-end date.

The impairment of this goodwill in 2023 and 2022 amounts to 6,169,000 euros in both years. These amounts are recorded under “Impairment or reversal of non-financial assets - Intangible assets” in the consolidated income statement (Note 42).

15. Other assets

The breakdown of this line item in the consolidated balance sheets as at December 31, 2023 and 2022 is as follows:

Thousands of euros	2023	2022 (*)
Insurance contracts linked to pensions (Notes 41)	21,509	23,167
Inventories	38,524	129,212
Others	175,198	509,983
	235,231	**662,362**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

At December 31, 2023 and 2022, the “Insurance contracts linked to pensions” caption on the asset side of the consolidated balance sheet amounted to 21,509,000 euros and 23,167,000 euros respectively, relating to post-employment benefits (Note 41).

At December 31, 2023 and 2022, the item “Other” in this line of the consolidated balance sheet mainly includes asset accrual accounts.

The breakdown by company of the balance of “Inventories” in the consolidated balance sheet as at December 31, 2023 and 2022 is as follows:

Thousands of euros	2023	2022
Gestión de Inmuebles Adquiridos, S.L.U.	20,149	118,554
Mosacata, S.L.U. (*)	-	5,818
Parque Industrial Humilladero, S.L.	4,289	4,348
Sociedad de Gestión San Carlos, S.A.	14,053	-
Other companies	33	492
	38,524	**129,212**

(*) Bank merged with Gestión de Inmuebles Adquiridos, S.L.U. with accounting effects as of January 1, 2023

Movements under “Inventories” in the consolidated balance sheet during the fiscal years 2023 and 2022 are as follows:

Thousands of euros	2023	2022
Net book value as of January 1	**129,212**	**159,261**
Recognitions in the year	16,327	12,389
Derecognitions for disposals or other transfers	(787)	(116,385)
Investment property transfers	-	-
Transfers from non-current assets held for sale (Note 16)	(108,315)	(10,673)
Transfers of fixed assets for own use	-	-
Change in impairment adjustments	-	86,399
Other changes	2,087	(1,779)
Net fair value as at 31 December	**38,524**	**129,212**

Impairment losses associated with the “Inventories” line are recorded under “Impairment or reversal of non-financial assets - Other assets” in the consolidated income statement (Note 42).

The following is a breakdown of the sales of inventories made during fiscal years 2023 and 2022 by the Unicaja Group, indicating the sales price, cost of sales, use of impairment and other items:

Thousands of euros	**2023**	**2022**
Sales price	842	8,398
Cost of sales	(877)	(23,464)
Use of impairments	90	15,868
Commissions on sales	(24)	(266)
	31	**536**

As of December 31, 2023 and 2022, the Unicaja Group has no inventories in the consolidated balance sheet that are pledged to guarantee the fulfillment of debts.

16. Non-current assets and disposal groups of items classified as held for sale

The details of “Non-current assets and disposal groups classified as held for sale” in the consolidated balance sheet, which includes the carrying amount of assets that do not form part of the Group’s operating activities and whose carrying amount will foreseeably be recovered through the price obtained on disposal, are as follows. The amount of these assets at December 31, 2023 amounts to 333,895,000 euros (558,422,000 euros at December 31, 2022).

The detail of non-current assets held for sale classified according to their purpose at the end of 2023 and 2022 is as follows:

Thousands of euros	**2023**	**2022**
Residential assets	**210,023**	**280,005**
Finished properties	**16,225**	**76,618**
Housing	5,820	50,430
Others	10,405	26,188
Properties under construction	**48,053**	**54,748**
Housing	46,147	47,416
Others	1,906	7,332
Land	**54,580**	**140,828**
Other assets	**5,014**	**6,223**
Loans and advances	5,014	6,223
	333,895	**558,422**

A reconciliation between the opening and closing balance of real estate assets classified under "Non-current assets and disposal groups classified as held for sale" in the balance sheet for 2023 and 2022 is presented below:

Thousands of euros

	Gross	Valuation adjustments due to	Carrying amount
Balances as at Friday, December 31, 2021	**1,690,356**	**(1,002,576)**	**687,780**
Recognitions in the year	94,189	(44,310)	49,879
Derecognitions for disposals or other transfers	(478,954)	270,954	(208,000)
Provision or reversal of the provision charged or credited to income (Note 44)	-	(35,139)	(35,139)
Transfers from inventories (Note 15)	31,229	(20,556)	10,673
Transfers between non-current assets held for sale and investment property (Note 13.1.1) (*)	104,293	(45,140)	59,153
Other changes	(1,288)	(10,859)	(12,147)
Balances as at Saturday, December 31, 2022	**1,439,825**	**(887,626)**	**552,199**
Recognitions in the year	121,759	(56,197)	65,562
Derecognitions for disposals or other transfers	(490,775)	334,217	(156,558)
Other derecognitions	(229,280)	189,717	(39,563)
Provision or reversal of the provision charged or credited to income (Note 44)	-	(211,911)	(211,911)
Transfers to inventories (Note 15)	402,702	(294,387)	108,315
Transfers between non-current assets held for sale and investment property (Note 13.1.1)	18,772	(6,136)	12,636
Other changes	1,233	(3,032)	(1,799)
Balances as at Sunday, December 31, 2023	**1,264,236**	**(935,355)**	**328,881**

(*) These transfers were due to changes in the lease/sale plans of the assets that took place during fiscal year 2022 by the Unicaja Group. Specifically, the transfers from investment property to non-current assets held for sale were due to a change in the management strategy for certain groups of assets held for sale.

The endowments made on non-current assets under this heading are recorded under "Gains (losses) on non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations" in the consolidated income statement (Note 44).

Net collections recorded in the statement of cash flows for 2023 for non-current assets held for sale recorded under this heading amounted to 161,562,000 euros (net collections recorded in 2022 amounted to 179,008,000 euros).

The impairment losses recognized in the consolidated income statements for 2023 and 2022 for the hedging of non-current assets held for sale amount to 211,911,000 euros and 16,828,000 euros respectively, which have been recognized under “Gains (losses) on non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations” (Note 44).

In 2023, the item “Other disposals” in the movement in non-current assets held for sale, with a net amount of 39,563,000 euros, relates to disposals of foreclosed assets for which no future economic benefits are expected to arise from their disposal, and which have been derecognized pursuant to paragraph 24 of IFRS 5. These correspond mainly to land for real estate development, with a generally very high age on the balance sheet, which, due to their location, the urban development situation in which they are located, their low liquidity and the market conditions identified in the last tranche of 2023 (increase in interest rates, increase in construction costs, regulation of the real estate market, maintenance of falling land prices, and slowdown in the housing market, among others), the Unicaja Group considers to not be economically viable.

Likewise, in 2023, the item “Provision or reversal of the provision charged or credited to income”, of the movement in non-current assets held for sale, amounting to 211,911,000 euros, includes provisions made for adjustments to the fair value of foreclosed assets, classified under “Non-current assets held for sale”, in addition to the hedges derived from the Unicaja Group’s internal impairment models (Note 2.20), to take into account the circumstances observed in the real estate market mentioned above and the most recent experience of the Group’s own sales of foreclosed assets. These additional fair value adjustments amount to 86,930,000 euros at December 31, 2023.

Fair value hierarchy

With regard to the valuation of “Non-current assets and disposal groups classified as held for sale”, the Unicaja Group establishes the fair value hierarchy levels indicated in section 93 of IFRS 13 “Fair value measurement”. The methodology for estimating the fair value, less costs to sell, of non-current assets held for sale is based on two factors: (i) the determination of a reference value, and (ii) the application of haircuts on the reference value based on sales experience based primarily on the Unicaja Group’s internal models (and to a lesser extent on the alternative solutions of Bank of Spain Circular 4/2017). For the part corresponding to the reference value, which is equivalent to the appraisal value determined by an independent appraisal company, residential assets and finished properties, which form the majority of the non-current assets held for sale, would be considered as Level 2 in the fair value hierarchy established by IFRS 13, characterized by the use of observable variables in market data, such as the price per square meter of comparable assets, while properties under construction and land would be considered as Level 3, since they use unobservable variables. In any event, when these benchmark values undergo haircuts based on sales experience, the prevailing hierarchy is Level 3. It is also noted that the application of the additional haircuts to the fair value of foreclosed assets described above in this same note is based primarily on additional haircuts on the reference values based on the most recent sales experience and considering certain aspects of the real estate market, in addition to the age on the balance sheet. These factors result in the fair value hierarchy generally applied to non-current assets held for sale being Level 3.

In this regard, the Unicaja Group has a corporate policy that guarantees the professional competence, independence, and objectivity of the external measurement companies, in accordance with the regulations, which requires the appraisal companies to comply with neutrality and credibility requirements so that the use of their estimates does not undermine the reliability of their measurements. This policy states that all the appraisal companies with which the Group works in Spain must be registered in the Official Register of the Bank of Spain and their measurements carried out pursuant to the methodology established in Order ECO/805/2003 of March 27.

The measurement criteria used by the appraisal companies for properties under construction and land, which are classified in Level 3 in the fair value hierarchy, are those established in Order ECO/805/2003, using the methods indicated in Article 15 of the Order, depending on the assets' situation. In order to determine the appraised value, the necessary verifications are made to ascertain the characteristics and real situation of the asset, which include, according to Article 7 of the Order: (i) physical identification of the property, by means of its location and visual inspection, verifying the surface area and other observable characteristics, the existence of visible easements and its apparent state of construction or conservation, (ii) the state of occupancy of the property and the use or exploitation for which it is intended, (iii) the public and architectural protection regime, and (iv) the degree to which the property is adapted to the urban planning in force, and if applicable, the existence of the right to the urban development that is being valued. It must be pointed out that in the specific case of properties under construction, the measurement is carried out considering the property's current situation and not its final value.

In accordance with Order ECO/805/2003, the appraiser may apply the following methods:

- Cost method: The cost method is applicable to the valuation of all types of buildings and building elements, whether they are under design, under construction, being rehabilitated or completed. Using this method, a technical value is calculated, which is called the replacement value. Such value may be gross or net. To calculate the gross replacement value, the following investments are added together: (i) the value of the land on which the building is located or that of the building to be rehabilitated, (ii) the cost of the building or of the rehabilitation work, and (iii) the expenses necessary to carry out the replacement. To calculate the net replacement value, the physical and functional depreciation of the finished building is subtracted from the gross replacement value.

- Comparison method: The comparison method is applicable to the valuation of all types of real property provided the requirements established in Article 21 of Order ECO/805/2003 are met: (i) a representative market exists for comparable properties, (ii) sufficient data is available on transactions or offers to allow, in the area in question, the identification of adequate parameters to carry out the homogenization of comparable properties, and (iii) sufficient information is available on at least six transactions or offers of comparable properties that adequately reflect the current situation of such market. The following general rules are used to calculate the value by comparison:

    - The qualities and characteristics of the appraised property that influence its value are established. In the case of buildings of historic or artistic character, in order to establish such qualities and characteristics, the particular value of the elements of the building that confers such character will also be taken into account.

    - The comparable property market segment is analyzed and, based on concrete information on actual transactions and firm offers appropriately corrected where appropriate, current purchase and sales prices of such properties are obtained.

    - A representative sample of the prices obtained after the analysis described above is selected from those corresponding to comparable properties, to which the necessary homogenization procedure is applied. In the aforementioned selection, those prices that are abnormal are previously contrasted in order to identify and eliminate both those from transactions and offers that do not meet the conditions required in the definition of market value of the assets concerned and, in the case of a valuation for the purpose set forth in Order ECO/805/2003, those that may include speculative elements.

    - The comparable properties are homogenized using the criteria, coefficients and/or weightings that are appropriate for the property in question.

    - The value of the property, net of marketing expenses, is assigned on the basis of the homogenized prices, after deducting the easements and limitations of the domain that apply to it that were not taken into account in the application of the preceding rules.

– Income restatement method: The income restatement method is applicable, provided that the requirements established in Article 25 of Order ECO/805/2003 are met, to the valuation of all types of properties capable of producing income. At least one of the following requirements must be met in order to use the restatement method: (i) a rental market exists that is representative of the comparable properties, (ii) there is a lease contract on the property being valued, or (iii) the property being valued is producing or is likely to produce income as a property linked to an economic activity and there is also sufficient accounting data from the operation or adequate information on average structural ratios of the corresponding branch of activity. The calculation of the restatement value requires the appraiser to estimate the cash flows, estimate the value of the reversal, choose the restatement rate and apply the calculation formula for discounting the estimated cash flows.

– Residual method: The value by the residual method is calculated using one of the following procedures: investment analysis procedure with expected values (dynamic residual method) or investment analysis procedure with present values (static residual method). The residual method can be applied by the dynamic procedure to the following properties: urban or developable land, whether or not built on, or buildings under design, construction or rehabilitation, even if the work is at a standstill. The residual method can only be applied by means of the static procedure to lots and properties under rehabilitation in which construction or rehabilitation can begin within a period of no more than one year, as well as to built-up lots. To calculate the residual value using the dynamic calculation procedure, the following steps are followed: the cash flows are estimated, the restatement rate is chosen and the calculation formula is applied. The following are taken as cash flows: the collections and, if applicable, the loan payments expected to be obtained from the sale of the property to be developed; and the payments expected to be made for the various costs and expenses during construction or rehabilitation, including the payments for the loans granted. Such collections and payments are applied on the scheduled dates for the commercialization and construction of the property.

The main appraisal company that issues reports on the assets of the Unicaja Group is Tasaciones Inmobiliarias, S.A. (Tinsa). Other companies that issue appraisal reports on these assets are mainly UVE Valoraciones, S.A., Instituto de Valoraciones, S.A., Tasaciones Andaluzas, S.A. (Tasa), Aesval, Lógica de Valoraciones, S.A., Sociedad de Tasación, S.A. and Técnicos en Tasación, S.A. (Tecnicasa). In this regard, the Unicaja Group complies with the requirements of independence and rotation of appraisal companies indicated in points 78 and 166 of Annex 9 of Bank of Spain Circular 4/2017.

17. Financial liabilities at amortized cost

17.1. Deposits from central banks

The breakdown of the balances of this line item in the consolidated balance sheets as at December 31, 2023 and 2022 is as follows:

Thousands of euros	2023	2022
Other central banks	933,990	5,422,080
Valuation adjustments	19,981	(101,191)
	953,971	**5,320,889**

At December 31, 2023 and 2022, the amounts recorded under "Other central banks" relate to financing taken by the Group through the third series of targeted longer-term refinancing operations (TLTROs III).

On June 6, 2019, the European Central Bank announced a new program of targeted longer-term refinancing operations (TLTROs III). On April 30, 2020, the Governing Council of the European Central Bank made a number of amendments to the terms and conditions of these financing operations in order to further support the provision of credit to households and businesses in the face of the current economic turmoil and increased uncertainty.

These amendments reduced the interest rate on transactions by 25 basis points to -0.5% from June 2020 to June 2021, also considering that the interest rate could be -1% for the period from June 2020 to June 2021 or entities meeting a certain volume of eligible loans.

In addition, these conditions were extended on December 10, 2020 for operations contracted between October 1, 2020 and December 31, 2021, including the option to cancel or reduce the amount of financing prior to maturity in windows coinciding with interest rate review and adjustment periods.

Section B5.4.4 of IFRS 9 indicates that, for the recording of amortized cost, an entity will use a shorter period when fees, basis points paid or received, transaction costs, premiums or discounts relate thereto. This is the case when the variable to which the fees, basis points paid or received, transaction costs, discounts or premiums relate is adjusted to market rates prior to the expected maturity of the financial instrument. In this case, the appropriate amortization period is the period until the next adjustment date.

In this case, the applicable interest rate of 1% applicable from June 24, 2020 to June 23, 2021 (resulting from the April 2020 program amendment) and from June 24, 2021 to June 23, 2022 (resulting from the December 2020 program amendment) corresponds to a specific period after which the funding is adjusted to market rates (namely the average rate applied in the Eurosystem's main financing operations) and should therefore be accrued until the next adjustment date. The early repayment windows of this financing program are substantive conditions, given that, at that moment of adjustment of the cost of the financing to the market, the entity may opt for renewal or cancellation and obtain new financing at more favorable terms.

In view of this situation, the Unicaja Group opted to accrue interest in accordance with the specific periods of adjustment to market rates, such that the interest corresponding to the period from June 24, 2020 to June 23, 2022 (i.e. -1%) was recorded in the consolidated income statement for said period, the threshold of eligible loans that gave rise to the extra rate being considered to have been met.

Since June 24, 2022, TLTRO III issues accrued interest at a rate equal to the average rate of the marginal deposit facility for the life of the corresponding issue (including both past periods since their issuance and future periods to their maturity). In this case, the Unicaja Group, in accordance with the provisions of the Decisions of the European Central Bank, accrued interest on TLTRO III issues by calculating an average interest rate. In the determination of this average interest rate, no assumptions on the evolution of future interest rates were incorporated, and, under paragraph B5.4.5 of IFRS 9, with each change that occurs in the marginal deposit facility, the interest rate to be accrued during the remaining period to maturity is recalculated.

On November 7, 2022, Decision (EU) 2022/2128 of October 27, 2022, amending Decision (EU) 2019/1311 on the third series of targeted longer-term refinancing operations (TLTROs III) was published in the Official Journal of the European Union (OJEU), amending the interest accrual conditions of the TLTROs III by adding a final interest rate period starting on November 23, 2022, which divided what was until now the main interest period into two parts (discarding the special interest rate period described above). Likewise, several voluntary early repayment dates have been added.

Thus, from June 24, 2022 through November 22, 2022, interest accrued based on the average deposit facility from the inception of the issue until November 22, 2022 itself, and from November 23, 2022 onwards, until the maturity of the issue, interest accrued based on the average deposit facility over that period. This change was considered a substantial modification of the conditions of the financial liability associated with TLTRO III, and therefore the previous liability was derecognized and a new liability was recorded at its fair value, the difference of which generated a positive amount of 8,907,000 euros, recorded under “Interest income” in the consolidated income statement for 2022.

It should also be noted that the Unicaja Group repaid on November 23, 2022 an amount of 5,025,100,000 euros for TLTRO III issues, taking advantage of the additional voluntary early repayment dates defined by the European Central Bank in its modification of the conditions of TLTROs dated October 27, 2022.

Additionally, TLTRO III issues in the amount of 4,488,090,000 euros matured on June 28, 2023.

During 2023, these transactions have accrued interest expenses of 92,373,000 euros, which correspond to the interest expenses accrued on the granting of TLTRO III loans and have been recorded under the “Interest expenses” heading in the consolidated income statement (Note 33).

In 2022, the proceeds from this type of issuance amounted to 55,150,000 euros, which corresponds to the net income accrued on TLTRO III loans granted, and which was recorded under the “Interest income - Central bank deposits” heading in the consolidated income statement (Note 32).

17.2. Deposits from credit institutions

The breakdown of the balances included in this item of the consolidated balance sheets as at December 31, 2023 and 2022, in accordance with the nature of the operations, is as follows:

Thousands of euros	**2023**	**2022**
Mutual accounts	2,164	-
Term deposits	550,401	647,253
Temporary assignment of assets	4,847,734	2,553,514
Other accounts	361,172	217,144
Valuation adjustments	11,172	52
	5,772,643	**3,417,963**

The interest accrued during the fiscal years 2023 and 2022 on these deposits amounted to 182,413,000 euros and 28,244,000 euros respectively and was recorded under “Interest expense” of the consolidated income statement (Note 33).

The average effective interest rate of debt securities in this item as at December 31, 2023 was 3.37% (0.42% as at December 31, 2022).

17.3. Customer deposits

The breakdown of the balance included in this item of the consolidated balance sheets as at December 31, 2023 and 2022, in accordance with the nature of the counterparties of the operations, is as follows:

Thousands of euros	2023	2022
By type -		
Current accounts	25,083,641	28,502,719
Savings accounts	32,116,305	34,951,840
Term deposits	14,587,096	10,954,404
Temporary asset transfers	1,588,975	20,141
Others	45,043	57,533
Valuation adjustments	53,986	(100,165)
Of which:		
Micro hedge transactions	*(120,455)*	*(250,845)*
Accrued interest	*176,983*	*153,639*
Other adjustments	*(2,542)*	*(2,959)*
	73,475,046	**74,386,472**
By counterparty -		
Resident Public Administrations	5,453,952	6,888,235
Other resident sectors	67,612,401	67,215,024
Other non-resident sectors	354,707	383,378
Valuation adjustments	53,986	(100,165)
Of which:		
Micro hedge transactions	*(120,455)*	*(250,845)*
Accrued interest	*176,983*	*153,639*
Other adjustments	*(2,542)*	*(2,959)*
	73,475,046	**74,386,472**

The interest accrued during the fiscal years 2023 and 2022 on these deposits amounted to 410,622,000 euros and 154,527,000 euros respectively and was recorded under “Interest expense” of the consolidated income statement (Note 33).

The average effective interest rate of debt securities in this item as at December 31, 2023 was 0.66% (0.16% as at December 31, 2022).

The “Time deposits” caption includes singular mortgage bonds issued by the Unicaja Group, as follows:

Thousands of euros

Issue date	Maturity date	Nominal interest rate	Nominal 12/31/2023	Nominal 12.31.2022
05/18/2005	05/21/2025	(a) 3.875%	200,000	200,000
05/18/2005	05/21/2025	(a) 3.875%	300,000	300,000
06/28/2005	06/28/2025	(a) 3.754%	76,923	76,923
06/28/2005	06/28/2025	(a) 3.754%	76,923	76,923
06/28/2005	06/28/2025	(a) 3.754%	128,205	128,205
11/16/2005	05/21/2025	(a) 3.875%	200,000	200,000
11/16/2005	05/21/2025	(a) 3.875%	300,000	300,000
04/06/2006	04/08/2031	(a) 4.25%	300,000	300,000
10/23/2006	10/23/2023	(a) 4.254%	-	200,000
10/23/2006	10/23/2023	(a) 4.254%	-	100,000
10/23/2006	10/23/2023	(a) 4.254%	-	150,000
11/23/2006	04/08/2031	(a) 4.25%	300,000	300,000
11/23/2006	04/08/2031	(a) 4.25%	100,000	100,000
03/23/2007	03/26/2027	(b) 4.25%	150,000	150,000
03/23/2007	03/26/2027	(b) 4.25%	350,000	350,000
03/23/2007	04/08/2031	(a) 4.25%	100,000	100,000
03/23/2007	04/08/2031	(a) 4.25%	250,000	250,000
05/23/2007	05/23/2027	(a) 4.755%	50,000	50,000
05/23/2007	05/23/2027	(a) 4.755%	100,000	100,000
05/23/2007	05/23/2027	(a) 4.755%	50,000	50,000
05/23/2007	05/23/2027	(b) 4.755%	200,000	200,000
06/29/2007	04/08/2031	(a) 4.25%	400,000	400,000
07/20/2007	03/26/2027	4.25 %	100,000	100,000
10/19/2007	03/26/2027	(a) 4.25%	110,000	110,000
10/19/2007	04/08/2031	(a) 4.25%	180,000	180,000
			4,022,051	**4,472,051**

(a) The fixed interest rate borne by the Group was converted to a variable rate by contracting financial swaps on the nominal amount.

(b) The fixed interest rate borne by the Group was converted to a variable rate by contracting financial swaps on the nominal amount. These financial swaps have subsequently been canceled.

17.4. Debt securities issued

The breakdown of the balance of this line item in the consolidated balance sheets as at December 31, 2023 and 2022 is as follows:

Thousands of euros	2023	2022
Mortgage bonds	4,184,516	4,684,516
Non-convertible subordinated debt	599,142	599,179
Other non-convertible bonds	2,454,999	1,658,610
Own shares	(3,000,000)	(3,500,000)
Valuation adjustments - accrued interest	56,051	25,678
Valuation adjustments - micro-hedges	(48,900)	(132,636)
Valuation adjustments - Other	(6,576)	(5,993)
	4,239,232	**3,329,354**

The interest accrued during 2023 and 2022 on the debt securities issued amounts to 118,496,000 euros and 50,201,000 euros respectively. This interest is recorded under "Interest expense" in the consolidated income statement (Note 33).

The average effective interest rate of debt securities classified under this item as at December 31, 2023 was 3.30% (3.52% as at December 31, 2022).

The details and movement of issues, repurchases or repayments of debt securities, including convertible subordinated liabilities, carried out in 2023, both by the Parent Company itself and by other Group companies, are as follows:

Thousands of euros

	Balance as at 01/01/2023	Issuances	Repurchases/ repayments	Exchange rate and other adjustments	Balance as at 12/31/2023
Debt securities issued in a member state of the European Union that required the filing of a prospectus informative	3,329,354	2,299,054	(1,502,666)	113,490	4,239,232
Debt securities issued in a member state of the European Union that did not require the registration of a prospectus	-	-	-	-	-
Other debt securities not issued in a member state of the European Union	-	-	-	-	-
TOTAL	**3,329,354**	**2,299,054**	**(1,502,666)**	**113,490**	**4,239,232**

The details and movement of issues, repurchases or repayments of debt securities, including convertible subordinated liabilities, carried out in 2022, both by the Parent Company itself and by other Group companies, are as follows:

Thousands of euros

	Balance as at 01/01/2022	Issuances	Repurchases/ repayments	Exchange rate and other adjustments	Balance as at 12/31/2022
Debt securities issued in a member state of the European Union that required the filing of a prospectus informative	2,497,755	1,298,199	(337,421)	(129,179)	3,329,354
Debt securities issued in a member state of the European Union that did not require the registration of a prospectus	-	-	-	-	-
Other debt securities not issued in a member state of the European Union	-	-	-	-	-
TOTAL	**2,497,755**	**1,298,199**	**(337,421)**	**(129,179)**	**3,329,354**

<u>Mortgage bonds</u>

The details of mortgage securities (mainly mortgage bonds) issued by the Unicaja Group as of December 31, 2023 and 2022 are as follows:

Thousands of euros

Issue	ISIN Code	Issue date	Issue amount	Balance as at	Balance as at	Maturity date	Interest rate
Liberbank July 2017	ES0468675014	07/25/2017	2,000,000	-	2,000,000	07/25/2024	Euribor 3M + 0.35%
Liberbank December 2018	ES0468675022	12/19/2018	1,500,000	1,500,000	1,500,000	12/19/2025	Euribor 3M + 0.65%
Liberbank September 2019	ES0468675030	09/25/2019	1,000,000	987,096	987,096	09/25/2029	0.25 %
Liberbank September 2019 (1st extension)	ES0468675030	06/02/2020	50,000	49,355	49,355	09/25/2029	0.25 %
Liberbank September 2019 (2nd extension)	ES0468675030	06/03/2020	150,000	148,065	148,065	09/25/2029	0.25 %
Unicaja mortgage-backed securities December 2023	ES0480907023	12/14/2023	1,500,000	1,500,000	-	12/14/2028	3.50 %
				4,184,516	**4,684,516**		

These issues are admitted to trading on the AIAF fixed income market, and are secured by mortgages that constitute primary assets of the Special Coverage Set Registry (RECC) in accordance with RD 21/2021, without prejudice to the issuer’s universal asset liability.

As of December 31, 2023 the amount of mortgage securities issues repurchased by the Group amounts to 3 billion euros, corresponding to the Liberbank mortgage-backed securities issue in December 2018 and the Unicaja mortgage-backed securities issue in December 2023.

As of December 31, 2022, the amount of mortgage-backed securities issues repurchased by the Group amounted to 3.5 billion euros, corresponding to the mortgage-backed securities issues by Liberbank in July 2017 and Liberbank in December 2018.

On December 4, 2023, Unicaja notified the CNMV of its decision to redeem early and in full the issue of mortgage-backed securities by Liberbank in December 2017. The early total repayment was made on December 14, 2023 for a nominal amount of 2 billion euros, which was repurchased in full by the Bank itself.

Non-convertible subordinated debt

The detail of outstanding bonds and debentures issued by the Unicaja Group at December 31, 2023 and 2022 is as follows:

				Thousands of euros			
Issue	ISIN Code	Issue date	Issue amount	Balance as at 12/31/2023	Balance as at 12/31/2022	Maturity date	Interest rate
Unicaja subordinated debentures (January 2022)	ES0280907025	01/19/2022	300,000	299,142	299,179	07/19/2032	3.13 %
Unicaja subordinated debentures (November 2019)	ES0280907017	11/13/2019	300,000	300,000	300,000	11/13/2029	2.88 %
Liberbank subordinated debentures (March 2017)	ES0268675032	03/14/2017	300,000	-	-	03/14/2027	6.88 %
				599,142	**599,179**		

The first issue of subordinated debentures of Unicaja was issued on November 13, 2019, in the amount of 3 million euros, which is equal to the nominal value. As described in the terms and conditions of the issue prospectus, unless previously redeemed, the debentures will be repaid at their principal amount on November 13, 2029. The Bank may choose to repay the debentures in full, at their outstanding principal amount, together with any accrued and unpaid interest, subject to a number of conditions including, among others, obtaining prior approval from the supervisory authority, upon the occurrence of any of the events described in the issue prospectus linked to tax events or capital events. In addition, subject to the conditions set forth in the prospectus, which also include obtaining prior regulatory approval, the Bank may choose to redeem all of the debentures on a reset date (set for November 13, 2024), at their outstanding principal amount, together with any accrued and unpaid interest to that date. Unicaja's subordinated debentures accrue interest on their outstanding principal: (i) at a fixed interest rate of 2.875% per annum from the date of issue until the reset date, payable annually on November 13 of each year, with the first interest payment date set for November 13, 2020, and (ii) from the reset date (November 13, 2024), at the reset interest rate (5-year Mid-Swap plus a margin of 3.107% per annum), payable annually on November 13 of each year, with the first interest payment date after the reset date set on November 13, 2025.

The second issue of subordinated debentures of Unicaja was issued on January 19, 2022 for an amount of 3 million euros, at a price equivalent to 99.714% of their nominal value, the unit nominal value of the bonds being 100,000 euros. Subordinated debt bonds are listed on the Spanish AIAF fixed income market. Its maturity is set for July 19, 2032, with the possibility of early redemption at the Bank's discretion at any given time between January 19, 2027 and June 19, 2027. In this regard, the bonds may be redeemed at the Bank's discretion, in full, together with any accrued and unpaid interest, subject to the conditions set forth in the prospectus, which include the prior approval of the competent authority, upon the occurrence of certain circumstances relating to tax events, capital events or events disqualifying the bonds for their computability for MREL purposes. Likewise, the Bank has the option, subject to the conditions set forth in the prospectus and the prior authorization of the competent authority, to redeem the bonds in full, at any given time between January 19, 2027 and July 19, 2027, for their outstanding principal amount and any interest accrued and unpaid thereby. Bonds yield an interest at a rate of 3.125% per annum until July 19, 2027, and thereafter (said date inclusive), the Bonds will yield an interest at an annual rate equal to the 5-year Mid-Swap rate plus a margin of 3.050% per annum. Interest is payable annually for interest periods due on July 19 of each year.

In turn, the issue of subordinated debentures from Liberbank recorded in the consolidated financial statements of the Unicaja Group on the date of accounting effects of the take-over merger, was carried out on March 14, 2017, for an amount of 3 million euros, which is the nominal value thereof. Unless previously redeemed, the subordinated debentures will be redeemed at maturity on March 14, 2027. In this regard, the Bank may choose to repay the debentures in full at their outstanding principal amount, based on a number of conditions set forth in the prospectus, which require the prior approval of the Regulatory Authority, upon the occurrence of any of the events described in the prospectus linked to tax events or capital events. In addition, subject to the terms and conditions set forth in the prospectus and to the prior approval of the Regulator, the Bank may choose to redeem the debentures in full on the reset date (March 14, 2022) for the outstanding principal and any accrued and outstanding interest at that date. The subordinated debentures from Liberbank accrue the following: (i) a fixed interest rate of 6.875% per annum from issuance until the reset date (March 14, 2022), payable annually on March 14 of each year, with the first interest payment date set on March 14, 2018, and (ii) an interest rate equal to the 5-year Mid-Swap plus a margin of 6.701% per annum, payable annually on March 14 of each year, with the first interest payment date after the reset date set on March 14, 2023.

On February 7, 2022, Unicaja communicated its irrevocable decision to redeem this subordinated debenture issue early and in full, in accordance with the terms and conditions set forth in the Prospectus and after receiving the mandatory authorization from the European Central Bank. The total early redemption was made on March 14, 2022 and the redemption price of each debenture was 100% of its nominal amount, with payment of the accrued and unpaid coupon, as applicable, in accordance with the terms and conditions of the issue.

<u>Other non-convertible bonds</u>

The detail of “Other non-convertible securities” issued by the Unicaja Group as of December 31, 2023 and 2022 is as follows:

				Thousands of euros			
Issue	**ISIN Code**	**Issue date**	**Issue amount**	**Balance as at**	**12/31/2022**	**Maturity date**	**Interest rate**
Unicaja Senior Preferred Debt Dec. 2026	ES0380907040	12/01/2021	600,000	599,646	602,194	12/01/2026	1%
Unicaja Senior Preferred Debt Dec. 2026 (Extension)	ES1380907040	12/22/2021	60,000	57,687	57,802	12/01/2026	1%
Unicaja green medium-term senior preferred debt June 2022 (EMTN Program)	ES0380907057	06/30/2022	500,000	499,368	499,369	06/30/2025	4.5%
Unicaja green medium-term senior non-preferred debt Nov. 2022 (EMTN Program)	ES0380907065	11/15/2022	500,000	499,245	499,245	11/15/2027	7.25%
Unicaja medium-term senior preferred debt Feb. 2023 (EMTN Program)	ES0380907033	02/21/2023	500,000	499,525	-	02/21/2029	5.125 %
Unicaja green medium-term senior preferred debt Sep. 2023 (EMTN Program)	ES0380907073	09/11/2023	300,000	299,528	-	09/11/2028	6.5%
				2,454,999	**1,658,610**		

On December 1, 2021, Unicaja issued senior preferred debt in the amount of 6 million euros. Subsequently, on December 22, 2021, Unicaja increased this issue by an additional 6 million euros, subject to the same issue conditions. The unit nominal value of the bonds is 100,000 euros each. These bonds are listed on the Spanish AIAF fixed income market.

As described in the terms and conditions of the issue prospectus, unless previously redeemed, the senior bonds will be redeemed at maturity on December 1, 2026. In this regard, the Bank has the option of redeeming the entire outstanding principal of the bonds, together with any accrued and unpaid interest, upon the occurrence of certain circumstances related to tax events or disqualification events associated with the treatment of the issue for MREL purposes, provided that certain conditions are met and regulatory approvals are obtained. In addition, the Bank has the option to redeem the bonds, on the same terms and subject to the required regulatory approval, on the reset date (December 1, 2025).

The senior debt bonds issued by Unicaja in December 2021 accrue: (i) a fixed interest rate of 1% per annum from the date of issuance until the reset date, payable annually on December 1 of each year, with the first interest payment date being December 1, 2022, and (ii) from the reset date, an interest rate equal to the 1-year Mid-Swap plus a margin of 1.15% per annum, payable on December 1, 2016.

On May 26, 2022, Unicaja registered a medium-term debt issuance program (EMTN) up to a limit of 3.5 billion euros with the Spanish National Securities Market Commission (CNMV). The bonds to be issued under this program will have a unit face value of 100,000 euros, and the final terms will be determined for each tranche of the issue, which may be referenced to a fixed or variable interest rate (or even with a zero coupon), and may be issued with different levels of payment priority, as senior debt, simple debt or subordinated debt. Under the terms of the program, the maturity of the bonds will never exceed 50 years from the date of issuance.

Within the framework of this program:

- On June 30, 2022, Unicaja made a first issue of 500 million euros in preferred senior debt bonds at a fixed interest rate, with a term of three years, which were qualified as “green bonds”. This was a single series of bonds, belonging to a single tranche, consisting of 5,000 bonds with equal terms and conditions and with a unit face value of 100,000 euros. The bonds were issued at a price of 99.955% of their nominal value, i.e. for an amount of 499,368,000 euros. The maturity date is set for June 30, 2025 (three years from the issue date), with Unicaja having a voluntary redemption option on June 30, 2024 (two years from the issue date) or if an event of disqualification of the bonds occurs for MREL computation purposes. The interest rate on the bonds is fixed at 4.500% per annum. These bonds are listed on the Spanish AIAF fixed income market.

- On November 15, 2022, Unicaja made a second issue of 500 million euros in non-preferred senior debt bonds at a fixed interest rate, with a term of five years, which were qualified as “green bonds”. This is a single series of bonds, belonging to a single tranche, consisting of 5,000 bonds with equal terms and conditions and with a unit face value of 100,000 euros. The bonds were issued at a price of 99.849% of their nominal value, i.e. for an amount of 499,245,000 euros. The maturity date is set for November 15, 2027 (five years from the issue date), with Unicaja having a voluntary redemption option on November 15, 2026 (four years from the issue date) or if an event of disqualification of the bonds occurs for MREL computation purposes. The interest rate on the bonds is fixed at 7.250% per annum. These bonds are listed on the Spanish AIAF fixed income market.

- On February 21, 2023, Unicaja made a third issue of 500 million euros in preferred senior debt bonds at a fixed interest rate, with a term of six years, which were qualified as “green bonds”. This was a single series of bonds, belonging to a single tranche, consisting of 5,000 bonds with equal terms and conditions and with a unit face value of 100,000 euros. The bonds were issued at a price of 99.905% of their nominal value, i.e. for an amount of 499,525,000 euros. The maturity date was set for February 21, 2029 (five years from the issue date), Unicaja having a voluntary redemption option on February 21, 2028 (four years from the issue date) or if an bond disqualification event occurs for MREL computation purposes. The interest rate on the bonds is fixed at 5.125% per annum. These bonds are listed on the Spanish AIAF fixed income market.

On May 30, 2023, Unicaja registered a medium-term debt issuance (EMTN) program with a limit of 3.5 billion euros with the Spanish National Securities Market Commission (CNMV). The debt instruments to be issued under this program will in any case have a unit face value of more than 100,000 euros, and the final terms will be determined for each tranche of the issue.

Within the framework of this new program:

– On September 11, 2023, Unicaja made a first issue of 300 million euros in non-preferred senior debt bonds at a fixed interest rate, with a term of five years and rated as “green bonds”. This is a single series of bonds, belonging to a single tranche, consisting of 3,000 bonds with equal terms and conditions and with a unit face value of 100,000 euros. The bonds were issued at a price of 99.843% of their nominal value, i.e. for an amount of 299,528,000 euros. The maturity date is set for September 11, 2028 (five years from the issue date), with Unicaja having a voluntary redemption option on September 11, 2027 (four years from the issue date) or if an event of disqualification of the bonds occurs for MREL computation purposes. The interest rate on the bonds is fixed at 6.5% per annum. These bonds are listed on the Spanish AIAF fixed income market.

17.5. Other financial liabilities

The breakdown of the balance of this line item in the consolidated balance sheets as at December 31, 2023 and 2022 is as follows:

Thousands of euros	2023	2022 (*)
Debentures to be paid (**)	282,831	311,932
Tax collection accounts	660,008	734,891
Special accounts	371,086	413,519
Financial guarantees	-	2,537
Deposits received and other	801,499	1,015,204
	2,115,424	**2,478,083**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

(**) This includes an amount of 87,275,000 euros at December 31, 2023 corresponding to the outstanding balance of ordinary contributions (87,665,000 euros at December 31, 2022). During fiscal years 2023 and 2022, no extraordinary contributions have been made to the Deposit Guarantee Fund for Credit Institutions (DGFCI).

The amount recorded by the Group as of December 31, 2023 and 2022 under “Deposits received and other” includes guarantees in favor of the Group deposited with other financial institutions as a result of its operations with derivative instruments and simultaneous transactions.

The negative cash flow included in the consolidated cash flow statement for 2023 for financial liabilities at amortized cost amounts to 2,707,499,000 euros (negative cash flow of 17,005,198,000 euros in 2022).

18. Provisions

The movements in 2023 and 2022 and the purpose of the provisions recorded under these headings in the consolidated balance sheet as of December 31, 2023 and 2022 are shown below:

Thousands of euros

	Provision for pensions and similar obligations	Other long-term employee benefits	Provisions for commitments and guarantees granted	Remaining provisions	Total
Balances as at December 31, 2021	**178,798**	**188,566**	**106,348**	**954,415**	**1,428,127**
Endowment charged to profit or loss:	148	1,211	29,901	120,518	151,778
Endowments to provisions (*)	*-*	*1,262*	*29,901*	*120,518*	*151,681*
Interest cost (Note 33)	*148*	*(51)*	*-*	*-*	*97*
Recovery charged to profit or loss	(7,197)	(7,878)	(9,900)	(32,787)	(57,762)
Use of funds	(36,699)	(49,411)	-	(346,758)	(432,868)
Other changes	(7,511)	208	(734)	4,092	(3,945)
Balances as at Saturday, December 31, 2022	**127,539**	**132,696**	**125,615**	**699,480**	**1,085,330**
Endowment charged to profit or loss:	2,823	4,585	2,884	139,422	149,714
Endowments to provisions (*)	*73*	*1,210*	*2,884*	*139,422*	*143,589*
Interest cost (Note 33)	*2,750*	*3,375*	*-*	*-*	*6,125*
Recovery charged to profit or loss	-	(2,621)	(10,463)	(16,350)	(29,434)
Use of funds	(37,041)	(43,116)	-	(174,531)	(254,688)
Other changes	(2,063)	24	(1,440)	9,610	6,131
Balances as at December 31, 2023	**91,258**	**91,568**	**116,596**	**657,631**	**957,053**

(*) See Note 2.12 in relation to endowments for pension funds and similar obligations.

The provisions recorded by the Group represent the best estimate of future obligations. The Bank's directors believe there is no significant risk that the materialization of these estimates, taking into account the amount of these provisions, will result in a material adjustment to the carrying amounts of the Group's assets and liabilities in the next accounting period. The estimated financial effect on the calculation of provisions was not significant during fiscal years 2023 and 2022.

The Group measures provisions based on the best information available regarding the consequences of the events giving rise to them and re-measured at each balance sheet date. They are used to meet the specific obligations for which they were originally recognized, and may be wholly or partly reversed if these obligations cease to exist or decrease.

The Group regularly reassesses the risks to which its business is exposed in accordance with the economic context in which it operates. Once the valuation and initial recording of the provisions have been made, they are reviewed at each balance sheet date and adjusted, if necessary, to reflect the best estimate existing at that time.

Recorded provisions are used to meet the specific obligations for which they were originally recognized and are reversed, in whole or in part, when such obligations cease to exist or decrease.

Pensions and other benefit obligations defined as post-employment

This heading corresponds to the amount of the commitments assumed by the Group with its employees as described in Notes 2.12 and 41.1.

Provisions for commitments and guarantees granted

This line item in the consolidated balance sheet includes the amount of provisions recorded to hedge contingent commitments, defined as those transactions in which the Group guarantees obligations of a third party, arising as a result of financial guarantees granted or other types of contracts, and contingent commitments, defined as irrevocable commitments that may give rise to the recognition of financial assets.

The details by nature of the balances recorded under "Provisions for commitments and guarantees granted" as of December 31, 2023 and 2022 are as follows:

Thousands of euros	2023	2022
Provisions for contingent liabilities	110,552	112,665
Provisions for contingent commitments	6,044	12,950
	116,596	**125,615**

The item "Provisions for contingent liabilities" includes the amount of provisions made to hedge contingent liabilities, defined as those transactions in which the Group guarantees obligations of a third party, arising as a result of financial guarantees granted or other types of contracts, while the item "Provisions for contingent commitments" includes provisions to hedge irrevocable commitments that may give rise to the recognition of financial assets.

Remaining provisions

The detail by nature of the balances recorded under "Other provisions" as of December 31, 2023 and 2022 is as follows:

Thousands of euros	2023	2022
Hedges for legal and similar contingencies	255,112	239,335
Hedges associated with investees	16,683	13,834
Hedges for other contingencies	385,836	446,311
	657,631	**699,480**

The main items included in “Other provisions” are as follows:

- “Hedges for legal and similar contingencies”: This item includes provisions for legal proceedings, as well as others of a similar nature, in which the Group is considered likely to have to dispose of resources including profit. This item mainly hedges customer claims and other litigation. The final date of the outflow of resources depends on each of the contingencies, so that, in some cases, the obligations do not have a fixed settlement date and, in others, they depend on the legal proceedings in progress. The amounts to be provisioned are calculated according to the best estimate of the amount necessary to settle the claim in question, based, among others, on the individualized analysis of the facts and legal opinions of internal and external legal advisors.

  In this respect, the heading “Hedges for legal and similar contingencies” includes hedges for litigation and claims related to agreements to limit interest rate fluctuations to 106 million euros at December 31, 2023 (114 million euros at December 31, 2022). In the opinion of the Group’s management, at year-end the necessary hedges were in place to hedge the risks and contingencies that could arise from these processes.

- “Hedges associated with investees” Includes contingencies related to the Group’s investment portfolio that are not due to impairment due to a decrease in the fair value or recoverable amount of the investments, but to other types of contingencies that may arise from the holding of such investments. The timing of the outflow of resources depends on each particular contingency and is estimated by Group management based on the best information available at the year-end date.

- “Hedges for other contingencies”: This includes hedges of miscellaneous risks, for which provisions have been created to hedge unresolved issues for which the Group estimates a probable disbursement, as well as hedges of probable disbursements that the Group estimates it will have to face as a result of its normal business activity. The amounts to be provisioned are calculated based on the best estimate of the economic resources that the Group will have to use to meet the identified contingencies, taking into account the estimated timing of the outflows of resources that the obligation is expected to produce.

As of December 31, 2023 and 2022, this item includes the provisions recorded by the Unicaja Group following the agreement reached on December 3, 2021 with the legal representatives of the employees in connection with a collective dismissal, geographic mobility, and substantial modification of working conditions. In accordance with the provisions of this labor agreement, the maximum number of employees affected by the collective dismissal was 1,513 people. In general, the term of execution of the measures provided for in the agreement is until December 31, 2024. As a result of this agreement, the Unicaja Group made provisions during the 2021 fiscal year in the amount of 368 million euros, as well as 88 million euros for the remaining estimated costs of the restructuring process, associated with the technological integration and the reorganization of the network after the merger with Liberbank. As at December 31, 2023 and 2022, the amount of provisions recorded in the Group’s consolidated balance sheet for these items amounted to 221 million euros and 280 million euros respectively.

Agreements to limit interest rate fluctuations

In relation to the Unicaja Group's credit operations in the retail mortgage segment that have interest rate fluctuation limits, consideration should be given to the rulings that are being issued uniformly in different judicial instances with respect to the validity of these covenants, especially, following the ruling of the Supreme Court dated May 9, 2013 and the subsequent national and European case law that develops it. This establishes that, once declared null and void by a court ruling, those agreements limiting interest rate fluctuations that lack transparency and are abusive, the borrower will be reimbursed for the interest differential that they would have paid in application of the aforementioned agreement.

In particular, we should consider the ruling of Madrid Commercial Court No. 11, dated April 7, 2016, following the class action filed on November 11, 2010 by the Association of Users of Banks, Savings Banks and Insurance Companies of Spain (ADICAE) and a large number of additional plaintiffs, against practically all the entities of the financial system (including Unicaja, directly and as a consequence of the EspañaDuero merger and the merger with Liberbank). This included such agreements in their mortgage loan contracts with individuals, which obliges financial institutions to eliminate certain interest rate fluctuation limits that are not transparent, due to their being unfair, and to return to consumers the amounts unduly paid as from the date of publication of the Supreme Court's Ruling of May 9, 2013, with the legally applicable interest. Consideration should be given to the judgment of April 13, 2016, now binding, of the Provincial Court of León, following the collective action that, by the Association of Users of Banking Services (AUSBANC), was taken against EspañaDuero in relation to this type of agreements included in the mortgage loan contracts formalized at the time by Caja España de Inversiones. These required that the certain interest rate fluctuation limits set forth in the loan contracts signed by Caja España de Inversiones be annulled, due to a lack of transparency.

These rulings corroborated the criterion that, once a certain agreement limiting interest rate fluctuations has been declared null and void, restitution to the borrower must be made for the interest differential from the date of publication of the Supreme Court ruling of May 2013. However, on December 21, 2016, the Court of Justice of the European Union issued a judgment stating, contrary to the doctrine of the Supreme Court, that the time limit on the effects of the declaration of nullity of the floor clauses deprives Spanish consumers who entered into a mortgage loan contract before the date of the pronouncement of the judgment of the Supreme Court of the right to obtain restitution of the amounts they unduly paid to the banks and consequently, that time limit is eliminated.

These rulings of the Madrid and León Courts were appealed before their corresponding Provincial Courts and subsequently before the Supreme Court. The decision of the León Court has been confirmed as binding, pending the ruling of the Supreme Court.

In any event, regarding the scope of the judgments issued in proceedings in which a class action is exercised, the contents of the judgments of the Constitutional Court of September 19, 2016 and December 12, 2016 must be pointed out. These judgments indicate that the automatic extension of a *res judicata* effect of upholding a class action, in addition to not being provided for in the rules regulating such collective action, may go so far as to infringe on the autonomy of the will of the consumer who does not wish such nullity in his contract, or curtail the possibilities of his individual challenge if the class action were to be dismissed. Therefore, in order to effectively reimburse the affected consumers, they must take direct action against the entity and obtain the corresponding judicial resolution.

Without prejudice to the aforementioned rulings, the Unicaja Group generally believes that the agreements in its mortgage loan deeds that establish interest rate fluctuation limits are fully in accordance with the law and, in any case, may be analyzed in terms of transparency of the contract, on a case by case basis.

On January 21, 2017, Royal Decree-Law 1/2017, dated January 20, was published in the Official State Gazette, establishing measures aimed at protecting consumers with interest rate fluctuation limits in their mortgage loan contracts, with the aim of facilitating agreements with credit institutions that resolve disputes that may arise as a result of the judicial pronouncements on this matter. These are measures are in addition to those established in the legal system, which provide for an out-of-court settlement procedure to which consumers may voluntarily submit themselves, without incurring additional costs. The Unicaja Group effectively availed itself of this option.

On July 9, 2020, the Court of Justice of the European Union (CJEU) passed judgment in relation to preliminary matters raised by various courts of first instance regarding the validity private agreements for the removal of floor clauses. The sentence in question, in line with the argument put forward by the Advocate General, establishes that it is illegal for a clause of an agreement signed between a professional and a consumer, the unfair nature of which can be legally declared, to constitute the object of a novation agreement between said professional and said consumer. Additionally, said Sentence determines that a clause that includes the mutual waiving of the right to exercise any legal action, in the framework of an agreement the purpose of which is the resolution of a dispute regarding the validity of the clause of an agreement that binds the two parties, can constitute the main object of the agreement and, as a result, not be taken into account in the consideration of its possible abusive nature, provided it is set out clearly and comprehensively.

Following the ruling of the CJEU, the Supreme Court issued a series rulings dated November 5, 2020, November 11, 2020, and December 15, 2020, that confirm the validity of the novation agreements reached by the entities with their customers, classifying them as transactional when there is a waiver in relation to the claims arising from the interest rate limits, provided that there is material transparency, i.e. the consumer has been given sufficient information to be aware of the economic and legal consequences of this waiver.

The provisions that were deemed necessary to cover possible losses on assets and to cover the outcome of risks and contingencies that could affect the Group had been recorded as of December 31, 2023. As at December 31, 2023 the Group had provisions amounting to 106 million euros (114 million euros as at December 31, 2022).

IRPH clause

The Unicaja Group maintains a portfolio of mortgage loan contracts indexed to the Mortgage Loan Reference Index (IRPH), an official index published by the Bank of Spain, in accordance with Article 27 of Order EHA/2899/2011, of October 28, 2011 on transparency and customer protection of banking services, and with Bank of Spain Circular 5/2012, of June 27, 2012 to credit institutions and payment service providers, on transparency of banking services and responsibility in the granting of loans.

In this regard, several proceedings have been initiated against most Spanish credit institutions, alleging that the clauses linking the interest rate of mortgage loan transactions to the IRPH did not comply with European transparency regulations. In Ruling 669/2017, dated December 14, 2017, the Supreme Court confirmed the validity of these clauses as it is an official index and, therefore, not subject to transparency control.

Following the submission of several questions for preliminary rulings by Spanish Courts, the Court of Justice of the European Union (CJEU) decided to open Case C-125/18. The most important milestones in this case include the issuance of a report by the European Commission, dated May 31, 2018, where it proposes to the CJEU to answer the questions referred for a preliminary ruling, upholding the possibility of analyzing the use of the Mortgage Loan Reference Index (IRPH) in terms of transparency and unfairness (Directive 93/13), as well as the opinion of the Advocate General of the CJEU, dated September 10, 2018, which considers that the clause incorporating the IRPH is subject to an unfairness check.

On March 3, 2020, the CJEU issued a judgment in the aforementioned Case C-125/18, which states, in line with previous reports, that the clauses incorporating the IRPH in mortgage loan contracts entered into with consumers fall within the scope of application of the Unfair Terms Directive, indicating in turn that the Spanish courts must verify that the clauses of these characteristics are of a clear and understandable (transparent) nature, and that they do not involve a significant imbalance for the consumer (unfairness). If these courts conclude that these clauses are unfair, they may replace them with a statutory index applicable on a supplementary basis, in order to protect the consumers in question from the particularly harmful consequences that could result from the annulment of the loan contract.

On November 12, 2020, the First Chamber of the Supreme Court issued several rulings resolving four cassation appeals in relation to the IRPH index, and whose matters were deliberated in the Plenary Session of the Supreme Court on October 21, 2020, the date on which the ruling was handed down. In these rulings, the Plenary Session analyzed the CJEU ruling of March 3, 2020 and found that the preliminary question raised by the 38th Court of First Instance of Barcelona, which gave rise to that ruling, erroneously transferred the meaning of the case law of the First Chamber to the CJEU. Contrary to what was upheld in the request for a preliminary ruling, this chamber had upheld both the contractual nature of the clause establishing the IRPH as the reference rate of the loan and the need to apply the transparency control to said clause. Therefore, the fact that the CJEU affirms that the clause in question is not excluded from Directive 93/13 does not imply that the case law of the court, which was in line with that ruling, should be modified.

In the analysis of the impact of the CJEU ruling on the control of the transparency of the clauses in question, the Plenary Session starts from the fact that the CJEU considered that the publication of the IRPH in the BOE allowed the average consumer to understand that the referred index was calculated according to the average rate of mortgage loans over three years for the purchase of a home, thus including the differentials and expenses applied by such entities, so that this publication meets, in all cases, the transparency requirements in terms of the composition and calculation of the IRPH.

The second transparency parameter established by the CJEU is the information provided by the lender to the consumer on the past evolution of the index. In the event that the lack of direct information on the evolution of the IRPH in the two previous years determines the lack of transparency of the clause in question, such lack of transparency does not necessarily determine its nullity. According to settled case law of the CJEU, the effect of the lack of transparency of the clauses defining the main subject matter of the contract is not its nullity, but the possibility of making the judgment of unfairness, that is, it allows for the assessment of whether it is a clause that, contrary to the requirements of good faith, causes, to the detriment of the consumer and user, a significant imbalance of the rights and obligations of the parties arising from the contract.

In making this judgment of unfairness in accordance with the parameters of the CJEU, the Chamber of Supreme Court considers that the offer by the bank of an official index that is approved by the banking authority cannot in itself violate good faith. In addition, the Central Government and several regional governments have been considering, through regulatory standards, that the IRPH index was the most appropriate index to use as a reference index in the area of financing subsidized housing, so it is illogical to consider the incorporation of this same index to loans arranged outside this area of official financing an action contrary to good faith.

Therefore, as of December 31, 2023 and 2022, the Unicaja Group does not expect any contingencies in relation to litigation and potential IRPH claims.

Revolving credit cards

On March 4, 2020, the 1st Chamber of the Supreme Court issued judgment number 149/2020, rejecting the appeal filed by a credit institution (not belonging to the Unicaja Group) against a judgment that had declared the nullity of a revolving credit agreement on the grounds that the interest rate (which in that case was 27.24%) was considered usurious, since it was considered to be significantly higher than the average interest rate for this type of transaction published by the Bank of Spain (which at the time of that specific transaction was 20%).

Subsequently, the Supreme Court has defined its legal principle in terms of establishing which interest rates should be subject to comparison (by specific type of product) and defining what should be understood by an interest rate significantly higher than the market interest rate. It has recently issued Ruling number 462/2023, dated February 15, 2023, rejecting the appeal filed by a customer who signed a credit card contract (not with the Unicaja Group) in May 2004 which determines that only an interest rate that exceeds by 6% the average interest rate published by the Bank of Spain for this type of contract at the time of its application to the credit card contract, will be considered usurious.

The Group's management and directors assessed the potential impact of the aforementioned ruling on the portfolio of products of this nature held by the Unicaja Group as at December 31, 2023 and 2022, concluding that the potential losses from lawsuits that may be filed against the Group for this reason were not significant.

Mortgage loan origination fees

On December 23, 2015, the Plenary Session of the Civil Chamber of the Supreme Court issued a ruling in relation to the attribution to the consumer of certain expenses of a mortgage loan transaction based on what is indicated in one of the clauses of the contract, among other aspects. From that moment on, non-significant claims were filed against the Unicaja Group before the Customer Service Department and lawsuits were filed, seeking the refund of expenses and taxes borne by the customers when creating the mortgage.

Subsequently, various rulings have been issued by national and European courts, including the Supreme Court Rulings of March 15, 2018, January 23, 2019 and January 27, 2021, and the Judgment of the Court of Justice of the European Union (CJEU) of July 16, 2020.

In its latest Ruling of January 27, 2021, the Supreme Court ruled on the consequences of the nullity of clauses that impose mortgage loan origination fees on consumers. This legal principle, which can be considered settled and peaceful, implies that, once the clause of attribution of expenses is declared null and void, consumers are entitled to the restitution of all the amounts paid for the registration of the property, agency and appraisal, as well as half of the notarial expenses. Only the Tax on Documented Legal Acts, in which the tax regulations establish that the main taxpayer is the borrower, is borne by consumers.

It should be noted at this point that the courts have yet to determine the possible statute of limitations for the restitution action and, more specifically, the starting date of the five-year period established by national legislation for the application of the statute of limitations.

As of December 31, 2023 and 2022, the Unicaja Group has provisions to cover all the claims and complaints received from customers for this concept.

19. Other liabilities

The breakdown of the balance of this line item in the consolidated balance sheets as at December 31, 2023 and 2022 is as follows:

Thousands of euros	**2023**	**2022 (*)**
Accrued expenses	386,730	291,289
Operations underway	59,772	113,847
Others	80,507	118,633
	527,009	**523,769**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

As of December 31, 2023 and 2022, “Other” in this heading in the consolidated balance sheet mainly includes liability accrual accounts.

20. Assets and liabilities covered by insurance or reinsurance contracts

20.1. Assets from reinsurance contracts

At December 31, 2023 and December 31, 2022, the balance of the “Assets under reinsurance contracts” heading of the consolidated balance sheet includes the assets recorded for reinsurance contracts in accordance with the provisions of IFRS 17 “Insurance Contracts”, amounting to 1,882,000 euros and 1,472,000 euros respectively.

20.2. Liabilities from insurance contracts

As of December 31, 2023 and 2022, the balance of the “Liabilities under insurance contracts” heading in the consolidated balance sheet includes the liabilities recorded for insurance contracts of the insurance companies of the Unicaja Group, pursuant to the provisions of IFRS 17 “Insurance contracts.” This heading consists of:

Thousands of euros	2023	2022 (*)
Remaining hedging liabilities	**429,155**	**456,554**
Estimation of the present value of future cash flows (PVCF)	403,401	430,122
Risk adjustment (RA)	6,686	8,079
Contractual service margin (CSM)	14,642	13,513
Remaining hedge liability associated with liabilities valued by “Premium Allocation Approach” (PAA)	4,426	4,840
Liability for incurred claims (LIC)	**12,222**	**11,907**
Estimation of the present value of future cash flows (PVCF)	12,222	11,907
Risk adjustment (RA)	-	-
	441,377	**468,461**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

The breakdown by type of product of the heading “Liabilities under insurance contracts” in the consolidated balance sheet at December 31, 2023 and 2022 is shown in the following table:

Thousands of euros	2023	2022 (*)
Remaining hedging liabilities	**429,155**	**456,554**
Life insurance	429,155	456,554
Individual	412,561	439,013
Collectives	16,594	17,541
Non-life insurance	-	-
Liability for incurred claims (LIC)	**12,222**	**11,907**
	441,377	**468,461**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

The detail as of December 31, 2023 and 2022 according to the valuation method used for insurance contracts (including all contracts regardless of their valuation method) is as follows:

Thousands of euros	2023	2022 (*)
Liabilities under insurance contracts valued by PAA (Premium Allocation Approach)	9,239	9,005
Liability for remaining coverage (LRC)	4,426	4,840
Liability for incurred claims (LIC)	4,813	4,165
Liabilities under insurance contracts valued by BBA (Building Block Approach)	423,445	449,670
Liability for remaining coverage (LRC)	416,217	442,117
Liability for incurred claims (LIC)	7,228	7,553
Liabilities under insurance contracts valued by VFA (Variable Fee Approach)	8,693	9,786
Liability for remaining coverage (LRC)	8,512	9,597
Liability for incurred claims (LIC)	181	189
	441,377	468,461

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

The movement in insurance contract liabilities distinguishing between the remaining coverage liability and the liability for claims incurred for fiscal years 2023 and 2022 (including all contracts regardless of their valuation method) is shown below:

Thousands of euros

	Remaining hedge liability			
	Excluding loss component	Loss component	Liability for incurred claims	Total
Balance as at January 01, 2023	406,687	49,867	11,907	468,461
Profit or (loss) from the insurance service	(12,828)	(8,945)	8,109	(13,664)
Ordinary insurance income	(7,945)	(6,217)	-	(14,162)
Insurance service expenses	(4,883)	(2,728)	8,109	498
Incurred claims and other insurance service expenses	-	-	6,911	6,911
Amortization of insurance acquisition cash flows	-	-	883	883
Changes in cash flows in incurred claims liabilities	-	-	315	315
Losses (reversals) on onerous contracts	(4,883)	(2,728)	-	(7,611)
Net financial income and expenses from insurance contracts	25,022	1,335	-	26,357
Interest income/expense from insurance activities	-	-	-	-
Financial income/expense from insurance contracts recognized in other comprehensive	25,022	1,335	-	26,357
Investment components (excluding insurance income)	(56,037)	-	56,037	-
Changes in cash flows	24,468	-	(63,830)	(39,362)
Other changes	(411)	(4)	-	(415)
Balance as at December 31, 2023	386,901	42,253	12,223	441,377

Thousands of euros

	Remaining hedge liability			
	Excluding loss component	**Loss component**	**Liability for incurred claims**	**Total**
Balance as at January 01, 2022	**555,701**	**54,740**	**11,632**	**622,073**
Profit or (loss) from the insurance service	**(17,560)**	**(5,236)**	**8,100**	**(14,696)**
Ordinary insurance income	(12,134)	(5,788)	-	(17,922)
Insurance service expenses	(5,426)	552	8,100	3,226
Incurred claims and other insurance service expenses	-	-	6,791	6,791
Amortization of insurance acquisition cash flows	-	-	1,034	1,034
Changes in cash flows in incurred claims liabilities	-	-	275	275
Losses (reversals) on onerous contracts	(5,426)	552	-	(4,874)
Net financial income and expenses from insurance contracts	**(63,125)**	**362**	**-**	**(62,763)**
Interest income/expense from insurance activities	-	-	-	-
Financial income/expense from insurance contracts recognized in other comprehensive	(63,125)	362	-	(62,763)
Investment components (excluding insurance income)	**(49,951)**	**-**	**49,951**	**-**
Changes in cash flows	**(18,099)**	**-**	**(57,776)**	**(75,875)**
Other changes	**(278)**	**-**	**-**	**(278)**
Balance as at December 31, 2022 (*)	**406,688**	**49,866**	**11,907**	**468,461**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

The movement in insurance contract liabilities distinguishing between their various valuation components for fiscal years 2023 and 2022 (excluding insurance contract liabilities valued by the PAA “Premium Allocation Amount” method) is presented in the following table:

Thousands of euros

	Present value of future cash flows	Risk adjustment	Contractual service margin	Total
Balance as at January 01, 2023	**430,122**	**8,079**	**13,513**	**451,714**
Profit or (loss) from the insurance service	**(21,779)**	**(1,121)**	**1,128**	**(21,772)**
Changes related to future service	(9,401)	(505)	2,296	(7,610)
Changes in estimates adjusting the contractual service margin	(2,103)	(194)	2,296	(1)
Losses or reversals on onerous contracts	(7,298)	(311)	-	(7,609)
Contracts initially recognized in the year	-	-	-	-
Changes related to current services	(12,378)	(616)	(1,168)	(14,162)
Recognition of the contractual service margin	-	-	(1,175)	(1,175)
Changes in risk adjustment	-	(571)	-	(571)
Experience adjustments	(12,378)	(45)	7	(12,416)
Changes related to past services	-	-	-	-
Net financial income and expenses from insurance contracts	**26,629**	**(272)**	**-**	**26,357**
Interest income/expense from insurance activities	-	-	-	-
Financial income/expense from insurance contracts recognized in other comprehensive	26,629	(272)	-	26,357
Investment components (excluding insurance income)	**(56,037)**	**-**	**-**	**(56,037)**
Changes in cash flows	**24,467**	**-**	**-**	**24,467**
Other changes	**-**	**-**	**-**	**-**
Balance as at December 31, 2023	**403,402**	**6,686**	**14,641**	**424,729**

Thousands of euros

	Present value of future cash flows	Risk adjustment	Contractual service margin	Total
Balance as at January 01, 2022 (*)	**584,459**	**6,395**	**14,468**	**605,322**
Profit or (loss) from the insurance service	**(21,497)**	**(404)**	**(955)**	**(22,856)**
Changes related to future service	(5,112)	42	136	(4,934)
Changes in estimates adjusting the contractual service margin	(235)	38	136	(61)
Losses or reversals on onerous contracts	(4,877)	4	-	(4,873)
Contracts initially recognized in the year	-	-	-	-
Changes related to current services	(16,385)	(446)	(1,091)	(17,922)
Recognition of the contractual service margin	-	-	(1,044)	(1,044)
Changes in risk adjustment	-	(652)	-	(652)
Experience adjustments	(16,385)	206	(47)	(16,226)
Changes related to past services	-	-	-	-
Net financial income and expenses from insurance contracts	**(64,851)**	**2,088**	**-**	**(62,763)**
Interest income/expense from insurance activities	-	-	-	-
Financial income/expense from insurance contracts recognized in other comprehensive	(64,851)	2,088	-	(62,763)
Investment components (excluding insurance income)	**(49,951)**	**-**	**-**	**(49,951)**
Changes in cash flows	**(18,038)**	**-**	**-**	**(18,038)**
Other changes	**-**	**-**	**-**	**-**
Balance as at December 31, 2022 (*)	**430,122**	**8,079**	**13,513**	**451,714**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

The following table shows the residual maturities of insurance contract liabilities, considering their nominal amounts without discounted cash flows:

Thousands of euros

	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years	Total
2023	43,838	41,890	34,588	428,350	**548,666**
2022	44,022	41,852	35,104	486,792	**607,770**

The classification and valuation models used to calculate insurance contract liabilities are detailed in Note 2.21.

21. Minority interests and income attributable to minority interests

The detail, by consolidated company, of the balance of “Minority interests (Non-controlling interests)” in the consolidated balance sheet as of December 31, 2023 and 2022 and “Income for the year attributable to minority interests (Non-controlling interests)” in the consolidated income statement for 2023 and 2022 is as follows:

Thousands of euros	2023		2022	
	Minority interest	Income attributable to minority interest	Minority interest	Income attributable to minority interest
Parque Industrial Humilladero, S.L.	439	(2)	445	(3)
Sociedad de Gestión San Carlos, S.A.	1,992	(169)	-	-
	2,431	**(171)**	**445**	**(3)**

With regard to section B10 of IFRS 12, the Group defines significant non-controlling interests as those that generate minority interests of more than 0.5% of consolidated equity, i.e. more than 33,230,000 euros at December 31, 2023 (32,320,000 euros at December 31, 2022).

As of December 31, 2023 and 2022, there are no significant non-controlling interests.

During 2023 and 2022, Parque Industrial Humilladero, S.L. did not distribute any dividends. Likewise, in 2023, Sociedad de Gestión San Carlos, S.A. did not distribute any dividends (in 2022 this company was not classified as an entity of the Unicaja Group, but was classified as an associated entity).

22. Capital, issue premium and other equity instruments issued

The details and movement recorded under “Equity” in the consolidated balance sheet during the years ended December 31, 2023 and 2022 is presented in the accompanying total consolidated statements of changes in equity, with the details of all the movements therein during such years.

22.1. Capital and share premium

At December 31, 2023 and 2022, the Bank’s capital stock amounted to 663,708,000 euros, consisting of 2,654,833,479 fully subscribed and paid-up ordinary shares with a par value of 0.25 euros.

The share premium at December 31, 2023 and 2022 amounts to 1,209,423,000 euros in both years.

Since June 30, 2017, all of the Bank’s shares have been admitted to official trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, and are included in the Sistema de Interconexión Bursátil (S.I.B.E. or Continuous Market).

As of December 31, 2023 and 2022, 30.24% of the Bank’s share capital belongs to Fundación Bancaria Unicaja, an entity resulting from the transformation into a banking foundation of Monte de Piedad y Caja de Ahorros de Ronda, Cádiz, Almería, Málaga, Antequera y Jaén (Unicaja), having ceased to be the Bank’s parent entity as a result of the merger process between Unicaja and Liberbank.

22.2. Equity instruments issued other than share capital

The line item “Equity instruments issued other than capital” at December 31, 2023 and 2022 includes the outstanding balance of the issues of Perpetual Contingently Convertible Bonds (CoCos) and Contingently Redeemable Preferred Stock of Unicaja. The breakdown of these issuances as at December 31, 2023 and 2022 is as follows:

		2023			2022				
			euros	Thousands of euros		euros	Thousands of euros		
Issue	ISIN Code	Number of securities issued	Nominal amount Total	Closing balance	Number of securities issued	Nominal amount Total	Closing balance	Nominal interest	Maturity
Perpetual Contingently Convertible Bonds (CoCos)	ES0280907009	47,360,493	47,360,493	47,360	47,384,678	47,384,678	47,385	13.882%	Perpetual
Contingently Redeemable Preferred Stock	ES0880907003	2,500	500,000,000	500,000	2,500	500,000,000	500,000	4.875%	Perpetual
				547,360			547,385		

<u>Perpetual Contingently Convertible Bonds (CoCos)</u>

CoCos are bonds convertible into common shares of Unicaja, belonging to a single class and series, represented by book entries. The conversion ratio of these bonds will be the result of the quotient between the unit par value of each of the bond issues and the value attributed to the common shares of Unicaja, which is set at 1.18827 euros per share, with the difference between the par value of the bonds to be converted and the par value of the shares received as consideration being considered the share premium. As of December 31, 2023 and 2022, this issue is not listed for trading on any secondary market.

The bonds entitle their holders to discretionary, predetermined and non-cumulative remuneration, to conversion into common shares of Unicaja, subject to certain conversion assumptions and to the political rights deriving from membership in the respective bondholders’ syndicates. The shares into which the aforementioned bonds are eventually converted will grant their holders the same rights as the shares of Unicaja currently in circulation.

The accrual of discretionary compensation is conditional upon the simultaneous fulfillment of the following four conditions: (i) the existence of distributable profit, once the provisions set forth by law and the bylaws of Unicaja have been covered; (ii) there are no limitations imposed by current or future applicable Spanish or European equity regulations; (iii) the Board of Directors of Unicaja, at its sole discretion, taking into account the solvency situation of Unicaja or the Unicaja Group, has not decided to declare a of non-remuneration scenario, deeming it necessary not to proceed with the payment of remuneration for an unlimited period of time, considering in all cases that the unpaid interest will not be cumulative and (iv) the Bank of Spain has not demanded the cancellation of the payment of the remuneration based on the financial and solvency situation of Unicaja or the Unicaja Group, in accordance with the applicable regulations. In the event that the conditions set forth in Sections (i) to (iv) above are partially applicable, Unicaja may proceed, at its sole discretion, to pay the remuneration partially or to declare a scenario of non-remuneration. If for any reason all or part of the remuneration is not paid to the bondholders on a payment date, the bondholders will not have the possibility to claim such remuneration.

CoCos will be necessarily converted into shares, in their entirety, in the cases indicated hereinafter, and partially, in the amount necessary to recover, if applicable, the equity balance in the amount established by the competent authority, in the remaining cases:

- Total mandatory early conversion: The bonds will be converted into shares in the following cases: (i) if Unicaja adopts any measure tending to its dissolution and liquidation, voluntary or involuntary, or if it is declared bankrupt, or (ii) if Unicaja adopts any measure that results in the approval of a reduction of capital stock in accordance with the provisions of Articles 320 and following of the Capital Companies Act, or Article 343 by reference to Article 418.3 of the Capital Companies Act.

- Contingency events: The bonds will be converted into shares in those cases in which the capital ratios of the Unicaja Group, calculated on a quarterly basis, are below the limits indicated in the securities note related to the issuance of these instruments.

- Feasibility events: The bonds will be converted into shares in the following cases: (i) if the Bank of Spain determines that, without the conversion of the instrument, the Bank would not be viable or (ii) if a decision is adopted to inject public capital or any other financial support measure, without which the Bank would not be viable.

- Regulatory event: The bonds will be converted into shares in the following cases: (i) if, with the entry into force and in application of the Basel III capital eligibility rules (CRD IV/ CRR) in 2014, the bonds would cease to be eligible at least as Additional Tier 1 capital; (ii) if the bonds would cease to be eligible as principal capital or (iii) if the bonds would cease to be eligible as common equity.

In view of the foregoing, the Parent Company's directors believe that these convertible instruments do not represent an unconditional contractual obligation to deliver cash or other financial asset, or to exchange financial assets or financial liabilities on terms that are potentially unfavorable to the Group and that therefore they should be classified as equity instruments and recorded in full in own funds under "Equity instruments issued other than equity" in the consolidated balance sheet. The discretionary remuneration of the CoCos is recorded directly against the Group's equity.

On February 23, 2023, the Board of Directors of Unicaja, after verifying compliance with the conditions set forth in the issue prospectus, agreed to pay the discretionary remuneration of the Contingently Convertible Perpetual Bonds (CoCos) issued by the Bank, for a total gross amount of 6,850,000 euros, for the period from March 2022 to March 2023, it being paid on March 28, 2023 (total gross amount of 6,850,000 euros for the period from March 2021 to March 2022, which were approved by the Board of Directors on February 25, 2022 and paid on March 28, 2022).

<u>Contingently Redeemable Preferred Stock</u>

On November 18, 2021, Unicaja issued Contingently Redeemable Preferred Participations for an amount of 500,000,000 euros, coinciding with their nominal value. The Preferred Stock has a unit par value of 200,000 euros. These bonds are listed on the Spanish AIAF fixed income market. The issue qualifies as an Additional Tier 1 Capital Instrument (AT1) for regulatory capital purposes.

As described in the issue prospectus, the Preferred Stock accrues a discretionary remuneration on their outstanding principal amount consisting of: (i) a rate of 4.875% per annum until the first reset date (May 18, 2027), and (ii) a rate equivalent to the sum of the 5-year Mid-Swap rate plus an initial margin of 5.020% as from that date. Subject to the fulfillment of certain conditions, this remuneration will be payable quarterly on February 18, May 18, August 18 and November 18 of each year, with the first distribution scheduled for February 18, 2022.

In connection with the remuneration of the Preferred Stock described above, the Bank may, in its sole and absolute discretion, cancel the payment of the remuneration, in whole or in part, at any time it deems necessary or desirable, and for any reason whatsoever. In addition, without prejudice to the Bank's right to cancel payments of any distribution: (a) distribution payments will only be made to the extent that there are sufficient "Distributable Items", (b) if the Competent Authority requires the Bank to cancel any distribution, in whole or in part, the Bank will not pay it or will pay it only in part, (c) the Bank may make a partial, or as the case may be, no distribution payment if, and to the extent that, the payment of any distribution would exceed the Maximum Distributable Amount, and (d) if a "trigger event" occurs, any accrued and unpaid distribution will be automatically canceled.

A "Trigger Event" occurs if, at any time, as determined by the Bank or the Competent Authority (or any other agent designated for such purpose by the Competent Authority), the CET1 ratio of the Bank and/or the Group is less than 5.125%. If a trigger event occurs, the Bank: (i) will immediately notify the Competent Authority; (ii) as soon as reasonably practicable, will deliver a Notice of Amortization to the Holders; (iii) will cancel any accrued and unpaid Distributions and (iv) irrevocably and obligatorily (and without the need for the Holders' consent) without delay, and no later than one month after the occurrence of the relevant Trigger Event, will reduce the then outstanding principal amount of each Preferred Stock by the relevant amortization amount as set forth in the Prospectus (known as a loss absorption mechanism). The outstanding principal of the Preferred Stock may be subsequently reinstated, in whole or in part, at the Bank's sole and absolute discretion, subject to certain conditions, and provided that both the Bank and its Group record a Net Positive Profit.

In view of the foregoing, the Parent Company's directors believe that the Contingently Redeemable Preferred Stock does not represent an unconditional contractual obligation to deliver cash or other financial asset or to exchange financial assets or financial liabilities on terms that are potentially unfavorable to the Group. Therefore it should be classified as equity instruments and recorded in full in own funds under "Equity instruments issued other than equity" in the consolidated balance sheet. The discretionary remuneration of the Preferred Stock is recorded directly against the Group's equity.

During 2023 discretionary remuneration was paid in relation to the Contingently Redeemable Preferred Participations in the amount of 24,375,000 euros (24,373,000 euros in 2022).

22.3. Treasury shares

As of December 31, 2023, the Group held 2,927,266 treasury shares (285,063 treasury shares as of December 31, 2022) amounting to 2,768,000 euros (235,000 euros as of December 31, 2022). The cumulative portion of this treasury stock which was directly acquired by Unicaja amounted to 9,095,416 treasury shares as of December 31, 2023 (198,770 treasury shares as of December 31, 2022).

The breakdown of treasury shares as at December 31, 2023 and 2022 is as follows:

		2023		2022
	Number of shares	Thousands of	Number of shares	Thousands of
Balance of own shares at the beginning of the period	**285,063**	**235**	**4,418,125**	**3,446**
Unicaja's direct acquisitions	9,231,783	9,056	62,346	15
Unicaja's direct sales	(6,589,580)	(6,523)	(4,195,408)	(3,226)
Balance of Treasury Stock at the Beginning of the Period	**2,927,266**	**2,768**	**285,063**	**235**

The net acquisitions of treasury shares made by Unicaja during 2023 were made for a total positive price (net purchases) of 2,533,000 euros, while during 2022 they were made for a total negative price (net sale) of 3,211,000 euros.

23. Other net equity items

23.1. Retained earnings and other reserves

The breakdown of retained earnings and other reserves as of December 31, 2023 and 2022 is as follows:

Thousands of euros	2023	2022 (*)
Accumulated earnings	3,800,210	3,790,062
Revaluation reserves	-	-
Other reserves	38,181	(22,737)
Cumulative reserves or losses on investments in joint ventures and associates	*(88,784)*	*(188,753)*
Other reserves	*126,965*	*166,016*
	3,838,391	**3,767,325**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

“Retained Earnings” includes the net amount of retained earnings (profit or loss) recognized in prior years through the consolidated income statement that, in the distribution of the Parent Company’s profit or that of the other Group companies, were allocated to equity. Therefore, it includes legal, statutory and voluntary reserves arising from the distribution of profits.

“Other reserves” includes reserves or accumulated losses from investments in entities accounted for using the equity method (joint ventures and associates), as well as other reserves not included in other equity items.

The breakdown of these headings according to the origin and nature of the reserves is as follows:

Thousands of euros	2023	2022 (*)
Parent company reserves	4,216,303	4,154,486
Legal reserve	*132,742*	*132,742*
Capitalization reserve	*31,301*	*31,301*
Unavailable reserve	*1,991,125*	*1,991,125*
Unrestricted reserves	*2,061,135*	*1,999,318*
Consolidation reserves attributable to the parent company, to consolidated companies and to investments in joint ventures and associates	(377,912)	(387,161)
	3,838,391	**3,767,325**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

23.2. Other income and expenses recognized in investments in joint ventures and associates

The breakdown of the balance in the consolidated balance sheet as of December 31, 2023 and 2022 of the share in other recognized income and expense in investments in joint ventures and associates included in the consolidated balance sheet and in the consolidated statement of recognized income and expense for 2023 and 2022 due to the effect of entities accounted for using the equity method is as follows:

Thousands of euros

	Balance on the consolidated balance sheet		Gains (losses) from valuation	
	2023	**2022**	**2023**	**2022**
Unicorp Vida, Compañía de Seguros y Reaseguros, S.A.	34,218	73,854	(56,623)	40,104
Oppidum Capital, S.L.	31,472	44,033	(17,944)	(14,428)
Liberbank Vida y Pensiones, Seguros y Reaseguros, S.A. (*)	-	(22,084)	31,549	(26,707)
CCM Vida y Pensiones, de Seguros y Reaseguros, S.A. (*)	-	(12,302)	17,574	(14,817)
Hidralia, Gestión Integral de Aguas de Andalucía, S.A.	86	-	123	-
	65,776	**83,501**	**(25,321)**	**(15,848)**

(*) Companies that merged with Unicorp Vida, Compañía de Seguros y Reaseguros, S.A. (Note 12)

(**) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

24. Tax situation

24.1. Consolidated Tax Group

Unicaja Banco, S.A., is the parent entity of Tax Consolidation Group number 660/10, taxed for Corporation Tax purposes under the Special Tax Consolidation Regime, regulated in Section VI of Title VII of Law 27/2014, of November 27, 2014on Corporation Tax (hereinafter, “the Corporation Tax Act”).

24.2. Years open for review by the tax authorities

As at the date of preparation of these financial statements, Unicaja’s consolidated tax group was subject to verification by the tax authorities regarding all its state management tax obligations from 2017 to 2023 and autonomous community and local tax obligations from 2020 and 2023, both inclusive.

As a result of the merger by absorption of Liberbank, Unicaja also assumed all tax liabilities and was subrogated to the exercise of all tax rights and actions corresponding to the absorbed entity. Liberbank and the companies of the consolidated Tax Group that will be extinguished with the aforementioned merger still have the 2019 to 2021 fiscal years open to inspection for corporate income tax purposes.

Due to the different interpretations that can be made of the tax regulations applicable to the transactions carried out by different Group entities, the results of future audits by the tax authorities for the years subject to verification may give rise to tax liabilities, the amount of which cannot be objectively quantified at the present time. However, the opinion of the Directors and the Group’s tax advisors is that the possibility of material liabilities arising from this matter, in addition to those recorded, is remote.

On July 22, 2022, Unicaja filed a corrective corporate income tax return of the Tax Group for the 2017 fiscal period in order to regularize certain off-balance sheet adjustments to the taxable income and certain deductions in the tax liability with respect to items that were subject to regularization by the AEAT in said Assessments and Consolidation Diligence but which also had effects—favorable to the taxpayer—in fiscal years subsequent to those included in the scope of the verification actions initiated. The Tax Authority, instead of carrying out ex officio the full regularization of the tax situation of the aforementioned entities, expressly recognized their right to impute for tax purposes.

On November 30, 2022, the Bank was notified of the opening of partial verification proceedings in relation to the aforementioned rectification of the 2017 corporate income tax return. This proceeding is open at the date of preparation of these consolidated financial statements, the opinion of the Directors and the Group’s tax advisors is that the possibility of material liabilities arising from this matter, in addition to those recorded, is remote.

On February 14, 2024, the Bank signed a Statement of Conformity, whereby the inspectorate admitted Unicaja’s claims and agreed to repay 8,123,000 euros plus the related late payment interest.

Once confirmed by the Technical Office, the signed Act will become binding in one month, at which time Unicaja will proceed to its accounting. This basically involves the derecognition by collection of deferred tax assets.

24.3. Reconciliation of accounting profit/(loss) to tax profit/(tax loss)

The reconciliation between the income tax expense resulting from applying the general tax rate in force in Spain and the income tax expense recorded in 2023 and 2022 is presented below:

Thousands of euros	2023	2022 (*)
Income before tax	370,569	382,848
Income tax (30%)	111,171	114,854
Due to eliminations in the consolidation process	(27,584)	(21,157)
For permanent positive differences	25,970	22,560
For permanent negative differences	(61,250)	(12,518)
Effect of Royal Decree-Law 3/2016	55,730	1,912
Deductions and tax credits		
Other deductions	-	(376)
Income tax expense/(income)	**104,037**	**105,275**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

Permanent negative differences include the partial exemption regime for dividends and capital gains from qualifying holdings, regulated by Law 27/2014, of November 27, on Corporation Tax.

The permanent positive permanent differences correspond basically to the non-deductibility for corporate income tax purposes of the temporary levy on credit institutions and the stamp duty of the Asset Transfer and Legal Documentation Tax.

As regards the breakdown of the main components of the income tax expense, the entire amount recorded in the consolidated income statements for 2023 and 2022 in this connection (amounting to 104,037,000 euros of expense in 2023 and 105,275,000 euros of income in 2022) corresponds to the current income for the year. No amounts are recorded for current or deferred tax adjustments for the current or prior years, or for other circumstances provided for in tax regulations.

The components of income tax expense/(income) recorded in the Bank's consolidated income statements for the years 2023 and 2022 are as follows:

Thousands of euros	2023	2022 (*)
Expense/ (income) from the creation of temporary differences	90,219	80,682
Expense/ (income) from negative tax bases to be offset	13,614	22,545
Expense/ (income) for deductions credited and not applied	204	2,048
Total income tax expense/ (income)	**104,037**	**105,275**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

With regard to the income tax recorded in the consolidated statements of recognized income and expense for 2023 and 2022, the Group has charged to its consolidated equity an amount of 25,624,000 euros and a negative amount of 1,275,000 euros respectively, for the following items:

Thousands of euros	**2023**	**2022 (*)**
Actuarial gains and losses in defined benefit plans	1,053	4,673
Measurement of financial assets at fair value through other comprehensive income other comprehensive income	(4,340)	76,357
Valuation of cash flow hedging derivatives	(37,805)	(88,214)
Measurement of exchange differences	(36)	16
Assessment of financial income and expenses from insurance contracts	7,907	(18,829)
Valuation of entities accounted for using the equity method	7,597	24,722
Total income/ (expense) for income tax	**(25,624)**	**(1,275)**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

No lower rate has been applied in any of the aforementioned adjustments. In 2022, 10,861,000 euros of tax credits for technological innovation were written off.

In relation to the disclosures required by IAS 12 on the international tax reform agreed by the Organization for Economic Cooperation and Development (OECD) for the imposition of a minimum effective tax rate of 15% (hereinafter, “Pillar Two”), it should be noted that this has had no impact on the consolidated financial statements of the Unicaja Group, since the imposition of the aforementioned minimum rate was not in force at the date of preparation of these financial statements.

In addition, according to the Draft Bill for the transposition of this international regulation to the Spanish legal system, which is currently undergoing the public information process, an exclusion is foreseen for the first five years for domestic groups, so we expect this regulation to apply to the Unicaja Group as of fiscal year 2029.

However, in a preliminary assessment, this standard will not have a significant impact on the Unicaja Group.

24.4. Temporary differences

In the consolidated balance sheets at December 31, 2023 and 2022, deferred tax receivables amount to 4,548,086,000 euros and 4,616,983,000 euros respectively, and deferred tax payables amount to 372,983,000 euros and 327,967,000 euros respectively.

In application of the regulatory framework, deferred tax assets and liabilities are quantified by applying to the temporary difference or credit, the tax rate at which it is expected to be recovered or settled, which is currently 30%.

Details of current and deferred tax assets and liabilities recorded in the consolidated balance sheet as of December 31, 2023 and 2022 are as follows:

Thousands of euros	2023		2022 (*)	
	Assets	Liabilities	Assets	Liabilities
Current taxes	171,494	40,978	459,300	36,513
Deferred taxes	4,548,086	372,983	4,616,983	327,967
For tax loss carryforwards	1,168,173	-	1,149,312	-
Outstanding deductions	23,336	-	23,132	-
Temporary differences - insolvencies	2,463,940	-	2,544,096	-
Temporary differences - pensions	128,268	-	128,272	-
Temporary differences - foreclosed	9,461	-	9,461	-
Other	754,908	-	762,710	-
Revaluations and other differences	-	372,983	-	327,967
	4,719,580	**413,961**	**5,076,283**	**364,480**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

The above table includes uncertain liabilities recorded under IFRIC 23 as tax liabilities. The impact on the Unicaja Group is currently limited to the procedure for the recovery of state aid from the "Tax Lease" for ship financing by the European Commission, as set forth in Note 24.7 (8,908,000 euros) and the treatment of the deductions for technological innovation described later in this note (5,137,000 euros).

In accordance with IFRIC 23, the amounts affected by these uncertainties were classified under "Current tax liabilities" in the Group's consolidated balance sheet.

The Group's directors consider that the deferred tax assets recorded will be realized in future years to the extent that the tax group to which it belongs obtains taxable income, as is expected to occur in the next few years. Most of the tax loss carryforwards pending offset by the Group are due to losses recorded in prior years by credit institutions that were absorbed by Unicaja. These losses were extraordinary and non-recurring, mainly due to the write-off of loans and property assets. In accordance with the Strategic Plan of the Unicaja Group, and in accordance with the projections of tax results derived from said Strategic Plan, as well as the forecast of absorption of deferred tax assets adjusted to the latest changes in tax regulations, the Bank and its tax group will obtain tax gains in the coming years that allow their recovery in a reasonably short period of time (no more than 14 years), with no risk of forfeiture of the right to use the deferred tax assets for tax loss carryforwards, as the maximum compensation period has been eliminated.

The evaluation of the recoverability of deferred tax assets is based on the most relevant estimates: (i) the expected income before taxes for each of the years included in the forecasts, which are consistent with the various reports used by the Group for its internal management and for reporting to supervisors, and (ii) the reversibility of the main tax assets recorded in the consolidated balance sheet, taking into account current tax regulations and especially the provisions of Section 5 of Article 130 of the Corporation Tax Law. The macroeconomic projections considered for the financial forecasts of the Unicaja Group's Strategic Plan are in line with the base scenario used in the models for estimating the credit losses described in Note 2.7.

The entry into force of Royal Decree-Law 14/2013, of November 29, on urgent measures for the adaptation of Spanish law to European Union regulations on the supervision and solvency of financial institutions, basically means that certain deferred tax assets recorded in the accompanying consolidated balance sheet may, under certain conditions, become receivables from the tax authorities.

Effective as of 2016, continuity has been given to this regime through the introduction of an equity benefit that will basically entail the payment of an annual amount of 1.5% of the assets susceptible to be guaranteed by the Spanish State generated prior to 2016.

On December 3, 2016, Royal Decree-Law 3/2016 of December 2 was published, adopting certain tax measures, including a new limit on the offsetting of tax losses for large companies with net sales of at least 20 million euros, the reversal of impairment losses on holdings that were tax deductible in tax periods prior to 2013 and the non-deductibility of losses realized on the transfer of holdings in entities.

As of fiscal year 2023, a new regulatory change has come into force that affects the use of the taxable income of the Group's subsidiaries. Thus, in accordance with the provisions of the Nineteenth Additional Provision of Law 27/2014, of November 27, 2014 on Corporate Income Tax, added by Law 38/2022, of December 27, in the tax periods indicated as from 2023, the taxable income of the tax group is determined by adding the taxable income and 50% of the individual tax loss carryforwards corresponding to each and every one of the entities comprising the tax group. The amount of the individual tax losses not included in the taxable income of the tax group by application of the foregoing will be included in the taxable income of the tax group in equal parts in each of the first ten tax periods beginning on or after January 1, 2024, even if any of the entities with individual tax losses referred to in the preceding paragraph is excluded from the group. This circumstance has been taken into account by the Unicaja Group's management and directors in determining the recoverability of deferred tax assets.

On January 18, 2024, the Constitutional Court has issued the Ruling that resolves unconstitutionality issue number 2577-2023, by which it declares unconstitutional the fifteenth additional provision and the sixteenth transitory provision, paragraph 3, both of Law 27/2014, of November 27, 2014 on Corporate Income Tax. Accordingly, the Bank has considered in the accompanying financial statements the effects that the nullity decreed by the Constitutional Court has on the limits for the use of deferred tax assets which, insofar as the fifteenth additional provision has been declared unconstitutional, are again the general ones regulated in Section 12 of Article 11, in Paragraph 1 of Section 1 of Article 26, in letter e) of Section 1 of Article 62, in letters d) and e) of Article 67, in Article 31 and in Transitory provision 23 of Law 27/2014, of November 27, 2014 on Corporate Income Tax.

Following the evaluation of the ruling by the Bank's management and tax advisors, the Directors have proceeded to record the estimated income tax settlement for 2023 considering a limitation on the integration of deferred tax assets of 70%, in accordance with the annulment due to the unconstitutionality of the aforementioned Royal Decree-Law (Note 24.3). This aspect has had no impact on Unicaja Group equity, as it has only entailed a reclassification between deferred tax assets and current tax assets. It should also be noted that, according to the estimates made by Unicaja management and directors, this aspect has not had a significant impact on the estimated recoverability of deferred tax assets.

The Unicaja Group has made an initial estimate of the amount of deferred tax assets susceptible of becoming a receivable from the tax authorities and which are, therefore, guaranteed by the Spanish authorities, resulting in an amount of 2,601,669,000 euros at December 31, 2023 (2,681,830,000 euros at December 31, 2022). The asset benefit accrued by the Group in 2023 and 2022 in relation to the monetization of these deferred tax assets amounts to 23,289,000 euros in 2023 and 25,429,000 euros in 2022, and is recorded under "Other operating expenses" (Note 39).

In relation to the deduction for technological innovation in corporate income tax, the National High Court of Spain has given two rulings affecting the financial sector, which entail the modification of the criterion previously expressed in its rulings of May and July 2021—then favorable to the possibility of applying the technological innovation deduction to expenses incurred during the development of computer applications. The Spanish Hight Court considers that the projects in dispute are not covered by Article 35.2.b of the Consolidated Text of the Corporation Tax Act, and therefore cannot generate a deduction for tax purposes. Although these rulings are not yet final, since they are being appealed in cassation before the Supreme Court, the Unicaja Group estimated the tax risk associated with the application of these new criteria in the amount of 5,137,000 euros, recording it as an uncertain tax liability based on IFRIC 23 during the year 2022. In addition, in that same year, the Group derecognized deferred tax assets amounting to 10,861,000 euros, corresponding to deductions for technological innovation pending application.

24.5. Reporting obligations arising from segregation

a) Information on the Special Tax Regime for Segregations in Corporation Tax

In 2011, the General Assembly of Monte de Piedad y Caja de Ahorros de Ronda, Cádiz, Almería, Málaga, Antequera y Jaén (Unicaja), which agreed the indirect exercise of its financial activity through Unicaja Banco S.A. and its incorporation by segregation of part of its assets, adopted the resolution to submit the segregation transaction to the Special Regime for Mergers, Divisions, Asset Contributions and Exchange of Securities, regulated in Section VII of Title VII of the Corporation Tax Act (previously, at the time of its application, Section VIII of Title VII of the Consolidated Text of the Corporation Tax Act).

The option for the Special Tax Regime was notified to the State Tax Administration Agency, in accordance with the provisions of Article 42 of the Corporation Tax Regulations.

b) Accounting obligations

The Bank acted as the acquiring entity in respect of the aforementioned corporate restructuring transaction subject to the special regime for mergers, divisions, contributions of assets and exchange of securities provided for in Section VII of Title VII of the Spanish Corporation Tax Act. The information requirements established by the aforementioned standard are included in the notes to the 2011 financial statements of the entities involved.

24.6. Transactions under Section VII of Title VII of the Corporation Tax Act

The General Shareholders' Meetings of Unicaja and Liberbank held on March 31, 2021 agreed to the take-over merger between Unicaja (as the absorbing company) and Liberbank (as the absorbing company) and adopted the resolution to submit the transaction to the Special Tax Regime established in Section VII of Title VII of Law 27/2014, of 27 November, 2014 on Corporation Tax.

The accounting information obligations established in Article 86 of Law 27/2014, of November 27, 2014 on Corporation Tax are incorporated in Annex VI of Unicaja's individual financial statements for fiscal year 2021.

Information relating to transactions subject to the special tax regime in prior years is included in the tax notes to the Bank's financial statements for prior years.

On April 26 and 27, 2018, the General Shareholders' Meetings of EspañaDuero and Unicaja respectively, resolved the merger by absorption of EspañaDuero (as absorbed entity) by Unicaja (as absorbing entity) and adopted the resolution to submit the transaction to the Special Tax Regime established in Section VII of Title VII of Law 27/2014, of November 27, 2014 on Corporate Income Tax.

With respect to the accounting information obligations established by Article 86 of Law 27/2014, of November 27, 2014 on Corporation Tax, this information is included in the individual financial statements of Unicaja for the 2018 fiscal year.

Information relating to transactions subject to the special tax regime in prior years is included in the tax notes to the financial statements of EspañaDuero and Liberbank for the corresponding years.

24.7. Information on the procedure for recovery of State Aid from the "Tax Lease" of Ship Financing by the European Commission

On October 30, 2013, the Bank received formal notification from the Directorate General for Competition of the European Commission, informing Unicaja of the final decision adopted on July 17, 2013 on the tax regime applicable to certain financial leasing contracts, also known as the Spanish tax leasing system, classifying such regime as "State Aid" and urging the Kingdom of Spain to take steps to repay such aid among the beneficiaries, including Unicaja.

The Bank, together with the Kingdom of Spain and other affected institutions, filed an appeal against this decision before the Court of Justice of the European Union.

The General Court of the European Union, in a judgment of December 17, 2015, annulled the decision of the European Commission regarding the consideration of the Spanish Tax Lease tax regime for the financing of ships as “State Aid”. This judgment was appealed by the European Commission to the High Court of Justice of the European Union.

On July 25, 2018, the Court of Justice of the European Union, issued a judgment regarding the cassation appeal brought by the European Commission against the Judgment of the General Court of December 17, 2015, and proceeded to vacate and annul the judgment of the General Court of the European Union of December 17, 2015, sending the case back to the General Court of the European Union to examine the grounds for annulment raised, which it did not analyze at the time.

With the Judgment of the General Court of the European Union annulled, the European Commission’s decision on the Tax Lease regains its validity, which has led to the reactivation of the State aid recovery procedures by the Tax Agency, which were interrupted in 2015 by the Judgment of the General Court of the European Union.

The State Tax Administration Agency initiated the procedures for the recovery of the aforementioned State Aid, with inspection reports on the structured entities, and the amount of the repayment of the State Aid corresponds to the amount provisioned by the Bank.

On February 2, 2023, the Court of Justice of the European Union (CJEU), in a ruling on the State aid scheme in the Tax Lease structures, partially annulled the 2013 Commission Decision that declared it a State aid scheme and ordered to recover the aid exclusively from the investors. It has therefore also annulled the previous Ruling of the General Court that had confirmed the legality of the Decision, which means that it has partially upheld the appeal filed by Unicaja together with a syndicate of investors and the Kingdom of Spain.

From a legal point of view, the Judgment – which confirms that the “Spanish tax lease system” was State aid – could lead to a new decision by the European Commission ordering recovery from all beneficiaries. The Group’s Directors and tax advisors have therefore opted to keep an amount of 8,908,000 euros recorded in the accounts under the “Tax liabilities with uncertainty” heading to cover this potential risk.

On February 21, 2024, the General Court of the European Union is scheduled to deliver a judgment in one of the proceedings in which it has been requested that the pending proceedings be dismissed, in accordance with the CJEU judgment, which annulled the Commission’s decision insofar as it identified the investors as the sole beneficiaries.

25. Financial instrument liquidity risk

The Assets and Liabilities Committee (COAP) manages the liquidity risk inherent in the Group's business activity and financial instruments in order to ensure that it will always have sufficient liquidity to meet the payment commitments associated with the settlement of its liabilities, at their respective maturity dates, without compromising the Group's capacity to respond quickly to strategic market opportunities.

The Group uses a decentralized approach to liquidity risk management, applying integrated IT tools to perform liquidity risk analyses based on the cash flows estimated by the Group for its assets and liabilities, as well as any additional guarantees or instruments available to secure additional sources of liquidity that may be required (for example, liquidity lines not used by the Group). The Group's liquidity risk position is established on the basis of various scenario analyses. The analyses of various scenarios take into account not only normal market situations, but also extreme conditions that may arise and that could affect the flow of collections and payments, due to market factors or internal Group factors.

Regarding compliance with the disclosure requirements of IFRS 7 “Financial Instruments: Disclosures”, below is a table on maturities consolidated as of December 31, 2023, which includes the actual remaining contractual cash flows, principal and interest based on the various contracts and agreements signed by the Unicaja Group:

	On demand	Up to one month	Between one and three months	Between three months and one year	Between one and two years	Between two and five years	More than 5 years	Total balance
NEW RECOGNITIONS	**8,266,358**	**1,682,002**	**3,421,595**	**6,004,353**	**8,132,578**	**19,832,203**	**53,709,007**	**101,048,096**
Reverse repurchase agreements and securities lending (borrower)	**100,473**	**1,088,642**	**97,928**	**208,133**	**-**	**-**	**-**	**1,495,176**
Loans and advances	**8,165,885**	**498,230**	**1,364,313**	**4,345,602**	**5,318,471**	**13,591,157**	**35,428,741**	**68,712,399**
Retailers	1,295,470	362,519	739,232	3,211,711	3,624,926	9,232,785	31,813,639	50,280,282
Non-financial customers including public administrations	13,210	85,841	256,219	696,040	977,005	2,758,352	645,306	5,431,973
Credit institutions and other financial institutions	185,584	39,230	3,522	36,056	62,989	77,983	286,425	691,789
Central banks	6,665,045	-	-	-	-	-	-	6,665,045
Others	6,576	10,640	365,340	401,795	653,551	1,522,037	2,683,371	5,643,310
Asset derivatives	**-**	**-**	**374**	**406**	**964**	**70**	**-**	**1,814**
Settlement of securities portfolio	**-**	**95,130**	**1,958,980**	**1,450,202**	**2,813,143**	**6,240,976**	**18,280,266**	**30,838,697**
Other new recognitions	**-**	**-**	**-**	**10**	**-**	**-**	**-**	**10**
DERECOGNITIONS	**57,818,748**	**6,570,645**	**4,126,438**	**8,225,115**	**2,504,271**	**3,421,889**	**4,775,299**	**87,442,405**
Issues of securities	**-**	**-**	**68,932**	**262,950**	**2,111,042**	**3,247,444**	**4,760,558**	**10,450,926**
Unsecured bonds and issues	-	-	38,694	122,062	658,246	1,822,162	1,719,117	4,360,281
Bonds	-	-	30,238	140,888	1,452,796	1,425,282	3,041,441	6,090,645
Securitizations	-	-	-	-	-	-	-	-
Financing with securities collateral whose counterparty is not the Central Bank	**100,440**	**5,338,822**	**824,472**	**208,133**	**-**	**-**	**865**	**6,472,732**
Financing with securities collateral whose counterparty is the Central Bank	**-**	**-**	**953,971**	**-**	**-**	**-**	**-**	**953,971**
Customer deposits not included in the preceding categories	**57,718,308**	**818,294**	**2,243,808**	**7,423,035**	**393,229**	**174,445**	**13,876**	**68,784,995**
Stable retail deposits	41,252,886	265,561	811,726	4,147,078	161,103	8,542	1,597	46,648,493
Other retail deposits	6,222,053	118,962	396,059	1,616,896	45,652	2,463	182	8,402,267
Wholesale operating deposits	2,374,627	-	-	-	-	-	-	2,374,627
Non-operating deposits	7,868,742	433,771	1,036,023	1,659,061	186,474	163,440	12,097	11,359,608
Liability derivatives	**-**	**-**	**204**	**17**	**-**	**-**	**-**	**221**
Other derecognitions	**-**	**413,529**	**35,051**	**330,980**	**-**	**-**	**-**	**779,560**
GAP	**(49,552,390)**	**(4,888,643)**	**(704,843)**	**(2,220,762)**	**5,628,307**	**16,410,314**	**48,933,708**	**13,605,691**
ACCUMULATED GAP	**(49,552,390)**	**(54,441,033)**	**(55,145,876)**	**(57,366,638)**	**(51,738,331)**	**(35,328,017)**	**13,605,691**	**-**
PRO MEMORIA	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Derecognitions resulting from committed facilities	1,663,125	25,168	340,853	823,867	401,673	413,630	933,694	4,602,010
TOTAL CONTINGENT LIABILITIES AVAILABLE FOR THIRD PARTIES	**1,663,125**	**25,168**	**340,853**	**823,867**	**401,673**	**413,630**	**933,694**	**4,602,010**

The following is a maturity matrix consolidated as of December 31, 2022 which includes the actual remaining contractual cash flows, principal and interest, based on the various contracts and agreements signed by the Unicaja Banco:

	On demand	Up to one month	Between one and three months	Between three months and one year	Between one and two years	Between two and five years	More than 5 years	Total balance
NEW RECOGNITIONS	**4,886,697**	**465,620**	**5,338,854**	**7,230,479**	**7,057,004**	**17,459,257**	**55,473,943**	**97,911,854**
Reverse repurchase agreements and securities lending (borrower)	**100,710**	**-**	**-**	**205,069**	**-**	**-**	**-**	**305,779**
Loans and advances	**4,785,951**	**463,484**	**1,526,833**	**5,133,348**	**5,289,037**	**13,185,272**	**34,495,549**	**64,879,474**
Retailers	1,246,825	375,269	855,266	3,232,381	3,827,200	9,181,548	30,306,084	49,024,573
Non-financial customers including public administrations	63,078	77,720	218,455	851,275	788,688	2,338,822	1,049,926	5,387,964
Credit institutions and other financial institutions	94,617	758	4,206	53,009	12,308	67,165	329,524	561,587
Central banks	3,377,234	-	-	-	-	-	-	3,377,234
Others	4,197	9,737	448,906	996,683	660,841	1,597,737	2,810,015	6,528,116
Asset derivatives	**-**	**-**	**330**	**1,040**	**1,374**	**1,437**	**37**	**4,218**
Settlement of securities portfolio	**36**	**2,136**	**3,810,582**	**1,877,856**	**1,766,593**	**4,272,548**	**20,978,357**	**32,708,108**
Other new recognitions	**-**	**-**	**1,109**	**13,166**	**-**	**-**	**-**	**14,275**
DERECOGNITIONS	**63,900,153**	**1,718,520**	**2,301,843**	**9,464,479**	**1,887,516**	**5,199,121**	**4,405,526**	**88,877,158**
Issues of securities	**-**	**9,375**	**47,475**	**672,031**	**260,051**	**4,712,360**	**4,386,814**	**10,088,106**
Unsecured bonds and issues	-	9,375	4,975	37,825	52,177	1,852,192	1,258,971	3,215,515
Bonds	-	-	42,500	634,206	207,874	2,860,168	3,124,805	6,869,553
Securitizations	-	-	-	-	-	-	3,038	3,038
Financing with securities collateral	**100,660**	**694,158**	**1,249,175**	**4,911,835**	**973,576**	**-**	**1,781**	**7,931,185**
Customer deposits not included in the preceding categories	**63,799,493**	**1,012,989**	**969,785**	**3,756,011**	**653,889**	**486,761**	**16,931**	**70,695,859**
Stable retail deposits	**41,407,719**	**321,220**	**599,864**	**2,039,951**	**242,306**	**13,093**	**1,124**	**44,625,277**
Other retail deposits	10,630,594	177,687	308,697	996,666	148,640	15,095	302	12,277,681
Wholesale operating deposits	6,953,066	-	-	-	-	-	-	6,953,066
Non-operating deposits	4,808,114	514,082	61,224	719,394	262,943	458,573	15,505	6,839,835
Liability derivatives	-	-	266	11	-	-	-	277
Other derecognitions	**-**	**1,998**	**35,142**	**124,591**	**-**	**-**	**-**	**161,731**
GAP	**(59,013,456)**	**(1,252,900)**	**3,037,011**	**(2,234,000)**	**5,169,488**	**12,260,136**	**51,068,417**	**9,034,696**
ACCUMULATED GAP	**(59,013,456)**	**(60,266,356)**	**(57,229,345)**	**(59,463,345)**	**(54,293,857)**	**(42,033,721)**	**9,034,696**	**-**
PRO MEMORIA	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Derecognitions resulting from committed facilities	1,618,718	18,649	150,775	894,906	220,074	444,112	894,700	4,241,934
TOTAL CONTINGENT LIABILITIES AVAILABLE FOR THIRD PARTIES	**1,618,718**	**18,649**	**150,775**	**894,906**	**220,074**	**444,112**	**894,700**	**4,241,934**

The detail of the contractual maturities of derivative and non-derivative financial liabilities at the end of 2023 and 2022, using accounting data is as follows:

Thousands of euros							**December 31, 2023**
	On demand	**Up to one month**	**Between one and three**	**Between three months and**	**Between one and five years**	**More than 5 years**	**Total**
Non-derivative financial liabilities	**57,716,728**	**6,158,612**	**4,092,005**	**7,897,285**	**5,930,284**	**4,877,998**	**86,672,912**
Financial liabilities at amortized cost (including embedded derivatives)	57,712,438	6,157,114	4,091,186	7,894,119	5,926,161	4,775,298	86,556,316
Financial commitments and guarantees issued	4,290	1,498	819	3,166	4,123	102,700	116,596
Derivative financial liabilities	**1,441**	**151,824**	**13,418**	**142,186**	**474,289**	**415,883**	**1,199,041**
	57,718,169	**6,310,436**	**4,105,423**	**8,039,471**	**6,404,573**	**5,293,881**	**87,871,953**

Thousands of euros							**December 31, 2022**
	On demand	**Up to one month**	**Between one and three**	**Between three months and**	**Between one and five years**	**More than 5 years**	**Total**
Non-derivative financial liabilities	**64,327,568**	**1,762,552**	**2,269,185**	**9,269,828**	**7,029,811**	**4,399,431**	**89,058,375**
Financial liabilities at amortized cost (including embedded derivatives)	64,219,241	1,761,992	2,268,445	9,262,890	7,024,807	4,395,386	88,932,761
Financial commitments and guarantees issued	108,327	560	740	6,938	5,004	4,045	125,614
Derivative financial liabilities	**-**	**-**	**-**	**259,131**	**335,685**	**540,313**	**1,135,129**
	64,327,568	**1,762,552**	**2,269,185**	**9,528,959**	**7,365,496**	**4,939,744**	**90,193,504**

The criteria on which these maturity statements are presented are as follows:

- The data presented are static and do not take into consideration scenarios of business growth, early cancellations or renewal of operations. They only incorporate the contractual flows of operations currently contracted and recorded for accounting purposes in the consolidated balance sheet.
- The data presented correspond to actual remaining contractual cash flows, i.e. they systematically reflect the cash flows of the operation.
- The cash outflows indicated in the maturity table are those established in contracts.
- The Unicaja Group incorporates, within the framework of its liquidity management, certain assumptions regarding the disposal of available balances by third parties, but, based on historical experience, this does not significantly affect the Group's structural maturity profile.

The Group manages its liquidity risk to ensure compliance with its payment commitments by adequately controlling its cash flows and the assets available to meet possible liquidity shortfalls. For this reason, the Group considers the aforementioned maturity tables to be the most relevant presentation of its liquidity statement as of a given date.

The Bank establishes prudent policies and objectives that contemplate not only normal market conditions but also contingency plans for stress or crisis situations, both its own and those of the market. To meet its objectives, three fundamental aspects are combined:

– Asset management: maturity analysis, possibility of sale, degree of liquidity, potential use as collateral, among others.

– Liability management: maturity analysis, diversification of business sources, maturities different from contractual maturities, behavior in the face of interest rate movements, etc.

– Access to markets: financing capacity in wholesale markets and time required to obtain financing, among others.

The Group maintains a significant volume of liquid assets on the assets side of its consolidated balance sheet, which allows it to comfortably manage liquidity risk, the main ones being as follows:

– Demand balances with central banks and credit institutions.

– Short-term temporary acquisitions of assets.

– Discountable fixed-income securities at the European Central Bank.

– Listed equity securities.

In addition, it should be noted that the Group has the capacity to issue mortgage and land bonds, which would enable it to raise new funds if needed.

26. Fair value

The fair value of a financial asset or liability on a given date is understood to be the amount for which it could be sold or transferred between two independent and knowledgeable parties, acting freely and prudently under market conditions. The most objective and common reference for the fair value of a financial asset or liability is the price that would be paid for it on an organized, transparent, deep market ("quoted price" or "market price").

Where there is no market price for a certain financial asset or liability, its fair value is estimated based on the price established in recent transactions involving similar instruments or, in the absence thereof, on mathematical valuation models sufficiently contrasted by the international financial community. The use of these models takes into consideration the specific peculiarities of the asset or liability to be valued and, in particular, the different types of risks associated with the asset or liability. Notwithstanding the foregoing, the limitations of the valuation models developed and possible inaccuracies in the assumptions and parameters required by these models may result in the estimated fair value of an asset or liability not coinciding exactly with the price at which the asset or liability could be delivered or settled at the measurement date.

The fair value determination process established in the Bank ensures that assets and liabilities are valued in accordance with the application criteria established by the Group. In this regard, the valuation techniques used to estimate fair value comply with the following aspects:

- Realistic estimates of the price of the financial instrument based on consistent financial and economic methods commonly used by the market are used.
- The use of available information is maximized, using, as far as possible, observable data and recent transactions of similar characteristics.
- They are amply and sufficiently documented and justified.
- They are respected over time, provided that there are no reasons that affect the reasons for their choice.
- The validity of the models is examined periodically using recent transactions and current market data.

Assets and liabilities are classified in one of the following levels, according to the method used to obtain their fair value:

- **Level 1**: assets and liabilities whose fair value is determined by taking quoted prices in active markets or that correspond to recent transactions. In general, the following are included in this level:
  - Listed debt securities (government bonds and debt instruments issued by Spanish and foreign issuers, as well as own securities issued by the Bank).
  - Listed equity instruments.
- **Level 2**: assets and liabilities for which there is no market price, so their fair value is estimated using recent quoted prices of similar instruments or valuation techniques in which all significant inputs used are based on data that are directly or indirectly observable in the market. In general, the following are included in this level:
  - Listed debt securities with low volume and level of market activity (Spanish regional government bonds and other private debt instruments).
  - Trading derivatives and over-the-counter hedging (interest rate swaps).

- **Level 3**: assets and liabilities whose fair values are derived from valuation techniques in which some significant input is not based on observable market data. In general, the following are included in this level:
  - Unlisted debt securities (unlisted debt bonds).
  - Loans and receivables.
  - Deposits.
  - Unlisted equity instruments.

When a financial instrument can no longer be measured using Level 1 or 2 criteria, it is moved to the next level of the fair value hierarchy. Likewise, when the instruments begin to be quoted in active securities markets or when observable market inputs are obtained, the instruments move from Level 3 to lower levels of the fair value hierarchy.

26.1. Valuation methods used

In cases where quotations cannot be observed (Level 1), Group management makes its best estimate of the price that the market would set using its own internal models. In most cases, these internal models use data based on observable market parameters as significant inputs (Level 2) and sometimes use significant unobservable inputs in market data (Level 3). Various techniques are used to make this estimate, including the extrapolation of observable market data. The best evidence of the fair value of a financial instrument at the initial time is the transaction price, unless the value of such instrument can be obtained from other transactions carried out in the market with the same or a similar instrument, or valued using a valuation technique where the variables used include only data observable in the market, mainly interest rates.

The main valuation methods, assumptions and inputs used in estimating fair value for Levels 2 and 3 are presented below, depending on the type of financial instrument in question:

- **Debt securities**: The fair value of unquoted debt instruments is determined using the present value method (net present value), using the cash flows of each instrument and discounting them to calculate their present value.

  In general, the main observable inputs used in the valuation methodology are: interest rate curve, risk premiums, market comparables, credit spreads, etc.

- **Equity instruments**: The fair value of unlisted equity instruments has been determined taking into account valuations by independent experts, which have been used, among others:
  - Discounted cash flows (free cash flows from operations or dividends), discounted at a rate associated with the operating and financial risk of each investee, calculated based on the risk-free rate and incorporating a risk premium.
  - Multiplier of comparable listed companies (EV/EBITDA, PER, Price/Book Value, Price/Premium), less a discount for illiquidity.
  - NAV (Adjusted Net Asset Value): It is calculated by the adding accounting own funds and capital gains, the latter being the difference between the market value of the assets and their carrying amount. For venture capital entities, the NAV was calculated by the managers and estimated, generally, taking into account the rules of the European Venture Capital Association and the provisions of Circular 5/2000, dated September 19, of the Comisión Nacional del Mercado de Valores (Spanish Securities and Exchange Commission).
  - Theoretical book value: this is obtained as the percentage share of the net book equity reflected in the financial statements.

- Price resulting from market transactions or acquisition offers, made or received at a time close to the valuation date.

In general, the main observable inputs used in the valuation methodology are as follows: CNAEs, macroeconomic inputs, market comparables, risk and market premiums. The main unobservable inputs used are: business plans, accounting net worth.

- **Derivatives**: The fair value of derivatives has been determined based on the type of instrument:

  - Swaps: method of discounting future cash flows using implicit money market curves and the swap curve.

  - Interest rate options: Black-Sholes model and implied volatility matrices.

  - Options on indexes, shares and exchange rates: discounted cash flow method estimated from the forward curves of the respective underlying instruments, quoted in the market, as well as the Black-Sholes model.

  Credit Valuation Adjustments (CVA) and Debit Valuation Adjustments (DVA) are added to derivatives valuation, both in assets and liabilities, in order to show the fair value impact of the counterparty's and own credit risks respectively. For this purpose, models and severities in line with the market have been used. In order to obtain the proprietary spread, generic spread vs. swap curves by rating of different debt issues of Spanish financial institutions with different seniority levels, including senior debt, are calibrated on a recurring basis.

  In general, the observable inputs used in the valuation methodology are: interest rate curves, quoted option prices, probability of default for the calculation of CVA and DVA, among others.

- **Loans and receivables**: The fair value of loans and receivables has been determined through the present value method (net present value), using the cash flows of each instrument, as established in the contracts and discounting them to calculate their present value, using:

  - Market interest rate curves at the valuation date.

  - Early termination ratios based on available internal historical information.

  In general, the observable inputs used in the valuation methodology are: interest rate curve, early cancellation ratios, etc.

- **Deposits**: includes deposits collected from central banks, financial institutions and customers. The fair value is obtained using the present value method which discounts future cash flows to the present time using market interest rates:

  - Market interest rate curves at the valuation date.

  - Internal model to estimate maturities of current accounts and other demand deposits calibrated based on available internal historical information. This modeling takes into account the sensitivity of their remuneration to market interest rates and the level of the balance sheet balances held on the balance sheet.

  - The credit spread is added to the risk-free curve based on the generic probabilities of loss of credit ratings.

- **Other financial liabilities**: mainly include amounts corresponding to tax collection accounts, clearing houses and liabilities associated with right-of-use assets. The fair value has been assimilated to the book value, since these are mainly short-term balances. In the case of liabilities associated with right-of-use assets, the present value of future lease payments during the mandatory period of the contract is presented.

The valuations calculated using the internal models would vary if other methods or other assumptions had been applied to the interest rate risk, credit risk spreads, market risk, exchange risk or their corresponding correlations and volatilities. Notwithstanding the foregoing, the Bank's Directors consider that the applied models and techniques adequately reflect the fair value of the financial assets and liabilities, as recorded on the consolidated balance sheet, as well as the results generated by these financial instruments.

During 2023 and 2022, the main valuation methods used by the Group to determine the fair value of financial instruments have not been modified.

26.2. Fair value of financial assets and liabilities recorded at fair value

The fair value of financial assets and liabilities measured at fair value recorded in the balance sheet is presented below, together with their breakdown by level and the associated carrying value:

Thousands of euros **2023**

	Carrying amount	Fair value			
		Total	Level 1	Level 2	Level 3
Assets					
Financial assets held for trading	809,430	809,430	757,653	51,777	-
Debt securities	749,072	749,072	749,072	-	-
Equity instruments	8,581	8,581	8,581	-	-
Derivatives	51,777	51,777	-	51,777	-
Non-trading financial assets mandatorily at fair value through profit or loss	108,562	108,562	27,212	8,053	73,297
Equity instruments	41	41	-	-	41
Debt securities	35,265	35,265	27,212	8,053	-
Loans and advances	73,256	73,256	-	-	73,256
Financial assets at fair value through other comprehensive income	1,501,554	1,501,554	1,228,068	115,174	158,312
Equity instruments	346,719	346,719	73,233	115,174	158,312
Debt securities	1,154,835	1,154,835	1,154,835	-	-
Hedging derivatives	1,222,395	1,222,395	-	1,222,395	-
Liabilities					
Financial liabilities held for trading	462,839	462,839	411,836	51,003	-
Derivatives	51,003	51,003	-	51,003	-
Short positions	411,836	411,836	411,836	-	-
Hedging derivatives	1,148,038	1,148,038	-	1,148,038	-

Thousands of euros

					2022 (*)
					Fair value
	Carrying amount	Total	Level 1	Level 2	Level 3
Assets					
Financial assets held for trading	61,159	61,159	14,591	46,568	-
Debt securities	-	-	-	-	-
Equity instruments	14,591	14,591	14,591	-	-
Derivatives	46,568	46,568	-	46,568	-
Non-trading financial assets mandatorily at fair value through profit or loss	146,549	146,549	25,539	7,983	113,027
Equity instruments	41	41	-	-	41
Debt securities	33,522	33,522	25,539	7,983	-
Loans and advances	112,986	112,986	-	-	112,986
Financial assets at fair value through other comprehensive income	1,007,806	1,007,806	744,475	212,240	51,091
Equity instruments	357,977	357,977	94,646	212,240	51,091
Debt securities	649,829	649,829	649,829	-	-
Hedging derivatives	1,812,887	1,812,887	-	1,812,887	-
Liabilities					
Financial liabilities held for trading	53,305	53,305	-	53,305	-
Derivatives	53,305	53,305	-	53,305	-
Hedging derivatives	1,081,824	1,081,824	-	1,081,824	-

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

The following table presents the movement during 2023 and 2022 of the fair value of the different types of financial instruments classified in Level 3 under IFRS 13:

Thousands of euros

	Non-trading financial assets mandatorily at fair value through profit or loss			Financial assets at fair value through other comprehensive income	
	Equity instruments	**Debt securities**	**Loans and advances**	**Equity instruments**	**Debt securities**
Balance as at 12/31/2022	**41**	**-**	**112,986**	**51,091**	**-**
Instrument recognitions	-	-	-	2,366	-
Instrument derecognitions	-	-	(39,669)	(49)	-
Changes in fair value recognized in profit or loss	-	-	(61)	-	-
Changes in fair value recognized in equity	-	-	-	(1,887)	-
Inter level transfers	-	-	-	106,791	-
Transfer to loans and receivables	-	-	-	-	-
Transfer to investments held until maturity	-	-	-	-	-
Balance as at December 31,	**41**	**-**	**73,256**	**158,312**	**-**

Thousands of euros

	Non-trading financial assets mandatorily at fair value through profit or loss			Financial assets at fair value through other comprehensive income	
	Equity instruments	**Debt securities**	**Loans and advances**	**Equity instruments**	**Debt securities**
Balance as at 12/31/2021	**41**	**-**	**134,364**	**127,734**	**-**
Instrument recognitions	-	-	7,028	377	-
Instrument derecognitions	-	-	(39,410)	(6,467)	-
Changes in fair value recognized in profit or loss	-	-	(3,996)	-	-
Changes in fair value recognized in equity	-	-	-	(70,553)	-
Inter level transfers	-	-	-	-	-
Transfer to loans and receivables	-	-	15,000	-	-
Transfer to investments held until maturity	-	-	-	-	-
Balance as at 12/31/2022	**41**	**-**	**112,986**	**51,091**	**-**

26.3. Fair value of financial assets and liabilities at amortized cost

The fair value of financial instruments at amortized cost recorded in the balance sheet is presented below, together with their breakdown by level and the associated carrying value.

Thousands of euros					2023
					Fair value
	Book value	Total	Level 1	Level 2	Level 3
Assets					
Financial assets at amortized cost	77,451,855	77,569,413	24,120,603	-	53,448,810
Debt securities	25,098,802	24,120,603	24,120,603	-	-
Loans and advances	52,353,053	53,448,810	-	-	53,448,810
Liabilities					
Financial liabilities at amortized cost	86,556,316	82,190,049	-	-	82,190,049
Deposits	80,201,660	75,962,255	-	-	75,962,255
Debt securities issued	4,239,232	4,112,370	-	-	4,112,370
Other financial liabilities	2,115,424	2,115,424	-	-	2,115,424

Thousands of euros					2022 (*)
					Fair value
	Book value	Total	Level 1	Level 2	Level 3
Assets					
Financial assets at amortized cost	82,183,048	80,344,174	25,395,460	-	54,948,714
Debt securities	26,867,077	25,395,460	25,395,460	-	-
Loans and advances	55,315,971	54,948,714	-	-	54,948,714
Liabilities					
Financial liabilities at amortized cost	88,932,761	82,439,284	-	-	82,439,284
Deposits	83,125,323	76,890,209	-	-	76,890,209
Debt securities issued	3,329,354	3,070,991	-	-	3,070,991
Other financial liabilities	2,478,084	2,478,084	-	-	2,478,084

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

26.4. Fair value of tangible assets

On January 1, 2004, the Group applied the provisions of IFRS 1 “First-time Adoption of International Financial Reporting Standards,” by virtue of which it revalued most of its property assets, generating a gross capital gain of 227,811,000 euros.

Subsequently, on June 21, 2013, revaluation reserves recorded upon the entry into force of Bank of Spain Circular 4/2004, corresponding to 516 properties for own use, with an associated revaluation of 54,850,000 euros, already recorded in own funds, were granted tax efficiency.

As of December 31, 2023 and 2022, the Group estimates that there are no significant differences between the carrying amount and fair value of the tangible assets.

27. Credit risk exposure

Credit risk represents the losses that the Group would suffer if a customer or counterparty were to default on its contractual payment obligations. This risk is inherent to the financial system in the traditional banking products of the entities (loans, credits, financial guarantees provided, etc.), as well as in other types of financial assets.

Credit risk affects both financial assets carried at amortized cost in the financial statements and assets carried at fair value in the financial statements. Regardless of the accounting criteria by which the financial assets of the Unicaja Group have been recorded in these financial statements, the Group applies the same credit risk control policies and procedures to them.

The Group's policies, methods and procedures related to credit risk control are approved by the Parent Company's Board of Directors. The Audit and Regulatory Compliance Committee, the Risk Committee, the Internal Audit Department and the Risk Control and Relationship with Supervisors Department of Unicaja are responsible for ensuring that these policies, methods and procedures are properly complied with, ensuring that they are adequate, effectively implemented and regularly reviewed.

Credit risk control activities in the Parent Company are carried out by the Risk Control and Supervisory Relations Department. This Department is responsible for implementing the credit risk control policies, methods and procedures approved by the Bank's Board of Directors. It performs counterparty risk tasks, in accordance with the Parent Company's internal policies and the regulations that apply thereto. This Department is also responsible for applying Unicaja's risk concentration limits, approved by the Board of Directors.

The Unicaja Group has policies and procedures that limit the concentration of credit risk by counterparties, considered both individually and by economic group. The Group establishes risk concentration limits taking into account factors such as the activities in which the counterparties are engaged, their rating, as well as other common characteristics to them. The Group performs sensitivity analyses to estimate the effects of possible variations in the delinquency rates of the different risk concentration groups.

The Group has no major risk concentrations as of December 31, 2023 and 2022. The total risk held by the Group with mortgage guarantee with the private sector of residents in Spain amounts to 33,592,667,000 euros and 35,638,924,000 euros at December 31, 2023 and 2022 respectively.

Likewise, the Unicaja Group also has tools that allow for an adequate risk classification. These are Scoring and Rating models that enable admission and follow-up processes. PD, LGD and EAD estimates, as part of the expected loss calculation, are involved in efficient risk management. The Parent Company's Governing Bodies and Senior Management approve the criteria on which these models and estimates are based, with the necessary review systems in place to make sure that they are always appropriately updated.

The maximum credit risk to which the Group is exposed is measured at nominal or fair value based on the accounting valuation of financial assets. In measuring the maximum credit risk to which the Group is exposed, the existence of certain netting agreements entered into by and between the Group and certain counterparties has been considered.

Information on the maximum credit risk to which the Group is exposed is provided in Notes 8, 9 and 10. It should be noted that, since the information provided in these Notes on the credit risk to which the Group is exposed does not consider the existence of guarantees received, credit derivatives contracted to hedge this risk and other similar hedges, these data differ from the analysis of the Group's internal credit risk exposure.

The Group internally classifies financial assets subject to credit risk based on the characteristics of the transactions, considering, among other factors, the counterparties with which the transactions have been contracted and the guarantees provided by the transaction.

The cumulative amount of uncollected past-due proceeds from financial assets which, in accordance with the criteria explained in Note 2.7, had not been accrued for accounting purposes at 31 December 2023 and 2022 amounts to 46,832,000 euros and 67,558,000 euros respectively

Responsible consumer lending and credit practices

Order EHA/2899/2011 of October 28, on transparency and protection of customers of banking services, develops the general principles set forth in Law 2/2011 on Sustainable Economy with regard to the responsible granting of loans and credits to consumers, such that the corresponding obligations are introduced so that the Spanish financial system, for the benefit of customers and market stability, improves prudential levels when granting these types of transactions.

Banco de España Circular 5/2012, dated June 27, develops the concept of "responsible lending," establishing the responsible lending policies and procedures summarized below:

- When offering and granting loans or credits to customers, institutions must act honestly, impartially and professionally, taking into account their customers personal and financial situation and preferences and objectives.
- Entities that grant loans or credits to clients referred to in Rule Two of Circular 5/2012 must have specific policies, methods and procedures for studying and granting loans or credits to such customers, properly documented and justified, approved by the entity's Board of Directors or equivalent body, which integrate the general principles mentioned in Annex 6 of said Circular. The aforementioned duly updated policies, methods and procedures, as well as the documents justifying them and the accreditation of their approval by the institution's Board of Directors or equivalent body, must be kept at the disposal of Bank of Spain at all times.
- The general principles referred to in the preceding paragraph must be responsibly applied by institutions and understood by their customers, such that the latter is responsible for providing the former with complete and truthful information on their financial situation and on their wishes and needs in relation to the purpose, amount and other conditions of the loan or credit. In turn, institutions must inform their customers appropriately about the characteristics of those of their products that are suitable for what they have requested.

In this regard, Unicaja has detailed policies, methods and procedures to ensure the responsible granting of loans and credit to consumers. The principles developed for this purpose are aligned with the "Manual of credit risk policies, functions and procedures" approved by the Bank's Board of Directors on December 29, 2017, and with the regulatory requirements established by the Bank of Spain, including the points listed below:

- The granting criteria associated with the debtor's ability to pay.
- A transaction amortization plan that is adapted to the customer.
- A prudent ratio of the amount of the transaction to the value of its collateral.
- An transaction marketing policy.
- A collateral valuation policy.
- Considering the interest rate and exchange rate variability in the granting of loans denominated in foreign currency.
- The Interest rate risk cover.
- The exceptions policy on the terms and conditions of transactions.
- A warning to the customer about their failure to compliance with their payment obligations.
- A debt renegotiation policy.
- Information on the cost of services related to the granting of the credit transaction.

– The obligation to provide information to home buyers by subrogation of a developer loan.

– Other aspects of responsible lending policies and procedures.

In order to ensure compliance with these principles and criteria, the Group has implemented various control procedures in its risk management, of particular importance being the existence of different sanction areas that ensure adequate levels of contrast in decisions based on the complexity of transactions, and the correct evaluation of the client's risk profile and payment capacity.

Code of Good Practice on Mortgage Financing

Through Royal Decree-Law 6/2012, of March 9, on urgent measures for the protection of mortgage debtors without resources, a Code of Good Practices (hereinafter, CBP 2012) was approved to which credit institutions and other entities that, in a professional manner, carry out the activity of granting mortgage loans or credits may voluntarily adhere, under the supervision of the Ministry of Economy and Competitiveness, the Bank of Spain, the National Securities Market Commission and the Spanish Mortgage Association.

On the other hand, on November 24, 2022, Royal Decree-Law 19/2022, dated November 22, 2022, was published in the Official State Gazette (BOE), which establishes a Code of Good Practices to alleviate the rise in interest rates on mortgage loans on primary residence, amends Royal Decree-Law 6/2012 (regarding the CBP 2012), and adopts other structural measures for the improvement of the mortgage loan market. Through this Royal Decree, the CBP 2012 is extended to cover those vulnerable debtors affected by interest rate increases that reach excessive mortgage stress levels, in the event of any increase in mortgage stress, and certain measures are modified to more effectively protect this group. In addition, a new Code of Best Practices of a transitory nature (hereinafter, "CBP 2022"), with a duration of two years, is established to alleviate the financial burden of middle-class mortgagors at risk of vulnerability due to rising interest rates. Borrowers who meet the eligibility requirements established by the Agreement of the Council of Ministers dated November 22, 2022, referring to the level of income and the increase in the mortgage effort associated with the increase in interest rates, may apply.

Unicaja is adhered as a credit institution to both codes of good practices (CGP 2012 and CGP 2022) and follows the measures established in both codes for all customers with mortgage loans on primary residences that comply with the conditions established in the aforementioned Royal Decrees, as well as in the rest of the applicable regulations in force at any given time. The impact on the consolidated financial statements of the Unicaja Group of the CGP 2022, as well as the amendment and extension of the CGP 2012, is not significant at December 31, 2023 and 2022.

Sovereign risk exposure

With respect to sovereign risk, the breakdown of credit risk exposures to central governments held by the Group as of December 31, 2023 and 2022, is as follows:

Thousands of				2023
	Financial assets held for trading	Other financial instruments at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortized cost
Spain	472,799	-	646,666	15,334,441
Italy	119,530	-	25,552	7,234,906
United States	-	-	-	1,264,093
Portugal	-	-	1,870	143,918
France	-	-	10,731	-
Belgium	36,199	-	2,734	-
Netherlands	20,531	-	-	-
Germany	-	-	558	-
Others	-	-	17,878	-
	649,059	**-**	**705,989**	**23,977,358**

Thousands of				2022 (*)
	Financial assets held for trading	Other financial instruments at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortized cost
Spain	-	-	375,586	16,057,231
Italy	-	-	14,528	8,016,659
United States	-	-	-	1,300,986
Portugal	-	-	1,852	156,528
France	-	-	3,968	-
Belgium	-	-	2,648	-
Germany	-	-	561	-
	-	**-**	**399,143**	**25,531,404**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

Credit quality of debt securities

The accounting classification of the Unicaja Group's debt securities at December 31, 2023 and 2022, classified in the different accounting portfolios, is listed below:

Thousands of euros	2023	2022 (*)
Financial assets held for trading (Note 8.1)	749,072	-
Non-trading financial assets mandatorily valued at fair value through profit or loss (Note 8.2)	35,265	33,522
Financial assets at fair value through income	-	-
Financial assets at fair value through other comprehensive income (Note 9.1)	1,154,835	649,829
Financial assets at amortized cost (Note 10)	25,098,802	26,867,077
	27,037,974	**27,550,428**

(*) Consolidated comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

At December 31, 2023 and 2022, the balances included in the table above were not classified as non-performing, having recorded valuation adjustments due to impairment amounting to 395,000 euros and 372,000 euros respectively.

The classification of these securities by rating tranches at December 31, 2023 and 2022 is as follows:

Thousands of euros	2023	2022
Rating Aaa	681,007	1,308,012
Rating Aa1-Aa3	916,777	187,381
Rating A1-A3	16,588,129	16,578,220
Rating Baa1-Baa3	8,718,748	9,356,747
Rating Ba1-Ba3	131,152	117,848
No Credit Rating	2,161	2,220
	27,037,974	**27,550,428**

Quality of loans to customers

The Unicaja Group determines the credit quality of loans and advances to customers mainly on the basis of accounting classification, sectorization, the existence of defaults, the level of coverage, the guarantees received and their relation to the amount of debt (LTV ratio).

The credit quality of the portfolio of loans and receivables from customers at December 31, 2023 and 2022 is detailed below:

Thousands of euros				2023
	Stage 1	Stage 2	Stage 3	Total
Gross	**46,296,763**	**3,261,386**	**1,593,791**	**51,151,940**
Value corrections due to the impairment of assets	**171,164**	**168,683**	**677,163**	**1,017,010**
Of which: calculated collectively	171,070	127,878	554,553	853,501
Of which: calculated individually	94	40,805	122,610	163,509
Net amount	**46,125,599**	**3,092,703**	**916,628**	**50,134,930**

Thousands of euros				2022 (*)
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Gross	**50,106,407**	**3,688,176**	**1,955,937**	**55,750,520**
Value corrections due to the impairment of assets	**215,611**	**235,880**	**860,049**	**1,311,540**
Of which: calculated collectively	215,439	198,869	655,790	1,070,098
Of which: calculated individually	172	37,011	204,259	241,442
Net amount	**49,890,796**	**3,452,296**	**1,095,888**	**54,438,980**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

On the other hand, at December 31, 2023 and 2022, the guarantees received and the financial guarantees grantedare detailed below:

		Thousands of euros
Guarantees received	**2023**	**2022**
Value of collateral	33,571,836	35,606,499
Of which: Guarantees non-performing risks	*742,932*	*982,576*
Value of other guarantees	1,042,504	1,530,383
Of which: Guarantees non-performing risks	*163,713*	*172,926*
Total value of guarantees received	**34,614,340**	**37,136,882**

		Thousands of euros
Financial guarantees granted	**2023**	**2022**
Loan commitments granted	4,601,960	4,241,881
Of which: amount classified as non-performing	*24,875*	*14,888*
Amount recorded as a liability on the balance sheet	*5,886*	*12,740*
Financial guarantees granted	71,682	59,137
Of which amount classified as non-performing	*305*	*-*
Amount recorded as a liability on the balance sheet	*2,995*	*2,918*
Other commitments granted	2,766,020	4,717,927
Of which: amount classified as non-performing	*329,529*	*313,385*
Amount recorded as a liability on the balance sheet	*107,715*	*109,957*
Total value of financial guarantees granted	**7,439,662**	**9,018,945**

Risk concentration by activity and geographical area

The carrying value of the Unicaja Group's total financing granted to its customers as of December 31, 2023 and 2022, excluding exposures held with public administrations, broken down by type of counterparty, type of guarantee and LTV ratio, is presented below.

Thousands of euros — December 31, 2023

				LTV ratio of collateralized loans (e)				
	Total (a)	Of which: Real estate guarantee (d)	Of which: Other collateral (d)	Less than or equal to 40%	More than 40% and less than or equal to 60%	More than 60% and less than or equal to 80%	More than 80% and less than or equal to 100%	More than 100%
Financial Institutions	531,175	112,439	167,312	22,387	72,388	17,887	75	167,014
Non-financial companies and individual employers	10,102,457	2,445,331	354,691	1,487,686	922,708	255,453	64,737	69,438
Construction and development real estate (b)	554,888	427,597	25,524	217,344	168,850	34,048	26,274	6,605
Civil engineering construction	102,666	4,234	1,883	3,073	3,036	8	-	-
Other purposes	9,444,903	2,013,500	327,284	1,267,269	750,822	221,397	38,463	62,833
Large companies (c)	4,944,141	139,212	142,858	199,292	40,245	33,122	1,634	7,777
SMEs and individual employers (c)	4,500,762	1,874,288	184,426	1,067,977	710,577	188,275	36,829	55,056
Other homes and ISFLSH	34,042,729	31,034,897	52,065	7,645,905	9,101,758	13,509,326	514,146	315,827
Housing	30,694,223	30,366,190	7,578	7,254,809	8,922,157	13,429,624	488,470	278,708
Consumption	850,405	8,709	3,299	9,812	887	1,143	63	103
Other purposes	2,498,101	659,998	41,188	381,284	178,714	78,559	25,613	37,016
Total	**44,676,361**	**33,592,667**	**574,068**	**9,155,978**	**10,096,854**	**13,782,666**	**578,958**	**552,279**
Pro memoria: Refinancing refinanced and restructured transactions	**659,498**	**490,352**	**66,618**	**202,616**	**133,723**	**102,601**	**42,927**	**75,103**

Thousands of euros — December 31, 2022

				LTV ratio of collateralized loans (e)				
	Total (a)	Of which: Real estate guarantee (d)	Of which: Other collateral (d)	Less than or equal to 40%	More than 40% and less than or equal to 60%	More than 60% and less than or equal to 80%	More than 80% and less than or equal to 100%	More than 100%
Financial Institutions	444,194	64,920	19,082	57,831	13,373	12,585	127	86
Non-financial companies and individual employers	12,167,338	3,013,801	447,147	1,734,201	1,114,078	411,256	101,604	99,809
Construction and development real estate (b)	733,909	558,860	56,903	318,809	167,434	85,042	26,280	18,198
Civil engineering construction	112,639	3,789	1,803	2,586	2,987	19	-	-
Other purposes	11,320,790	2,451,152	388,441	1,412,806	943,657	326,195	75,324	81,611
Large companies (c)	5,599,380	111,711	143,650	177,348	55,146	14,324	39	8,504
SMEs and individual employers (c)	5,721,410	2,339,441	244,791	1,235,458	888,511	311,871	75,285	73,107
Other homes and ISFLSH	35,582,718	32,560,203	57,428	7,913,626	9,567,766	14,183,783	610,663	341,793
Housing	32,098,722	31,732,256	9,231	7,447,082	9,338,318	14,078,318	578,165	299,604
Consumption	1,042,551	28,688	6,571	25,781	5,300	2,852	1,101	225
Other purposes	2,441,445	799,259	41,626	440,763	224,148	102,613	31,397	41,964
Total	**48,194,250**	**35,638,924**	**523,657**	**9,705,658**	**10,695,217**	**14,607,624**	**712,394**	**441,688**
Pro memoria: Refinancing refinanced and restructured transactions	**697,965**	**538,347**	**69,361**	**258,840**	**180,270**	**137,166**	**56,617**	**19,815**

(a) The definition of loans and advances to customers and the scope of the information in this table are those used in the preparation of the balance sheet. The amount shown is the carrying amount of the transactions, i.e., after deducting the value adjustments made to hedge the specific transactions.

(b) This item includes all activities related to construction and property development, including that related to the financing of land for property development.

(c) Non-financial companies are classified as “Large companies” and “SMEs” according to the definition applicable to the latter for the purposes of calculating own funds. The activity of individual employers is considered to be that which is carried out by individuals in exercising their business activities.

(d) The book value of all transactions with real estate and other collateral, regardless of their loan to value are included.

(e) The loan to value is the ratio resulting from dividing the book value of transactions at the date of the statement by the amount of the latest available appraisal or valuation of the collateral.

Below is aggregate information as of December 31, 2023 and 2022, on the risk concentration of the Unicaja Group, broken down by geographical area of action and activity segment, excluding exposures held with public administrations.

Thousands of euros — **December 31, 2023**

	Total (a)	Spain	Other EU countries	The Americas	Rest of the world
Credit institutions	12,435,493	10,966,689	1,344,654	53,309	70,841
Other financial institutions	1,353,935	1,236,656	106,702	-	10,577
Non-financial companies and individual employers	13,085,741	12,487,781	397,396	23,267	177,297
Construction and development real estate (b)	646,076	646,076	-	-	-
Civil engineering construction	180,067	179,840	-	227	-
Other purposes	12,259,598	11,661,865	397,396	23,040	177,297
Large companies (c)	7,187,001	6,646,271	370,271	170	170,289
SMEs and individual employers (c)	5,072,597	5,015,594	27,125	22,870	7,008
Rest of households and NPISHs (d) broken down by purpose (e)	34,084,271	33,913,273	77,831	33,374	59,793
Housing	30,704,572	30,536,272	76,713	32,772	58,815
Consumption	850,856	850,153	364	82	257
Other purposes	2,528,843	2,526,848	754	520	721
	60,959,440	**58,604,399**	**1,926,583**	**109,950**	**318,508**

Thousands of euros — **December 31, 2022**

	Total (a)	Spain	Other EU countries	The Americas	Rest of the world
Credit institutions	8,229,611	7,241,910	665,289	259,931	62,481
Other financial institutions	1,119,772	932,091	162,965	-	24,716
Non-financial companies and individual employers	15,075,166	14,685,504	338,857	31,043	19,762
Construction and development real estate (b)	882,982	882,982	-	-	-
Civil engineering construction	209,671	209,671	-	-	-
Other purposes	13,982,513	13,592,851	338,857	31,043	19,762
Large companies (c)	7,669,456	7,332,393	319,626	4,536	12,901
SMEs and individual employers (c)	6,313,057	6,260,458	19,231	26,507	6,861
Rest of households and NPISHs (d) broken down by purpose (e)	35,642,714	35,462,269	82,927	33,426	64,092
Housing	32,109,073	31,932,483	81,765	32,749	62,076
Consumption	1,043,022	1,041,839	376	86	721
Other purposes	2,490,619	2,487,947	786	591	1,295
	60,067,263	**58,321,774**	**1,250,038**	**324,400**	**171,051**

(a) The risk definition includes the following balance sheet items: Deposits with credit institutions, Loans and advances to customers, Debt securities, Equity instruments, Trading derivatives, Hedging derivatives, Participating interests and Contingent liabilities. The amount shown for assets is the carrying amount of the transactions, i.e., after deducting the value adjustments made to hedge the specific transactions. The distribution of activity by geographical area is based on the country or autonomous community of residence of the borrowers, issuers of securities and counterparties to derivatives and contingent risks.

(b) This item includes all activities related to construction and property development, including that related to the financing of land for property development.

(c) Non-financial companies are classified as “Large companies” and “SMEs” according to the definition applicable to the latter for the purposes of calculating own funds. The activity of individual employers is considered to be that which is carried out by individuals in exercising their business activities.

(d) Households include non-profit institutions serving households, but exclude the business activity of individual entrepreneurs.

(e) Loans will be classified according to their purpose, in accordance with the criteria set forth in Rule 69.2(e).

Below is a breakdown of Unicaja Group’s loans and advances to customers at December 31, 2023 and 2022, by autonomous community and by business segment, excluding exposures to public administrations.

Thousands of euros — **December 31, 2023**

	Total (a)	Andalusia	Madrid	Castilla (*)	Levante (*)	Asturias	Other autonomous communities
Credit institutions	10,966,689	-	10,966,623	-	66	-	-
Other financial institutions	1,236,656	621,372	502,214	26,365	29,808	47,092	9,805
Non-financial companies and individual employers	12,487,781	5,951,995	2,406,950	1,553,190	639,553	576,198	1,359,895
Construction and development real estate (b)	646,076	385,634	79,903	87,598	17,191	44,626	31,124
Civil engineering construction	179,840	40,479	75,172	23,774	2,897	15,235	22,283
Other purposes	11,661,865	5,525,882	2,251,875	1,441,818	619,465	516,337	1,306,488
Large companies (c)	6,646,271	3,535,716	1,817,489	172,749	451,313	190,635	478,369
SMEs and individual employers (c)	5,015,594	1,990,166	434,386	1,269,069	168,152	325,702	828,119
Rest of households and NPISHs (d) broken down by purpose (e)	33,913,273	10,325,259	8,906,461	6,673,535	1,532,348	2,697,644	3,778,026
Housing	30,536,272	8,644,951	8,654,054	5,918,001	1,487,425	2,445,763	3,386,078
Consumption	850,153	402,833	57,964	221,412	9,594	67,487	90,863
Other purposes	2,526,848	1,277,475	194,443	534,122	35,329	184,394	301,085
	58,604,399	**16,898,626**	**22,782,248**	**8,253,090**	**2,201,775**	**3,320,934**	**5,147,726**

Thousands of euros — **December 31, 2022**

	Total (a)	Andalusia	Madrid	Castilla (*)	Levante (*)	Asturias	Other autonomous communities
Credit institutions	7,241,910	65,596	7,176,221	-	93	-	-
Other financial institutions	932,091	488,691	311,853	27,250	218	94,131	9,948
Non-financial companies and individual employers	14,685,504	6,646,262	2,721,508	2,054,316	760,717	760,585	1,742,116
Construction and development real estate (b)	882,982	432,222	164,140	106,484	23,464	97,759	58,913
Civil engineering construction	209,671	46,538	92,108	27,841	2,955	19,226	21,003
Other purposes	13,592,851	6,167,502	2,465,260	1,919,991	734,298	643,600	1,662,200
Large companies (c)	7,332,393	3,770,268	1,951,344	317,226	489,763	219,157	584,635
SMEs and individual employers (c)	6,260,458	2,397,234	513,916	1,602,765	244,535	424,443	1,077,565
Rest of households and NPISHs (d) broken down by purpose (e)	35,462,269	10,438,985	10,404,365	7,023,442	1,597,837	1,908,860	4,088,780
Housing	31,932,483	8,800,898	10,062,607	6,222,615	1,545,956	1,649,372	3,651,035
Consumption	1,041,839	290,362	126,731	272,537	22,346	139,573	190,290
Other purposes	2,487,947	1,347,725	215,027	528,290	29,535	119,915	247,455
	58,321,774	**17,639,534**	**20,613,947**	**9,105,008**	**2,358,865**	**2,763,576**	**5,840,844**

(*) The geographical area identified as “Castilla” corresponds to the autonomous communities of Castilla-La Mancha and Castilla y León, while the geographical area of “Levante” includes the autonomous communities of Cataluña, Comunidad Valenciana and Murcia.

(a) The risk definition includes the following balance sheet items: Deposits with credit institutions, Loans and advances to customers, Debt securities, Equity instruments, Trading derivatives, Hedging derivatives, Participating interests and Contingent liabilities. The amount shown for assets is the carrying amount of the transactions, i.e., after deducting the value adjustments made to hedge the specific transactions. The distribution of activity by geographical area is based on the country or autonomous community of residence of the borrowers, issuers of securities and counterparties to derivatives and contingent risks.

(b) This item includes all activities related to construction and property development, including that related to the financing of land for property development.

(c) Non-financial companies are classified as “Large companies” and “SMEs” according to the definition applicable to the latter for the purposes of calculating own funds. The activity of individual employers is considered to be that which is carried out by individuals in exercising their business activities.

(d) Households include non-profit institutions serving households, but exclude the business activity of individual entrepreneurs.

(e) Loans will be classified according to their purpose, in accordance with the criteria set forth in Rule 69.2(e).

Leasing transactions

In relation to Unicaja’s leasing activity, quantitative information at December 31, 2023 and 2022, is detailed below:

i. The reconciliation between the gross investment (including the purchase option, if any) and the present value at December 31, 2023 and 2022 is as follows:

Thousands of euros	2023	2022
Nominal value of accounts receivable	119,473	151,519
Nominal value of purchase transactions	10,119	13,165
Total nominal value at closing	129,592	164,684
Unearned financial income	13,446	9,853
Present value at closing	**143,038**	**174,537**

ii. The present value of the minimum payments at December 31, 2023 and 2022 and their distribution by residual terms is as follows:

Thousands of euros	2023	2022
Less than 1 year	44,432	56,663
Between 1 and 5 years	76,794	94,120
More than 5 years	21,812	23,754
	143,038	**174,537**

iii. Unsecured residual values in favor of the lessor amount to 10,119,000 euros at December 31, 2023 (13,165,000 euros at December 31, 2022).

iv. The accumulated value adjustments for bad debts of minimum outstanding receivables at December 31, 2023 amount to 6,114,000 euros (10,271,000 euros at December 31, 2022).

Financial assets written off from the balance sheet

The movement during 2023 and 2022 of the Unicaja Group's impaired financial assets that are not recorded in the consolidated balance sheet because there is no reasonable expectation of recovery, although the Group has not discontinued actions to recover the amounts owed, is shown below.

Thousands of euros	2023	2022
Balance of financial assets written off from the balance sheet as of January 1	**2,822,909**	**2,636,990**
Additions	**278,793**	**663,726**
Charged to value adjustments due to the impairment of assets	162,829	220,144
Charged to direct restructuring on the income statement	63,539	55,882
Uncollected past-due products	39,493	286,700
Other	12,932	101,000
Recoveries	**(28,498)**	**(46,147)**
Balances recovered during the year from cash collections	(25,116)	(44,379)
For adjudication of assets	(3,382)	(1,768)
Write-downs	**(1,561,889)**	**(431,660)**
For sale of bad debts	(5,105)	(300,695)
For other reasons	(1,556,784)	(130,965)
Balance of financial assets written off from the balance sheet as of December	**1,511,315**	**2,822,909**

During the 2023 financial year, the Bank concluded sales of bad debts amounting to 7,373,000 euros, arranged with individuals and small and medium-sized companies (this amount does not include unmanageable bad debts that were not recorded for accounting purposes as bad debts). The unrecovered portion is included as "write-downs of bad debts," while the collections recorded for these sales are included under the caption "balances recovered during the year for cash collections."

In 2022, the Group sold 309,920,000 euros of bad debts to individuals and small and medium-sized companies (this amount does not include unmanageable bad debts that were not recorded as bad debts for accounting purposes). The unrecovered portion was included as "write-downs of bad debts," while the collections recorded for these sales are included under the caption "balances recovered during the year for cash collections."

The net amount included in the consolidated income statement for 2023 and 2022 as a result of the changes in these assets amounts to a negative amount of 38,423,000 euros (a negative amount of 11,503,000 euros in 2022). These amounts are mainly due to:

- Transactions that have been classified in the period as "written-off assets" and which did not have a sufficient allowance for this purpose, and therefore their removal from the consolidated balance sheet is taken directly to the income statement, with a negative effect of 63,539,000 euros and 55,882,000 euros in 2023 and 2022 respectively.
- Transactions that in the previous period were classified as "written-off assets" and on which collections have been made, with a positive effect of 23,116,000 euros and 44,379,000 euros in 2023 and 2022 respectively.

With respect to the criteria used to write off transactions from the inventory of written-down assets, the Unicaja Group records these write-downs when there are no chances of recovering them. For this purpose, there are a series of attributions that depend on the type and volume of the transactions involved. The Group periodically monitors these balances to determine whether the requirements for write-off have been met, and to evaluate whether there are new circumstances that change the recoverability of the balances.

In the fiscal years of 2023 and 2022, the write-off movement identified as "for other reasons" mainly includes transactions that are no longer recorded as written-off assets, since the Group has rejected any possibility of recovery (a concept known as "unmanageable").

28. Interest rate risk exposure

Balance-sheet interest rate risk is the risk of variations in market interest rates negatively affecting the financial situation of the Group. Essentially, this risk derives from interest rate sensitivity of the assets and liabilities spread based on their maturity period, impacting on all the sensitive financial assets and liabilities on the Group's balance sheet and any operations off the consolidated balance sheet acting as hedges.

Interest rate risk management is carried out in an integrated manner by the Assets and Liabilities Committee (ALCO). This committee is responsible for implementing the procedures to ensure that the Unicaja Group complies at all times with the interest rate risk control and management policies established by the Board of Directors.

In the analysis, measurement and control of the interest rate risk assumed by the Group, sensitivity measurement techniques and analysis of scenarios that could significantly affect it are used.

The Group uses hedging operations for the global management of the interest rate risk of all those financial instruments that can significantly expose it to this risk, thus reducing this type of risk.

The following table shows a matrix of maturities or revisions grouping the carrying amounts of financial assets and liabilities according to the interest rate revision or maturity dates, depending on which is closer in time, corresponding to the balances of the Group's main entities at December 31, 2023 and 2022.

Thousands of euros — **December 31, 2023**

Assets	Up to 1 month	Between 1 and 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years
Financial assets	17,893,193	11,859,353	17,255,210	4,337,987	4,944,206	2,475,858	3,364,630	24,352,078
After hedge adjustments	19,086,856	12,157,353	21,977,317	6,695,864	5,874,018	3,054,899	3,660,630	14,868,601

Thousands of euros — **December 31, 2023**

Liabilities (*)	Up to 1 month	Between 1 and 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years
Financial liabilities	13,742,261	2,232,126	7,498,270	2,165,118	783,932	1,637,033	319,726	3,945,520
After hedge adjustments	13,342,261	1,222,126	3,356,218	4,107,170	1,383,932	2,547,033	819,726	5,545,520

(*) Also includes the portion corresponding to interest rate swaps.

Thousands of euros — **December 31, 2022**

Assets	Up to 1 month	Between 1 and 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years
Financial assets	16,146,642	11,535,401	20,723,324	5,322,747	2,997,368	4,176,496	2,137,862	24,938,686
After hedge adjustments	17,335,730	11,648,271	25,253,908	5,940,715	4,521,294	4,335,709	2,356,928	17,697,230

Thousands of euros — **December 31, 2022**

Liabilities (*)	Up to 1 month	Between 1 and 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years
Financial liabilities	9,665,047	1,878,904	4,696,447	704,711	2,061,585	1,263,368	1,203,169	3,451,970
After hedge adjustments	9,265,047	1,668,904	(445,604)	1,704,711	4,003,636	1,863,368	1,813,169	5,051,970

(*) Also includes the portion corresponding to interest rate swaps.

The tables above show, for each of the maturities, the adjustments to the fixed-rate items arising from hedges of such items made with derivative instruments by the Group, in order to reflect the overall exposure to interest rate fluctuations.

As of December 31, 2023 and 2022, the sensitivity of the entity's balance sheet to an unfavorable horizontal shift of the yield curve by 100 basis points and in a maintenance of the balance sheet scenario is as follows:

	2023	2022
Expected 12-month net interest margin	Less than 5%	Less than 8%
Economic value	Less than 2%	Less than 3%

29. Exposure to other market risks

29.1. Market risk

The market risk represents the losses that the Group would suffer due to the change in value of positions in the portfolios of financial assets and liabilities held for trading, non-trading financial assets mandatorily at fair value through profit or loss, financial assets at fair value with changes in other comprehensive income and financial assets at fair value through other comprehensive income as a result of adverse movements in market price levels or in the volatility thereof, or due to changes in currency exchange rates.

This risk essentially materializes when the Group acts on its own account in the financial markets, using financial instruments, either equity instruments (shares or ownership interest), debt securities (fixed-income securities), or derivative instruments.

These changes in value will sometimes be defined on the basis of their primary drivers, such as credit risk and interest rates for the price of fixed-income instruments. As for options, there will be several risk factors to take into account, volatility being one of the fundamental ones.

The Group's policy, methods and procedures related to market risk control are approved by the Parent Company's Board of Directors. The functions of the Parent Company's Risk Control and Supervisory Relations Department include ensuring proper compliance with the group's risk control policies, methods and procedures, ensuring that they are adequate, effectively implemented and regularly reviewed.

The department responsible for monitoring and controlling financial risks is the Risk Control and Supervisory Relations Department, which is mainly in charge of making sure that the risks taken are correctly identified, analyzed, valued and reported, using appropriate risk management tools, improving the position valuation models so that they are adjusted in the most appropriate way to the reality of the markets and controlling the consumption of defined risk limits. It also carries out a permanent and systematic control and follow-up of the Treasury and Capital Markets transactions.

For adequate market risk management, the Group has tools that allow the definition, calculation and monitoring of market risks and the limits authorized for the same, in particular "Value at Risk" (VaR) and operating limits for credit/counterparty risk that affect the Unicaja Group's operations in capital markets.

In this regard, the Unicaja Group monitors the evolution of the value of the portfolio with a confidence level of 99% and a time horizon of 1 day or 10 days, as a result of the variations in the risk factors that determine the price of financial assets through the VaR (Value-at-Risk) indicator.

VaR is calculated using different methodologies:

- The parametric VaR assumes normality of the relative variations of the risk factors for the calculation of the expected loss of the portfolio given a confidence level of 99% and a time horizon (1 day or 10 days).
- The diversified parametric VaR takes into account the diversification offered by the correlations of the risk factors (interest rates, exchange rates, share prices, etc.) It is the standard VaR measure.
- The non-diversified parametric VaR assumes no diversification between these factors (correlations equal to 1 or -1 depending on the case), and is useful in periods of stress or changes in the correlations of the risk factors.
- The VaR Historical Simulation uses the last year's relative realized variations of the risk factors to generate scenarios in which the potential loss of the portfolio is evaluated given a 99% confidence level and a time horizon.

In any event, the impact in absolute terms of VaR is relative to own funds.

As of December 31, 2023, the VaR measurement at Group level, using a confidence level of 99%, presents the following values:

Thousands of euros	**Time horizon 1 day**	**Time horizon 10 days**
Diversified Parametric VaR	(2,552)	(8,070)
Diversified Parametric VaR (bps on Equity)	(0.9)	(3.0)
Non-Diversified Parametric VaR	(16,872)	(53,354)
Non Diversified Parametric VaR (bps on Equity)	(6.2)	(19.5)
Parametric VaR Historical Simulation	(5,234)	(16,552)
Parametric VaR Historical Simulation (bp on Equity)	(1.9)	(6.2)

Data for the year ended December 31, 2022 are as follows:

Thousands of euros	**Time horizon 1 day**	**Time horizon 10 days**
Diversified Parametric VaR	(1,315)	(4,157)
Diversified Parametric VaR (bps on Equity)	(0.4)	(1.3)
Non-Diversified Parametric VaR	(3,374)	(10,668)
Non Diversified Parametric VaR (bps on Equity)	(1.1)	(3.4)
Parametric VaR Historical Simulation	(962)	(3,041)
Parametric VaR Historical Simulation (bp on Equity)	(0.3)	(1.0)

29.2. Price risk of equity instruments

Price risk is the risk that the fair value of equity instruments will change as a result of changes in index or share prices. Price risk arises on positions classified in the portfolio of financial assets and liabilities held for trading, non-trading financial assets mandatorily at fair value through profit or loss, financial assets designated at fair value through profit or loss and financial assets at fair value through other comprehensive income.

The following is a sensitivity analysis of the price risk arising from the Group's equity instruments in the financial markets as of December 31, 2023 and 2022:

Thousands of euros

Drop in market price (quote)	**Impact on profit and loss**	**Impact on other comprehensive**	**Impact on total net equity**
Impact as of December 31, 2023, of a 1% drop in the market price	86	732	818
Impact as of December 31, 2022, of a 1% drop in the market price	94	415	509

A variation of 1% in the relevant risk variables of price variation of equity instruments has been considered because this "impact" is a standard measure, both in the financial industry and in the Unicaja Group, allowing us to know the level of exposure to risk.

In the current context of high market volatility, it is very difficult to determine what constitutes a "reasonably possible change" in risk variables. However, we have considered it appropriate to report the sensitivity to a 1% "impact" so that users of public information can rescale this effect according to their market expectations.

29.3. Exchange rate risk

The structural exchange rate risk arises mainly from exposure to changes in exchange rates arising from investments in securities in currencies other than the Euro.

The structural exchange rate risk management in the Unicaja Group is aimed at minimizing the potential negative impacts derived from exchange rate fluctuations on solvency ratios and on the contribution to results of foreign currency investments.

At December 31, 2023 and 2022, the exchange rate risk in the Unicaja Group is not significant, since there are no assets or liabilities of significant volume in the consolidated balance sheet that are denominated in currencies other than the Euro. In this regard, the Euro equivalent value of total foreign currency assets and liabilities held by the Group as of December 31, 2023 and 2022, is as follows:

Thousands of euros	2023	2022
Equivalent value of foreign currency assets	**1,459,397**	**1,613,147**
Of which: % in U.S. dollars	94%	91%
Of which: % in pounds sterling	5%	0%
Of which: in Swiss francs	0%	7%
Of which: % in other currencies traded in the Spanish market	1%	2%
Equivalent value of foreign currency liabilities	**1,536,964**	**1,709,433**
Of which: % in U.S. dollars	91%	90%
Of which: % in pounds sterling	9%	0%
Of which: in Swiss francs	0%	10%
Of which: % in other currencies traded in the Spanish market	0%	0%

The euro equivalent of foreign currency assets represents 1.5% and 1.63% of total consolidated assets at December 31, 2023 and 2022 respectively, while the Euro equivalent of foreign currency liabilities represents 1.7% and 1.85% of total consolidated liabilities at each respective date.

30. Duties of loyalty of the Parent Company's Directors

In accordance with the provisions set forth in Article 229 of Law 31/2014, of December 3, amending the Consolidated Text of the Capital Companies Act to improve corporate governance, and in order to strengthen the transparency of public limited companies, the directors have notified the entity that, during the 2023 financial year, they or their affiliates, as defined in Article 231 of the Consolidated Text of the Capital Companies Act:

a) They have not carried out transactions with the entity, without taking into account ordinary transactions, carried out under standard conditions for customers and of little relevance, understood as those whose information is not necessary to express the true image of equity, the financial situation and earnings of the entity.

b) They have not used the name of the entity or invoked their status as administrators to unduly influence the performance of private transactions.

c) They have not made use of corporate assets, including the entity's confidential information, for private purposes.

d) They have not taken advantage of the entity's business opportunities.

e) They have not obtained advantages or remuneration from third parties other than the Company and the group thereof due to their performance in their position, except for actions taken out of mere courtesy.

f) They have not carried out activities on their own account or on behalf of third parties that entail effective competition, either specific or potential, with the entity or that, in any other manner, place them in a permanent conflict of interest with the entity.

31. Other significant information

31.1. Financial guarantees and other commitments granted

The financial guarantees and other commitments granted at the end of 2023 and 2022, whose nominal value is recorded in memorandum accounts, is broken down below:

Thousands of euros	2023	2022
Financial guarantees granted	**71,682**	**59,137**
Financial endorsements	71,682	59,137
Other commitments granted	**2,766,020**	**4,717,927**
Technical endorsements	1,400,836	1,468,661
Irrevocable documentary credits	10,634	16,535
Other commitments	1,354,550	3,232,731
	2,837,702	**4,777,064**

As of December 31, 2023 and 2022, "Other commitments" mainly includes commitments for simultaneous transactions and transactions in organized markets within market parameters that have not yet been formalized. In addition, in 2023 and 2022, there were also debit orders received from customers that were within the repayment period allowed under SEPA regulations in the amount of 794,857,000 euros and 861,089,000 euros respectively. Pursuant to Article 43 of Royal Decree-Law 19/2018, of November 23, on payment services and other urgent financial measures, the maximum return period is 13 months from the debit date.

A significant portion of these guarantees under this heading will expire without any payment obligation materializing for the consolidated entities. Therefore, the aggregate balance of these commitments cannot be considered as an actual future need for financing or liquidity to be provided by the Group to third parties.

Income from guarantee instruments is recognized under "Fee income" and "Interest income" (at the amount relating to the revalued commission income) on the consolidated income statement for 2023 and 2022 is calculated by applying the rate established in the related contract to the nominal amount of the guarantee.

The provisions recorded to cover these guarantees provided, which have been calculated applying criteria similar to those applied to calculate the impairment of financial assets valued at their amortized cost, have been recorded under the heading "Provisions - Commitments and guarantees granted" of the consolidated balance sheet (Note 18).

31.2. Assets assigned and received as collateral

As of December 31, 2023 and 2022, assets owned by the Group guaranteed transactions carried out by the Group, as well as various liabilities and contingent liabilities assumed by the Group. At both dates, the carrying value of the Group's financial assets pledged as collateral for such liabilities or contingent and similar liabilities was as follows:

Thousands of euros	2023	2022
Pledging of securities	6,539,278	8,330,313
Pledging of non-mortgage loans	-	-
	6,539,278	**8,330,313**

At December 31, 2023 and 2022 these amounts correspond, for the most part, to the pledging of securities and non-mortgage loans, through a Bank of Spain policy, as a pledge to obtain long-term financing maturing in 2023 and 2022.

With respect to the terms and conditions of the pledge, the guarantees constituted by the Group in favor of Bank of Spain will not be affected, and are extended, as expressly and irrevocably agreed by the parties, to any extensions, renewals or novations of any kind, tacit or express, that may occur in the guaranteed obligations and will remain in force until the total cancellation of these and any others that may replace or substitute them.

The Group has not received assets as collateral for which it is authorized to sell or pledge them regardless of whether the owner of the assets has defaulted on payment. Therefore, the disclosure required by paragraph 15 of IFRS 7 is not applicable.

31.3. Drawable by third parties

As of December 31, 2023 and 2022, the limits of financing contracts granted and the amounts drawn from said financing contracts for which the Group had assumed a credit commitment greater than the amount recorded in the assets of the consolidated balance sheet at those dates were the following:

Thousands of euros	2023		2022	
	Amount to be drawn down	Limit granted	Amount to be drawn down	Limit granted
Immediate availability	**3,397,581**	**4,208,562**	**3,038,554**	**4,060,655**
Credit institutions	1,504	20,543	768	782
Public Administration sector	781,541	816,693	468,532	581,978
Other sectors	2,614,536	3,371,326	2,569,254	3,477,895
Conditional availability	**1,204,379**	**1,998,457**	**1,203,327**	**2,007,287**
Public Administration sector	380,408	390,952	200,777	213,472
Other sectors	823,971	1,607,505	1,002,550	1,793,815
	4,601,960	**6,207,019**	**4,241,881**	**6,067,942**

31.4. Third-party funds managed and marketed by the Group and by a custodian of securities

The breakdown of the off-balance-sheet funds managed and marketed by the Group as at December 31, 2023 and 2022, is as follows:

Thousands of euros	2023	2022
Mutual fund portfolios	8,097,684	8,276,886
Portfolios of other collective investment schemes	-	-
Other financial instruments	3,130,628	2,485,634
Assets under management	1,702,972	1,693,298
	12,931,284	**12,455,818**

Below is a detail of the off-balance sheet customer funds that have been marketed, but not managed, by the Group in 2023 and 2022:

Thousands of euros	2023	2022
Real Estate Investment Funds portfolios	2,605,085	2,193,972
Other Collective Investment Schemes	143,964	134,066
Pension fund portfolios	480,842	1,196,607
Assets under management	-	-
Insurance products	4,925,576	4,268,096
	8,155,467	**7,792,741**

In addition, the follow shows a detail of the fair value of third-party funds deposited with the Group as of December 31, 2023 and 2022:

Thousands of euros	2023	2022
Debt securities and equity instruments	7,352,570	6,568,074
Other financial instruments	25,318	20,838
	7,377,888	**6,588,912**

31.5. Reclassifications of financial instruments

During the fiscal years of 2023 and 2022, the Group has not made reclassifications between portfolios of financial instruments.

31.6. Asset securitization

Since, as a result of the conditions agreed upon for the transfer of assets, the Group retains substantial risks and rewards of the securitized assets, these were not written off from the consolidated balance sheet, and an associated financial liability was recognized, as established by the regulations, for an amount equal to the consideration received, which is measured at amortized cost. Also, the Group recognizes the bonds issued for the asset securitization funds arranged in each of these transactions, net of the aforementioned financial liability.

Below is a breakdown of the amounts recorded on the balance sheet of the Group as at December 31, 2023 and 2022, of the assets transferred in these transactions, together with the debt securities issued by the securitization funds owned by the Group and shown on the consolidated balance sheet at such date, decreasing the amount of recognized financial liabilities by the consideration received:

Thousands of euros	2023	2022
Securitized assets:		
Loans and advances - customers	458,107	528,591
Associated liabilities:		
Financial liabilities at amortized cost – client deposits Mortgage participations	458,107	528,591
Financial liabilities at amortized cost - Customer deposits (netting FI)	(452,164)	(525,558)

Below is the effective amount held by the Group in the bond portfolio issued as a result of the securitization funds recognized in full on the balance sheet. This amount is presented by offsetting the "Investments issued" under the heading "Financial liabilities at amortized cost - customer deposits" on the consolidated balance sheet:

Thousands of euros	2023	2022
Singular securitizations:		
AyT CajaCantabria Maturity 2048 Sr A	46,915	58,927
AyT CajaCantabria Maturity 2048 Sr B	9,954	9,954
AyT CajaCantabria Maturity 2048 Sr C	8,079	8,079
AyT CajaCantabria Maturity 2048 Sr D	2,741	2,741
IM CajAstur MBS Maturity 2052 Sr A	105,932	124,466
IM CajAstur MBS Maturity 2052 Sr B	70,621	82,977
AyT CCM I. E/12-07 SR. A	123,922	154,414
AyT CCM I. E/12-07 SR. B	45,600	45,600
AyT CCM I. E/12-07 SR. C	28,000	28,000
AyT CCM I. E/12-07 SR. D	10,400	10,400
	452,164	**525,558**

Additionally, there are securitized assets that have been written off due to the significant transfer of the risks and benefits related thereto. As at December 31, 2023 and 2022, the outstanding balance of the securitized assets derecognized from the consolidated balance sheet amount to 23,356,000 euros and 28,614,000 euros respectively.

31.7. Compensation agreements and guarantees

In addition to the amounts that can be offset for accounting purposes in accordance with IAS 32, there are other netting agreements and guarantees that, although they do not entail accounting netting because they do not meet the necessary criteria, represent an effective reduction in credit risk.

Below is a detail as of December 31, 2023 and 2022 of the derivative financial instruments (Note 11) that are in the described situation, with a separate breakdown of the effects of these agreements, as well as the collateral received and/or delivered by the Group.

Thousands of euros		2023		2022
Derivative financial instruments	**Financial**	**Liabilities**	**Financial**	**Liabilities**
Gross exposure (book value)	**1,254,708**	**1,180,383**	**1,845,658**	**1,119,743**
Compensation agreements and guarantees	**(309,480)**	**(722,504)**	**(696,633)**	**(402,380)**
Compensation agreements	-	-	-	-
Collateral received/delivered	(309,480)	(722,504)	(696,633)	(402,380)
Net exposure	**945,228**	**457,879**	**1,149,025**	**717,363**

Gross exposure includes the carrying value of asset and liability derivative financial instruments held by the Group, while netting and collateral agreements include guarantees, deposits and other collateral associated with such asset and liability exposures (i.e., liability guarantees are included in the asset column and vice versa).

The amounts related to cash collateral and financial instruments reflect their fair values. Offsetting rights relate to collateral in cash and financial instruments and depend on the default of the counterparty.

In addition, within the framework of the acquisition and repurchase transactions carried out by the Group, there are other agreements that have involved the receipt and/or delivery of the following guarantees in addition to those implicit in such transactions:

Thousands of euros	2023		2022	
Guarantees associated with acquisitions and temporary asset transfers	**Delivered**	**Received**	**Delivered**	**Received**
Cash	99,166	125,294	41,330	9,551
In securities	-	-	157,801	-
	99,166	**125,294**	**199,131**	**9,551**

32. Interest income

The breakdown by source of interest income accrued by the Group in 2023 and 2022 is as follows:

Thousands of euros	2023	2022 (*)
Deposits with central banks (Note 7)	195,896	32,641
Deposits into credit institutions (Note 10.1)	19,354	2,545
Loans to customers (Note 10.1)	1,396,676	794,513
Non-performing assets (Note 10.1)	46,411	26,539
Debt securities at amortized cost (Note 10.1)	698,019	1,042,425
Deposits from central banks (Note 17.1)	-	55,150
Rectification of income as a result of hedge accounting (Note 11)	(49,678)	(703,805)
Insurance activity (Note 20.2)	-	-
Pension insurance yields linked to pensions and similar obligations	5	3
Other returns	39,221	24,823
	2,345,904	**1,274,834**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

Below is a breakdown of the amounts recorded under the heading “Interest income” of the consolidated profit and loss accounts for the fiscal years of 2023 and 2022, classified according to the portfolio of financial instruments that have originated them:

Thousands of euros	2023	2022 (*)
Cash, cash balances with central banks and other demand deposits (Note 7)	195,896	32,641
Financial assets held for trading (Note 8.1)	926	20
Non-trading financial assets mandatorily valued at fair value through profit or loss (Note 8.2)	4,192	3,670
Financial assets at fair value through other comprehensive income (Note 9.1)	16,675	10,747
Financial assets at amortized cost (Note 10) (**)	2,160,460	1,853,698
Insurance activity (Note 20.2)	13,274	15,210
Rectification of income as a result of hedge accounting (Note 11)	(49,678)	(703,805)
Income from financial liabilities (Note 17.1)	-	55,150
Other returns	4,159	7,503
	2,345,904	**1,274,834**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

(**) Excluding the portion attributed to the insurance activity

33. Interest expense

The breakdown of the balance of this heading on the consolidated income statements for 2023 and 2022 is as follows:

Thousands of euros	2023	2022
Deposits from central banks (Note 17.1)	92,373	-
Deposits into credit institutions (Note 17.2)	182,413	28,244
Customer deposits (Note 17.3)	410,622	154,527
Subordinated liabilities (Note 17.4)	18,462	21,942
Others marketable debt securities (Note 17.4)	100,034	28,259
Rectification of costs as a result of hedge accounting (Note 11)	126,858	(59,458)
Cost attributable to pension funds established (Note 18)	6,125	97
Other interest	55,787	27,986
	992,674	**201,597**

Below is a breakdown of the amounts recorded under the heading "Interest Expenses" of the consolidated profit and loss accounts for the fiscal years of 2023 and 2022, classified according to the portfolio of financial instruments that have originated them:

Thousands of euros	2023	2022
Financial liabilities at amortized cost	803,904	232,972
Rectification of costs as a result of hedge accounting	126,858	(59,458)
Others	61,912	28,083
	992,674	**201,597**

34. Dividend income

The breakdown of the balance of this heading in the consolidated profit and loss accounts for the years 2023 and 2022 by portfolio and by nature of the financial instruments is as follows:

Thousands of euros	2023	2022 (*)
Equity instruments classified as:		
Financial assets held for trading	-	132
Financial assets at fair value through other comprehensive income	24,567	18,303
	24,567	**18,435**
Equity instruments in the nature of:		
Shares	24,033	18,299
Other equity instruments	534	136
	24,567	**18,435**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

35. Profit or loss of entities accounted for using the equity method

The breakdown by companies of the balance of this heading on the consolidated income statements for 2023 and 2022 is as follows:

Thousands of euros	2023	2022 (*)
Unicorp Vida, Compañía de Seguros y Reaseguros, S.A.	73,620	36,453
Hidralia, Gestión Integral de Aguas de Andalucía, S.A.	2,280	2,239
Sociedad Municipal de Aparcamientos y Servicios, S.A.	969	767
Ingeniería de Suelos y Explotación de Recursos, S.A.	4,199	2,930
Propco Malagueta, S.L.	(207)	(1,114)
Proyecto Lima, S.L.	(380)	(932)
Propco Eos, S.L.	47	480
Propco Orange 1, S.L.	53	468
Espacio Medina, S.L.	-	(52)
CCM Vida y Pensiones de Seguros y Reaseguros, S.A. (**)	-	10,203
Liberbank Vida y Pensiones, Seguros y Reaseguros, S.A. (**)	-	12,170
Oppidum Capital, S.L.	13,648	18,058
Sociedad de Gestión y Promoción de Activos, S.L.	(1,169)	(245)
Sedes, S.A.	(532)	(328)
Global Berbice, S.L.	(396)	(364)
Other companies.	(186)	(430)
	91,946	**80,303**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

(**) Companies that merged with Unicorp Vida, Compañía de Seguros y Reaseguros, S.A.

36. Fee revenue

Below is the amount of fee income accrued in the years 2023 and 2022, classified according to the main concepts for which they originated, as well as the headings of the consolidated profit and loss accounts of said fiscal years in which have been counted:

Thousands of euros	2023	2022
Interest income		
Study and opening fees	21,979	30,642
	21,979	**30,642**
Fee revenue		
Fees for contingent liabilities	14,382	14,963
Fees for contingent commitments	3,442	3,299
Fees for collection and payment services	295,020	298,141
Fees for securities services	122,191	110,964
Foreign exchange and currency exchange fees	286	252
Fees for marketing of non-banking financial products	128,759	135,387
Other	16,958	10,238
	581,038	**573,244**
Other operating income		
Compensation fees for direct costs (Note 39)	1,460	3,646
	1,460	**3,646**

37. Fee expenses

Below is the amount of fee expense accrued in the years 2023 and 2022, classified according to the main concepts for which they originated, as well as the headings of the consolidated profit and loss accounts of said fiscal years in which have been counted:

Thousands of euros	2023	2022
Interest expense		
Commissions assigned to intermediaries	794	5,318
Other fees and commissions	-	79
	794	**5,397**
Fee expenses		
Active and passive transactions	10,267	2,510
Commissions assigned to other entities and correspondents	15,982	15,540
Commissions paid on securities transactions	3,882	3,659
Other fees and commissions	17,483	26,503
	47,614	**48,212**

38. Gains and losses on financial transactions

The breakdown of the balance of these headings of the consolidated profit and loss accounts corresponding to the fiscal years of 2023 and 2022, based on the portfolios of financial instruments that originate them, is as follows:

Thousands of euros	2023	2022 (*)
Gains or (losses) on write-off of financial assets and liabilities not not valued at fair value through profit or loss	4,804	36,292
Financial assets at amortized cost (**)	4,804	36,292
Other financial assets and liabilities	-	-
Net gains or (losses) on financial assets and liabilities held to trade	7,656	10,304
Reclassification of financial assets at fair value through other comprehensive income	-	-
Reclassification of financial assets at amortized cost	-	-
Other profit or (loss)	7,656	10,304
Gains or (losses) on financial assets not held for trading compulsorily measured at fair value through profit or loss	4,525	(9,216)
Reclassification of financial assets at fair value through other comprehensive income	-	-
Reclassification of financial assets at amortized cost	-	-
Other profit or (loss)	4,525	(9,216)
Gains or (losses) on financial assets and liabilities at fair value through profit or loss	-	-
Gains or (losses) resulting from hedge accounting	(1,876)	5,512
	15,109	**42,892**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

(**) The sales of financial assets at amortized cost made during fiscal years 2023 and 2022 comply with the provisions of the Unicaja's policies to consider them as infrequent sales and/or of insignificant value.

During 2023 and 2022, the Group sold Spanish and foreign debt instruments recorded in this amortized cost portfolio for a carrying amount of 488,932,000 euros and 1,084,525,000 euros respectively. The results obtained from these disposals have been recorded in the "Gains or losses on the derecognition of financial assets and liabilities not valued at fair value through profit or loss, net - Financial assets at amortized cost" heading in the consolidated income statement.

All sales made are within the limits established by the Group's policies. The regulations provide for the possibility of making sales of the portfolio at amortized cost, their being compatible with the business model of holding the financial assets to obtain the contractual cash flows, if they are infrequent/insignificant, and also in the event that they take place close to maturity and when the proceeds obtained therefrom correspond approximately to the proceeds to be received from outstanding contractual cash flows. The sales made by the Unicaja Group during fiscal years 2023 and 2022 are consistent with the business model under which these assets are managed.

39. Other operating income and others expenses

The breakdown of the balance of this heading on the consolidated income statements for 2023 and 2022 is as follows:

Thousands of euros	2023	2022 (*)
Income from investment properties (Note 13.2)	33,708	38,872
Compensation fees for direct costs (Note 36)	1,460	3,647
Sales and income from the provision of non-financial services	9,972	10,487
Operating expenses from real estate activity	(17,259)	(9,686)
Contribution to the Single Resolution Fund (Note 1.11)	(43,684)	(24,149)
Contribution to the Deposit Guarantee Fund (Note 1.10)	(88,275)	(87,665)
Temporary levy of credit institutions (Note 1.13)	(63,844)	-
Financial contribution for monetizable deferred tax assets (Note 24.4)	(23,289)	(25,429)
Expenses of companies with real estate activity	(30,134)	(53,311)
Agent commissions	(28,404)	(14,588)
Operational risk expenses	(3,132)	(2,015)
Other operating income and expenses	(8,417)	5,342
	(261,298)	**(158,495)**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

The “Other other operating income and expenses” caption includes other income and expenses from operating activities not included in other captions, such as compensation for certain expenses, indemnities received, income from various services rendered by the Bank or the Group’s subsidiaries, etc.

40. Income from insurance and similar services

The breakdown of the balance of these headings on the consolidated income statements for 2023 and 2022 is as follows:

Thousands of euros	2023	2022 (*)
Profit or (loss) from the insurance service	**13,664**	**14,696**
Ordinary insurance income	14,162	17,922
Insurance service expenses	(498)	(3,226)
Profit or (loss) from reinsurance contracts	**41**	**161**
	13,705	**14,857**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

The following table shows the contribution of each insurance product to the Group's revenues net of expenses in fiscal 2023 and 2022.

Thousands of euros	2023	2022 (*)
Life insurance	**13,664**	**14,696**
Individual	13,807	14,867
Collectives	(143)	(171)
Non-life insurance	**-**	**-**
Home	-	-
Other non-life insurance	-	-
	13,664	**14,696**

41. Administrative expenses

41.1. Personnel expenses

The composition of the heading "Personnel expenses" in the consolidated profit and loss accounts for the years 2023 and 2022 is as follows:

Thousands of euros	2023	2022 (*)
Wages and salaries	354,474	367,674
Social security	100,285	106,745
Provisions allocated to defined benefit pension plans	118	93
Provisions to defined contribution pension plans	18,057	18,821
Indemnities	2,977	3,655
Training expenses	1,529	612
Other personnel expenses	9,321	8,527
	486,761	**506,127**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

As of December 31, 2023 and 2022, the average number of Group employees distributed by professional category is as follows:

	Average number of people			
	2023		2022	
	Men	Women	Men	Women
Group 1	**3,165**	**3,671**	**3,505**	**3,960**
Level I	19	8	27	8
Level II	48	14	53	17
Level III	200	72	236	82
Level IV	439	199	491	210
Level V	1,017	787	1,096	804
Level VI	104	117	133	140
Level VII	456	748	493	783
Level VIII	496	906	523	956
Level IX	230	542	224	525
Level X	104	207	167	338
Level XI	39	53	46	69
Level XII	12	16	14	23
Level XIII	1	1	2	4
Level XIV	-	1	-	1
Group 2	**14**	**11**	**18**	**12**
Level I	-	-	-	-
Level II	13	11	16	12
Level III	1	-	2	-
Level IV	-	-	-	-
Level V	-	-	-	-
Cleaning personnel	-	**1**	**-**	**1**
Others	**5**	**5**	**4**	**4**
Total Parent Company	**3,184**	**3,688**	**3,527**	**3,977**
Other Group companies	**331**	**474**	**381**	**531**
Total Unicaja Group	**3,515**	**4,162**	**3,908**	**4,508**

Note: “Others” includes the average number of employees from Liberbank Digital, S.A.U. who have been transferred as employees of the parent company subject to the 17th State Collective Bargaining Agreement for consulting and market and public opinion research companies.

The following is a breakdown by item of the amounts recorded under “Provisions - Pensions and other post-employment defined benefit obligations,” “Provisions - Other long-term employee benefits” and “Insurance contracts linked to pensions” in the consolidated balance sheets as of December 31, 2023 and 2022:

Thousands of euros	2023	2022
Provisions - Provisions for pensions and similar obligations (Notes 18)	**182,826**	**260,235**
Pensions and other benefit obligations defined as post-employment	91,258	127,539
Other long-term employee benefits	91,568	132,696
Insurance contracts linked to pensions (Notes 15)	**21,509**	**23,167**
Post-employment benefits	21,509	23,167

41.1.1. Post-employment commitments

During 2002, the Parent Company reached an agreement with its employees for the modification and transformation of its complementary social welfare system into a mixed defined contribution and defined benefit model, whereby an occupational pension plan externalized in Unifondo Pensiones V Pension Fund was formalized. In order to carry out this modification and transformation, the entity rescinded the insurance policies that, at that time, covered the actuarial liabilities. Simultaneously, an endowment was made to the internal pension fund and a portion of the endowment amount was subsequently contributed to Unifondo Pensiones V Pension Fund.

At December 31, 2023 and 2022, the position account of the Unifondo Pensiones V Pension Fund amounted to 266,662,000 euros and 262,986,000 euros respectively. This amount includes both the defined contribution and defined benefit requirements which were calculated according to the criteria indicated in Note 2.12.

The position accounts of Unicaja Banco's different Pension Plans as of December 31, 2023 and 2022 are detailed below. These amounts include both the defined contribution and defined benefit requirements which were calculated according to the criteria indicated in Note 2.12.

Thousands of euros	2023	2022
Unifondo Pensiones V, Pension Fund	266,662	262,986
Caja Extremadura Employees Fund	54,789	54,436
Fondempleo Caja España, Pension Fund	100,419	94,181
FPCajastur, Pension Fund	250,777	262,933
CCM Employees Pension Fund	199,998	191,949
Fondem Cantabria, Pension Fund	199,998	191,949
Fonduero Personal, Pension Fund	55,206	52,099

During 2014, the Unicaja Group acquired a majority shareholding in the capital of Banco de Caja España de Inversiones, Salamanca y Soria, S.A. (EspañaDuero), which, in accordance with the corresponding labor agreements in force, must supplement the social security benefits corresponding to its employees, or their beneficiaries, in the event of retirement, widowhood, orphanhood, permanent disability or severe disability.

During 2021, as a result of the merger by absorption of Liberbank, S.A. by Unicaja, a series of post-employment commitments will be contributed to the Unicaja Group, as well as long-term remuneration, which are detailed in the following sections of this note.

41.1.1.1. General information on post-employment commitments

Below is a detail of the various defined benefit and defined contribution post-employment obligations assumed by the Group:

Defined contribution plans

The contributions made by the Unicaja Group in 2023 to the external pension fund amounted to 18,057,000 euros (18,821,000 euros in 2022), which are recognized under "Administrative Expenses - Personnel Expenses" in the consolidated income statements for those fiscal years.

Defined benefit plans

The current value of the commitments has been determined by qualified actuaries, who have applied the following criteria to quantify them:

– Method of calculation: "projected unit credit method," which sees each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately.

- Actuarial assumptions used: unbiased and mutually compatible. The most significant actuarial assumptions used in the calculations are outlined in Note 2.12

- Estimated retirement age of employees: which is calculated for each employee based on the best information available at the date of the financial statements.

The fair value of the assets used to cover unaffected pension commitments includes the fair value of the insurance policies taken out by the Group with Unicorp Vida, Compañía de Seguros y Reaseguros, S.A. and Unión Duero Compañía de Seguros Vida, S.A. to cover the commitments assumed with employees who are guaranteed a supplementary benefit at the time of their retirement, as explained above. As they are contracted with a company that is related to the Bank (Note 12), these insurance policies are recorded at fair value under "Insurance contracts linked to pensions" on the asset side of the balance sheet, since they are not considered to be an "asset assigned" for accounting purposes. The fair value of these policies has been calculated using actuarial methods, discounting the payment flows foreseen in the policy at the corresponding discount rate according to the IBOXX AA Corporate curve, based on the financial duration of the commitments.

As of December 31, 2023 and 2022, the fair value of the assets assigned to the post-employment compensation hedge was broken down as follows:

Thousands of euros	2023	2022
Nature of the Assets subject to Commitment Coverage		
Plan assets covered by insurance policy	336,508	376,690
Insurance policies contracted by the Plan linked to the coverage of defined benefit obligations	21,508	23,167
External defined contribution pension plan	729,234	701,854
	1,087,250	**1,101,711**

41.1.1.2. Information on defined contribution post-employment benefit obligations

Pension commitments materialized in defined contribution plans are settled by means of annual payments made by the Group to the beneficiaries of these plans, almost exclusively active employees of the Group. These contributions are accrued with a charge to the consolidated income statement for the year (Note 2.12.1) and, therefore, do not give rise to the recognition of a liability in this connection in the accompanying consolidated balance sheets.

The amounts recorded in the accompanying consolidated income statements for the contributions made to these plans in 2023 and 2022 amount to 18,057,000 euros and 18,821,000 euros respectively (Note 41.1).

41.1.1.3. Information on defined benefit post-employment benefit plans

The total amount of actuarial gains and losses recognized in the consolidated statement of recognized income and expense for 2023 that will not be reclassified to profit or loss amounts to 3,509,000 euros gross loss (15,577,000 euros gross loss in 2022), which after the related tax effect amounts to 2,456,000 euros net loss (10,904,000 euros net loss in 2022).

The reconciliation between the opening and closing balances of the present value of the Unicaja Group's defined benefit obligation for 2023 and 2022 is presented below:

Thousands of euros									2023
	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 Spain Duero	Plan 2 Spain Duero	Plans BCLM	Cantabria Plans	Extremadura Plans	Cajastur Plans	Total
Present value of obligations as of January 01, 2023	**57,856**	**20,727**	**4,164**	**51,938**	**50,833**	**31,464**	**9,221**	**133,358**	**359,561**
(i) Service cost for the current year	-	-	-	-	-	-	-	-	-
(ii) Interest cost	1,732	627	120	1,563	1,535	935	273	4,026	10,811
(iii) Contributions made by stakeholders	-	-	-	-	-	-	-	-	-
(iv) Actuarial gains and losses	(3,666)	(835)	(203)	(3,027)	(3,679)	(402)	(245)	(4,784)	(16,841)
iv.1. Due to changes in demographic assumptions	(2,441)	(236)	98	(794)	(3,437)	16	(3)	(971)	(7,768)
iv.2. Due to changes in financial assumptions	(1,225)	(599)	(301)	(2,233)	(242)	(418)	(242)	(3,813)	(9,073)
iv.3. Experience adjustments	-	-	-	-	-	-	-	-	-
(v) Exchange rate changes	-	-	-	-	-	-	-	-	-
(vi) Benefits paid	(5,194)	(1,503)	(351)	(4,738)	(4,002)	(3,259)	(989)	(10,293)	(30,329)
(vii) Cost of past services	-	-	-	-	-	-	-	-	-
(viii) Business combinations	-	-	-	-	-	-	-	-	-
(ix) Reductions	(426)	-	(172)	171	-	-	-	-	(427)
(x) Plan settlements	-	-	-	-	-	-	-	-	-
Present value of obligations as of December 31, 2023	**50,302**	**19,016**	**3,558**	**45,907**	**44,687**	**28,738**	**8,260**	**122,307**	**322,775**

Thousands of euros **2022**

	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 Spain Duero	Plan 2 Spain Duero	Plans BCLM	Cantabria Plans	Extremadura Plans	Cajastur Plans	Total
Present value of obligations as of January 01, 2022	**76,947**	**26,841**	**5,807**	**72,064**	**35,136**	**40,126**	**11,818**	**151,530**	**420,269**
(i) Service cost for the current year	-	-	-	-	-	-	-	-	-
(ii) Interest cost	192	77	13	172	300	341	100	1,291	2,486
(iii) Contributions made by stakeholders	-	-	-	-	-	-	-	-	-
(iv) Actuarial gains and losses	(12,664)	(4,724)	(960)	(16,141)	(1,209)	(6,063)	(1,646)	(8,866)	(52,273)
iv.1. Due to changes in demographic assumptions	(1,474)	365	330	(554)	(1,634)	1,015	153	25,374	23,575
iv.2. Due to changes in financial assumptions	(11,190)	(5,089)	(1,290)	(15,587)	425	(7,078)	(1,799)	(34,240)	(75,848)
iv.3. Experience adjustments	-	-	-	-	-	-	-	-	-
(v) Exchange rate changes	-	-	-	-	-	-	-	-	-
(vi) Benefits paid	(5,043)	(1,467)	(394)	(4,887)	(3,991)	(2,940)	(1,051)	(10,597)	(30,370)
(vii) Cost of past services	-	-	-	-	-	-	-	-	-
(viii) Business combinations	(1,576)	-	(302)	730	20,597	-	-	-	19,449
(ix) Reductions	-	-	-	-	-	-	-	-	-
(x) Plan settlements	-	-	-	-	-	-	-	-	-
Present value of obligations as of December 31, 2022	**57,856**	**20,727**	**4,164**	**51,938**	**50,833**	**31,464**	**9,221**	**133,358**	**359,561**

The reconciliation between the opening and closing balances of the present value of the fair value of plan assets and the opening and closing balances of any reimbursement rights recognized as assets by the Unicaja Group for fiscal years 2023 and 2022 is presented below:

Thousands of euros **2023**

	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 Spain Duero	Plan 2 Spain Duero	Plans BCLM	Cantabria Plans	Extremadura Plans	Cajastur Plans	Total
Fair value of assets as of January 01, 2023	**55,404**	**18,943**	**4,483**	**44,582**	**46,618**	**42,318**	**13,372**	**174,138**	**399,858**
(i) Service cost for the current year (contributions)	-	-	-	-	-	-	-	-	-
(ii) Interest cost (expected profitability of assets)	1,654	571	227	1,339	1,205	1,127	403	4,760	11,286
(iii) Contributions made by stakeholders	779	636	-	(3,300)	2,082	-	-	-	197
(iv) Actuarial gains and losses	(3,701)	(648)	(81)	(1,592)	(3,406)	(720)	(619)	(13,125)	(23,892)
iv.1. Due to changes in demographic assumptions	(2,808)	(609)	(11)	(262)	3,909	686	(163)	(1,964)	(1,222)
iv.2. Due to changes in financial assumptions	(893)	(39)	(70)	(1,330)	(7,315)	(1,406)	(456)	(11,161)	(22,670)
iv.3. Experience adjustments	-	-	-	-	-	-	-	-	-
(v) Exchange rate changes	-	-	-	-	-	-	-	-	-
(vi) Benefits paid	(5,194)	(1,503)	(352)	(3,420)	(3,996)	(3,259)	(989)	(10,293)	(29,006)
(vii) Cost of past services	-	-	-	-	-	-	-	-	-
(viii) Business combinations	(426)	-	-	-	-	-	-	-	(426)
(ix) Reductions	-	-	-	-	-	-	-	-	-
(x) Plan settlements	-	-	-	-	-	-	-	-	-
Fair value of assets as of December 31, 2023	**48,516**	**17,999**	**4,277**	**37,609**	**42,503**	**39,466**	**12,167**	**155,480**	**358,017**

Thousands of euros **2022**

	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 Spain Duero	Plan 2 Spain Duero	Plans BCLM	Cantabria Plans	Extremadura Plans	Cajastur Plans	Total
Fair value of assets as of January 01, 2022	**77,710**	**26,205**	**5,830**	**58,822**	**34,146**	**52,430**	**15,451**	**200,119**	**470,713**
(i) Service cost for the current year (contributions)	-	-	-	-	-	-	-	-	-
(ii) Interest cost (expected profitability of assets)	170	75	(237)	139	292	410	132	1,555	2,536
(iii) Contributions made by stakeholders	79	290	-	273	2,336	-	-	-	2,978
(iv) Actuarial gains and losses	(15,937)	(6,160)	(716)	(11,585)	(6,776)	(7,582)	(1,159)	(16,940)	(66,855)
iv.1. Due to changes in demographic assumptions	(1,293)	22	98	(160)	(1,433)	686	577	25,271	23,768
iv.2. Due to changes in financial assumptions	(14,644)	(6,182)	(814)	(11,425)	(5,343)	(8,268)	(1,736)	(42,211)	(90,623)
iv.3. Experience adjustments	-	-	-	-	-	-	-	-	-
(v) Exchange rate changes	-	-	-	-	-	-	-	-	-
(vi) Benefits paid	(5,043)	(1,467)	(394)	(3,496)	(3,976)	(2,940)	(1,051)	(10,597)	(28,964)
(vii) Cost of past services	-	-	-	-	-	-	-	-	-
(viii) Business combinations	(1,576)	-	-	428	20,597	-	-	-	19,449
(ix) Reductions	-	-	-	-	-	-	-	-	-
(x) Plan settlements	-	-	-	-	-	-	-	-	-
Fair value of assets as of December 31, 2022	**55,403**	**18,943**	**4,483**	**44,581**	**46,619**	**42,318**	**13,373**	**174,137**	**399,857**

The reconciliation of the present value of the defined benefit post-employment obligation and the fair value of the related assets (excluding insurance contracts linked to pensions) to the assets and liabilities recognized in the consolidated balance sheet of the Unicaja Group at December 31, 2023 and 2022 is presented below:

Thousands of euros **2023**

	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 Spain Duero	Plan 2 Spain Duero	Plans BCLM	Cantabria Plans	Extremadura Plans	Cajastur Plans	Total
Present value of obligations as of December 31, 2023	**50,302**	**19,016**	**3,558**	**45,906**	**44,687**	**28,738**	**8,261**	**122,307**	**322,775**
(i) Cost of past services not rendered in the balance sheet	-	-	-	-	-	-	-	-	-
(ii) Any amount not recognized as assets	-	-	-	4,925	-	-	3,906	-	8,831
(iii) Fair value of any right of reimbursement recognized as an asset	-	-	616	-	-	10,729	-	33,173	44,518
(iv) Other amounts recognized in the balance sheet	(1,982)	(19,016)	-	(16,279)	(2,340)	-	-	-	(39,617)
Fair value of assets as of December 31, 2023	**48,320**	**-**	**4,174**	**34,552**	**42,347**	**39,467**	**12,167**	**155,480**	**336,507**

Thousands of euros **2022**

	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 Spain Duero	Plan 2 Spain Duero	Plans BCLM	Cantabria Plans	Extremadura Plans	Cajastur Plans	Total
Present value of obligations as of December 31, 2022	**57,856**	**20,727**	**4,164**	**51,938**	**50,833**	**31,464**	**9,221**	**133,358**	**359,561**
(i) Cost of past services not rendered in the balance sheet	-	-	-	-	-	-	-	-	-
(ii) Any amount not recognized as assets	-	-	-	4,909	-	-	4,151	-	9,060
(iii) Fair value of any right of reimbursement recognized as an asset	-	-	204	2,418	-	10,854	-	40,780	54,256
(iv) Other amounts recognized in the balance sheet	(2,708)	(20,727)	-	(18,377)	(4,374)	-	-	-	(46,186)
Fair value of assets as of December 31, 2022	**55,148**	**-**	**4,368**	**40,888**	**46,459**	**42,318**	**13,372**	**174,138**	**376,691**

The amounts for the fiscal period 2023 and the four preceding annual periods are presented below for the present value of the defined benefit obligation, the fair value of plan assets and the experience adjustments arising from plan assets and liabilities.

Thousands of euros									**Current value of obligations**
	Plan 1 Unicaja	**Plan 2 Unicaja**	**Plan 1 Spain Duero**	**Plan 2 Spain Duero**	**Plans BCLM**	**Cantabria Plans**	**Extremadura Plans**	**Cajastur Plans**	**Total**
2019									
Experience adjustments	-	-	-	-	-	-	-	-	**-**
Value at December 31, 2019	85,854	33,919	6,145	82,717	-	-	-	-	**208,635**
2020									
Experience adjustments	-	-	-	-	-	-	-	-	**-**
Value at December 31, 2020	83,818	28,116	6,796	75,266	-	-	-	-	**193,996**
2021									
Experience adjustments	-	-	-	-	(946)	(4,207)	59	2,501	**(2,593)**
Value at December 31, 2021	76,947	26,841	5,807	72,064	35,136	40,126	11,818	151,530	**420,269**
2022									
Experience adjustments	-	-	-	-	-	-	-	-	**-**
Value at December 31, 2022	57,856	20,727	4,164	51,938	50,833	31,464	9,221	133,358	**359,561**
2023									
Experience adjustments	-	-	-	-	-	-	-	-	**-**
Value at December 31, 2023	50,302	19,016	3,558	45,906	44,687	28,738	8,261	122,307	**322,775**

Thousands of euros **Fair value of assets**

	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 Spain Duero	Plan 2 Spain Duero	Plans BCLM	Cantabria Plans	Extremadura Plans	Cajastur Plans	Total
2019									
Experience adjustments	-	-	-	-	-	-	-	-	-
Value at December 31, 2019	86,684	27,219	6,421	62,588	-	-	-	-	**182,912**
2020									
Experience adjustments	-	-	-	-	-	-	-	-	-
Value at December 31, 2020	83,398	27,207	5,955	60,137	-	-	-	-	**176,697**
2021									
Experience adjustments	-	-	-	-	(416)	160	1	2,994	**2,739**
Value at December 31, 2021	77,710	26,205	5,830	58,822	34,146	52,430	15,451	200,119	**470,713**
2022									
Experience adjustments	-	-	-	-	-	-	-	-	-
Value at December 31, 2022	55,404	18,943	4,483	44,582	46,618	42,318	13,372	174,138	**399,858**
2023									
Experience adjustments	-	-	-	-	-	-	-	-	-
Value at December 31, 2023	48,517	17,999	4,277	37,608	42,502	39,467	12,167	155,480	**358,017**

Below is a detail of the total expense recognized in net equity in 2023 and 2022 and the items in which they have been included.

Definition	Income statement item
a) Service cost for the current year	Personnel expenses
b) Interest cost	Interest expense
c) Expected return on assets	Interest income
d) Cost of past service recognized in the year	Provisions/ reversal

Thousands of euros **2023**

	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 España Duero	Plan 2 España Duero	Liberbank Origin Plans	Total
a) Service cost for the current year	-	-	-	-	-	**-**
b) Interest cost	84	627	5	559	334	**1,609**
c) Expected return on assets	(6)	(571)	(112)	(182)	(931)	**(1,802)**
d) Gains and losses recognized during the year	35	(187)	(122)	(1,571)	8,385	**6,540**
e) Past service cost recognized in the year	-	-	-	-	-	**-**

Thousands of euros **2022**

	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 España Duero	Plan 2 España Duero	Liberbank Origin Plans	Total
a) Service cost for the current year	-	-	-	-	-	**-**
b) Interest cost	23	77	1	59	12	**172**
c) Expected return on assets	(1)	(75)	250	(14)	(369)	**(209)**
d) Gains and losses recognized during the year	3,273	1,436	(244)	(5,676)	18,825	**17,614**
e) Past service cost recognized in the year	-	-	-	-	-	**-**

The main actuarial assumptions used by the Unicaja Group as of December 31, 2023 are presented below.

Actuarial assumptions of Plan 1 Unicaja:

- Updated tables: PERMF 2020 first order
- Type of update:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the Euro Zone high credit rating corporate bonds.
  - The duration for each commitment ranges from 15.33 to 7.34 years for bonds and 10.54 to 1.92 years for assets.
  - The rates applied for each commitment range from 3.6288% to 3.5991% for bonds and 3.6206% to 3.5991% for assets.
- Rate of increase in salaries: 2.5% for No. 505003000038.
- Pension revaluation rate: 2024 maximum 2.5% and the remainder maximum 1.5%.
- Type of expected return on plan assets:
  - For assets subject to the coverage of obligations insured in the Collective III policy (Defined Benefit. Employees from Banco Urquijo), the rate applied is 3.145% (No. 505003000038).
  - For assets assigned to the coverage of obligations insured in the Collective VI policy (Plan Beneficiaries) with cash-flow matching, the rate applied is 3.1207% (No. 505203000039).
  - For the assets assigned to the coverage of insured obligations in the policy of the Beneficiaries from Collective I (Mixed. General System), II and III that enjoy actuarial annuities, the rate applied is 3.1380% (No. 505203000046).
  - For assets assigned to the coverage of insured obligations in the policy corresponding to benefits not financed by the Plan due to contribution limits, the rate applied is 3.1303% (No. 505203000044).
- Rate of return on any recognized reimbursement rights: 0%.
- Estimated retirement age: 65 years of age, except for cases with knowledge of advance retirement age for No. 505003000038 and beneficiaries for the rest.
- Rotation: No.

Actuarial assumptions of Plan 2 Unicaja:

- Updated tables: PERMF 2020 first order.
- Type of update:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the Euro Zone high credit rating corporate bonds.
  - The duration for each commitment ranges from 10.96 to 6.15 years for both bonds and assets.
  - The rates applied for each commitment range from 3.6201% to 3.5889% for both bonds and assets.
- Pension revaluation rate: 2024 maximum 2.5% and the remainder maximum 1.5%.
- Type of expected return on plan assets:
  - For assets used to cover obligations insured under the policy covering commitments arising from the Savings Banks and Banks Collective Bargaining Agreements, the rate applied is 3.1381% (No. 505003000041).
  - For the assets assigned to the coverage of obligations insured in the policy for the early retirees' group (liabilities), the rate applied is 3.1299% (No. 505003000043).
  - The rate applied to the assets assigned to the coverage of insured obligations in the policy for the early retiree group (risk) is 3.1306% (No. 505003000042).
  - For assets assigned to the coverage of obligations insured in the annuity policy, the rate applied is 3.1103% (No. 505003000047).
- Rate of return on any recognized reimbursement rights: 0 %
- Estimated retirement age: beneficiaries.
- Rotation: No.

Actuarial assumptions of Plan 1 EspañaDuero:

- Updated tables: PERMF 2020 first order.
- Type of update:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the Euro Zone high credit rating corporate bonds.
  - The interest rates and financial durations of each group are as follows:
    - For beneficiary benefits covered in the Plan and uninsured 3.5805% and 5.55 years respectively for the obligations.
    - For beneficiary benefits covered by the Plan and insured under policy RV81 12000017, 3.6204% and 11.17 years respectively for bonds and assets.
    - For benefits of participants and beneficiaries 3.6181% and 10.40 years respectively for the obligations and assets of the Pension Plan and the insured capital in policy respectively for the assets.
- Pension revaluation rate: between 0% and 1.5% (difference between 2024 at 2.5% / remainder at 2% and 1.5% in plan 2 policy 02/02).
- Type of expected return on plan assets:
  - For plan assets and liabilities 7.56%.
  - For liabilities insured under the plan 3.1382%.
  - For plan participants: 0%.
  - For the Plan Excess Policy: 0%.
- Estimated retirement age: beneficiaries.
- Rotation: No.

Actuarial assumptions of Plan 2 EspañaDuero:

Commitments from Caja Duero:

- Updated tables: PERMF 2020 first order.
- Discount rate:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the Euro Zone high credit rating corporate bonds.
  - The interest rates and financial durations of each group are as follows:
    - For benefits of assets not adhered to the Pension Plan of the Caja Duero employment system (policy RD80 01/000002), with reference to the applied rates of 3.6245% for bonds and 2.9360% for assets, as well as a financial duration of 12.14 years for bonds and 0.81 years for assets.
    - For the benefits of the liability policy RV80 02/000002, with reference to the applied rates of 3.5861% for bonds and assets, as well as a financial duration for both of 5.90 years.
    - For liability policy benefits 1440001 3.5928% and 6.02 years respectively.
    - Internal Fund at 3.6395% and a financial duration of 6.87 years.
- Pension revaluation rate: 2% for policy 01/02, 2024 maximum 2.5% and the rest maximum 2%.
- Type of expected return on plan assets:
  - For assets not included in the plan, 2.9360%.
  - For policy 02/02 3.1088%.
  - For liability policy 1440001: 3.106%.
- Estimated retirement age: 65 years for policy 01/02 and beneficiaries for the rest.
- Rotation: No.

Commitments from Caja España:

- Updated tables: PERMF 2020 first order.
- Discount rate:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the Euro Zone high credit rating corporate bonds.
  - The interest rates and financial durations of each group are as follows:
    - Beneficiary benefits policy 8.118: 3.6024% (financial duration of 7.76 years).
    - Beneficiary benefits policy PCP-1.001: 3.5898% (financial duration of 6.19 years).
- Pension revaluation rate: 2024 maximum 2.5% and the remainder maximum 2%.
- Type of expected return on plan assets:
  - For the assets subject to policy 8,118, it contemplates cash flow matching at a rate of 3.1228%.
  - For the assets subject to policy 1,001, it contemplates cash flow matching at a rate of 3.1120%.
- Estimated retirement age: beneficiaries.
- Rotation: No.

Actuarial assumptions of the Origen Liberbank Plans:

Commitments from Cajastur - Plan 1 (No. 14785):

- Updated tables: PERMF 2020 first order.
- Discount rate:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the Euro Zone high credit rating corporate bonds.
  - The duration for each commitment is 9.01 years for both bonds and assets.
  - The rate applied for each commitment is 3.6109% for both bonds and assets.
- Pension revaluation rate: 2024 maximum 2.5% and the remainder maximum 1%.
- Expected rate of return on the accounting asset: 3.1291%.
- Rate of return on any recognized reimbursement rights: 0%.
- Estimated retirement age: beneficiaries.
- Rotation: No.

Commitments from Extremadura - Plan 1:

- Updated tables: PERMF 2020 first order.
- Type of update:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the Euro Zone high credit rating corporate bonds.
  - The interest rates and financial durations of each group are as follows:
    - Number 1035: 3.5981% and 7.13 years respectively for both bonds and assets.
    - Number 1002: 3.5953% and 6.68 years respectively for both bonds and assets.
    - Number 53579: 3.5882% and 6.27 years respectively for both bonds and assets.
    - Number 54282: 3.6335% and 18.4 years respectively for both bonds and assets.
- Pension revaluation rate: no revaluation for No. 54282, 2% for No. 53579 and for No. 1035 and No. 1002, 2024 maximum 2.5% and the rest maximum 1%.
- Expected rate of return on the accounting asset: 3.1164% for No. 1035, 3.1135% for No. 1002, 3.1117% for No. 53579 and 3.1480% for No. 54282.
- Rate of return on any recognized reimbursement rights: 0%.
- Estimated retirement age: beneficiaries.
- Rotation: No.

Commitments from Cantabria - Plan 1:

- Updated tables: PERMF 2020 first order.
- Type of update:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the Euro Zone high credit rating corporate bonds.
  - The interest rates and financial durations of each group are as follows:
    - Number 52493: 3.5943% and 6.73 years respectively for both bonds and assets.
    - Number 52907: 3.6013% and 7.68 years respectively for both bonds and assets.
    - Number 53083 (deferred): 3.6290% and 14.83 years respectively for both bonds and assets.
- Pension revaluation rate: 2% for number 53083 (deferred) and for numbers 52493 and 52907, 2024 maximum 2.5% and the rest maximum 1%.
- Expected rate of return on the accounting asset: 3.1148% for No. 52493, 3.1217% for No. 52907 and 3.1459% for No. 53083 (deferred).
- Rate of return on any recognized reimbursement rights: 0%.
- Estimated retirement age: beneficiaries.
- Rotation: No.

Commitments from BCM - Plan 1:

- Updated tables: PERMF 2020 first order.
- Type of update:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the Euro Zone high credit rating corporate bonds.
  - The interest rates and financial durations of each group are as follows:
    - Number 303 and other insured liabilities: 3.6139% and 9.58 years respectively for both bonds and assets.
    - Self-insured: 3.6139% and 9.58 years respectively for both bonds and assets.
    - Additions 2021/2022 (pending assurance): 3.6139% and 9.58 years respectively for both bonds and assets.
    - Internal Fund: 3.5932% and 6.37 years respectively for both bonds and assets.
- Pension revaluation rate: 0% for the Internal Fund and for the remainder, 2024 maximum 2.5% and remainder maximum 1.6%.
- Expected rate of return on the accounting asset: 3.1314%.
- Rate of return on any recognized reimbursement rights: 0%.
- Estimated retirement age: beneficiaries.
- Rotation: No.

Sensitivity data on the present value of the obligations at December 31, 2023 with respect to changes in the interest rate and salary growth is as follows:

	Percentage variation	
Fiscal Year 2023 - Unicaja Plans	**Increase**	**Decrease**
Change in the present value of obligations due to a 0.5% variation in salaries	0.01%	0.01%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(3.81)%	4.09%

	Percentage variation	
Fiscal year 2023 - EspañaDuero Plans	**Increase**	**Decrease**
Change in the present value of obligations due to a 0.5% variation in salaries	0%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(3.26)%	3.71%

Fiscal Year 2023 - BCLM Plans	Percentage variation Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(3.44)%	3.71%

Fiscal Year 2023 - Cantabria Plans	Percentage variation Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(3.68)%	1.66%

Fiscal Year 2023 - Extremadura Plans	Percentage variation Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(3.31)%	3.97%

Fiscal year 2023 - Cajastur Plans	Percentage variation Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(4.29)%	4.49%

Data on the sensitivity of the present value of the obligations at December 31, 2022 with respect to changes in the interest rate and salary growth are as follows:

Fiscal Year 2022 - Unicaja Plans	Percentage variation Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0.01%	(0.01)%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(4.03)%	4.34%

Fiscal year 2022 - EspañaDuero Plans	Percentage variation Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(3.94)%	0%

Fiscal Year 2022 - BCLM Plans	Percentage variation Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(4.80)%	0%

Fiscal Year 2022 - Cantabria Plans	Percentage variation Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(3.94)%	0%

Fiscal Year 2022 - Extremadura Plans	Percentage variation Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(3.47)%	0%

Fiscal year 2022 - Cajastur Plans	Percentage variation Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(4.45)%	0%

At year-end 2023, based on the mortality tables used, the estimated life expectancy for a person retiring at year-end 2023 is 28.18 years for women and 24.46 years for men.

At year-end 2022, based on the mortality tables used, the estimated life expectancy for a person retiring at year-end 2022 was 28.05 years for women and 24.32 years for men.

At the end of 2023, for Unicaja and EspañaDuero Plans, the life expectancy since retirement for a person who would retire 20 years after the end of the 2023 financial year is 30.51 years in the case of women and 26.87 years in the case of men.

At the end of 2022, for Unicaja and EspañaDuero Plans, the life expectancy since retirement for a person who would retire 20 years after the end of the 2022 financial year was 30.41 years in the case of women and 26.99 years in the case of men.

The estimated payment of the various post-employment benefits for the next ten years is as follows:

Thousands of euros

Unicaja	2024	2025	2026	2027	2028	2029-2033
Post-employment benefits	6,506	6,356	6,174	5,979	5,767	25,138
Other long-term benefits	36,551	28,008	18,104	8,449	2,415	879
Total benefits	**43,057**	**34,364**	**24,278**	**14,428**	**8,182**	**26,017**

Thousands of euros

EspañaDuero	2024	2025	2026	2027	2028	2029-2033
Post-employment benefits	4,945	4,669	4,490	4,300	4,100	17,000
Other long-term benefits	63	-	-	-	-	-
Total benefits	**5,008**	**4,669**	**4,490**	**4,300**	**4,100**	**17,000**

Thousands of euros

Liberbank	2024	2025	2026	2027	2028	2029-2033
Post-employment benefits	18,057	17,685	17,117	16,510	15,876	68,515
Other long-term benefits	22,800	16,446	10,746	4,207	73	31
Total benefits	**40,857**	**34,131**	**27,863**	**20,717**	**15,949**	**68,546**

In relation to the estimated benefits for the following fiscal year:

- For the defined benefit retirement benefit, the amount of the contributions will be equal to the normal and supplementary cost, if any, resulting from the last actuarial valuation made by the Plan's Actuary at the close of the previous year.
- For the defined disability, widowhood and orphanhood benefits of the Defined Benefit groups, the amount equivalent to the annual premium required for coverage will be contributed through a Group Life Insurance Policy, the amount of which is budgeted on the basis of the amounts paid in the previous year.
- For the defined disability, widowhood and orphanhood benefits of the Defined Contribution groups, the cost of the insurance premium corresponding to these risk benefits established for this purpose with the insurance company will be contributed, in the part necessary to achieve said benefits, deducting the capitalization funds constituted. Generally, they are estimated based on the amounts paid in the previous year.

41.1.2. Death and disability

The amount of premiums paid for insurance policies covering the contingencies of death and disability of employees in the fiscal period 2023 amounted to 3,077,000 euros (3,654,000 euros in 2022) and is recorded under "Administrative Expenses - Personnel Expenses" in the consolidated income statement (Note 2.12.3 and Note 41.1).

41.1.3. Seniority awards:

The amounts recorded for the commitments reached with the employees in the event that they reach 20 and 35 years of service with the Bank at the end of 2023 and 2022 amount to 4,433,000 euros and 4,804,000 euros, and are recorded under "Provisions - Pensions and defined benefit post-employment obligations" in the balance sheets at those dates.

41.1.4. Agreed Compensated Leaves of Absence (EPC)

On June 1, 2016, Liberbank, S.A. reached a labor agreement with the union majority, with the aim of establishing the conditions so that the employees could take advantage of the agreed compensated leave of absence (hereinafter, EPC) or a compensated voluntary leave plan. Active employees born between 1956 and 1964 may avail themselves of the first modality. The situation would last until the end of the calendar year in which it arises, where such situation can be extended by mutual agreement for a calendar year and up to the age of 63, or before this age where this was an entitlement to retirement benefits. The employee would receive compensation as monthly amounts equal to 60% of the current gross salary, being limited to a minimum of 75% and a maximum of 80% of the net salary, where the resulting gross amount cannot exceed 50,000 euros per year or the proportionate part thereof for shorter periods.

The agreement contemplated the possibility of reincorporating the employees under this modality to the Bank, either at Liberbank's request due to organizational needs or at the employee's own will.

This agreement incorporated a guarantee clause in the event of a relevant change in the shareholding of Liberbank, S.A. Specifically, the clause states that should there be a major change in ownership of the Bank, active employees reinstated at the Bank's request after taking the mutually agreed paid leave of absence may terminate their employment relationship under the same economic terms envisaged in the agreement to suspend the contract for the time remaining until they are 63 years of age. As stated in the aforementioned guarantee clause, it was understood that there would be a loss of control when, as a result of a corporate operation, the shareholders that existed at that time (banking foundations) did not appoint the largest number of representatives on the Board from among the proprietary directors.

Prior to the merger of Liberbank with Unicaja, a total of 636 employees of the Liberbank Group had taken this type of compensated leave of absence, while another 90 employees who had previously been on leave of absence had returned to work due to organizational needs.

The provision recorded by the Unicaja Group for this at 31 December 2023 and 2022 amounts to 51,641,000 euros and 81,353,000 euros respectively.

41.1.5. Assumptions used in other long-term commitments

The amount of the commitments has been determined by qualified actuaries, who have applied the following criteria to quantify them:

Criteria for Unicaja:

- Updated tables: PERMF 2020 first order.
- Actuarial assumptions used: to calculate the commitments to employees arising from the aforementioned agreement, the Bank has applied the market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to high credit rating corporate bonds in the Euro Zone.
- The duration for each commitment ranges from 9.18 years to 0.58 years.
- The rates applied for each commitment range from 3.6221% to 3.6006%.
- Estimated retirement age: according to agreement with the Bank.

Criteria for Spain Douro:

- Updated tables: PERMF 2020 first order.

- Actuarial assumptions used: to calculate the commitments to employees arising from the aforementioned agreement, the Bank has applied the market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to high credit rating corporate bonds in the Euro Zone.
- The duration for each commitment is 0.31 years.
- The rates applied for each commitment are 3.621%.
- Estimated retirement age: according to agreement with the Bank.

Criteria for Liberbank:

- Updated tables: PERMF 2020 first order.
- Actuarial assumptions used: to calculate the commitments to employees arising from the aforementioned agreement, the Bank has applied the market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to high credit rating corporate bonds in the Euro Zone.
- The rate and duration associated with the Long-Term commitments from Liberbank for the Compensated Agreed Leave (EPC) group is 3.611% and 1.35 years respectively.
- The special agreement growth rate is 3%.
- Estimated retirement age: according to agreement with the Bank.

41.2. Other administration expenses

The breakdown of the balance of this heading on the consolidated income statements for 2023 and 2022 is as follows:

Thousands of euros	**2023**	**2022 (*)**
Real estate and facilities	31,571	34,100
Leasing	1,572	2,212
Computing	67,233	66,744
Communications	22,519	21,974
Advertising	15,070	14,707
Legal expenses	2,449	1,900
Technical reports	40,323	29,601
Surveillance services	12,633	11,692
Insurance premiums	1,558	1,592
By governing bodies	3,085	2,706
Representation expenses	3,140	3,008
Association dues	18,190	15,062
Outsourced services	13,304	8,939
Taxes	37,458	37,186
Other	11,185	13,769
	281,290	**265,192**

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

The fees paid by the Unicaja Group to PricewaterhouseCoopers Auditores, S.L. for audit services in 2023 amount to 2,468,000 euros (2,413,000 euros for audit services in 2022). In addition, in 2023, fees for services provided to the Group by companies using the PricewaterhouseCoopers brand in relation to other accounting and regulatory verification work amount to 712,000 euros (967,000 euros in 2022), and other services amounting to 13,000 euros (10,000 euros in 2022).

42. Impairment in value or reversal of impairment in value of investments in joint ventures or associates and non-financial assets

The composition of these sections of the consolidated profit and loss accounts for the years 2023 and 2022, is as follows:

Thousands of euros	2023	2022
Impairment of value or reversal of investments in joint ventures or associated companies (Note 12)	**3,358**	**(535)**
Impairment of value or reversal of non-financial assets	**(42,636)**	**(70,545)**
Goodwill (Notes 4 and 14)	(6,773)	(6,773)
Other intangible assets	(2,033)	-
Other assets	(33,830)	(63,772)
	(39,278)	**(71,080)**

The following is a detail, by consolidated balance sheet line item, of "Impairment or reversal of non-financial assets - Other assets" for the years 2023 and 2022:

Thousands of euros	2023	2022
Impairment losses on property, plant and equipment (Note 13.3)	(3,458)	(32,968)
Impairment losses on investment property (Note 13.3)	(26,280)	(9,890)
Impairment losses on inventories	(260)	(18,311)
Impairment losses on other assets	(3,832)	(2,603)
	(33,830)	**(63,772)**

43. Gains or losses when derecognizing non-financial assets and participations in accounts

The breakdown of the balance of this heading on the consolidated income statements for 2023 and 2022 is as follows:

Thousands of euros	2023		2022	
	Profit	Loss	Profit	Loss
For sale of tangible assets	2,570	-	5,848	(1,839)
For sale of real estate investments	-	(12,951)	-	-
For sale of investments	960	(1,989)	3,503	(429)
Other	358	(1,000)	1,436	(171)
	3,888	**(15,940)**	**10,787**	**(2,439)**

44. Gains or losses on non-current assets and disposal groups of items classified as held for sale and not eligible for sale as discontinued operations

The breakdown of the balance of this heading on the consolidated income statements for 2023 and 2022 is as follows:

Thousands of euros		2023		2022
	Profit	Loss	Profit	Loss
Gain or loss on sale or disposal of property, plant and	35,319	(67,957)	21,940	(12,541)
Provisions for value adjustments due to impairment of non-current assets held for sale (Note 16)	-	(211,911)	-	(16,828)
Provisions for impairment losses on financial assets classified as non-current assets held for sale	6,831	(554)	-	-
Other	3,578	-	17,000	(27)
	45,728	**(280,422)**	**38,940**	**(29,396)**

In 2023, the heading “Provisions for impairment losses on non-current assets held for sale”, amounting to 211,911,000 euros, includes provisions made for adjustments to the fair value of foreclosed assets, classified under “Non-current assets held for sale”, in addition to the hedges derived from the Unicaja Group’s internal impairment models (Note 2.20), to consider certain circumstances observed in the real estate market and in the most recent experience of the Group’s own foreclosed asset sales (Note 16).

The item “Gains or losses on disposal of property, plant and equipment” in 2023 includes an amount of 39,563,000 euros corresponding to the net book value of foreclosed assets removed from the balance sheet, as no future economic benefits are expected to be obtained from their disposal (Note 16).

In 2022, “Other items”, amounting to 17 million euros, included the gain recognized in 2022 on the sale of 50% of Liberbank Vida y Pensiones, Seguros y Reaseguros, S.A. and CCM Vida y Pensiones de Seguros y Reaseguros, S.A. (previously classified as non-current assets held for sale) as part of the process of reorganizing the Unicaja Group’s insurance business formalized in 2022 (Note 12.2).

45. Linked parties

In addition to the information presented in Note 6 in relation to the balances and operations carried out with the members of the Board of Directors of the Parent Bank and with its Senior Management, the rest of the balances recorded in the consolidated balance sheets as of December 31, 2023 and 2022 and the transactions recorded in the consolidated profit and loss accounts for the years 2023 and 2022 originating from transactions with related parties:

Thousands of euros **2023**

	Significant shareholders	Administrators and Managers	Individuals, companies or group entities	Other associates	Total
Expenses					
Financial expense	(879)	(26)	(22,993)	(491)	(24,389)
Management or collaboration contracts	(1,547)	-	(12,893)	-	(14,440)
R&D transfers and licensing agreements	-	-	-	-	-
Leasing	-	-	(22)	-	(22)
Reception of services	-	-	-	-	-
Purchase of goods (finished or in process)	-	-	-	-	-
Valuation allowances for non-performing or bad debts	-	-	-	-	-
Losses due to write-downs or disposal of assets	-	-	-	-	-
Other expenses	-	-	-	-	-
Total expenses	**(2,426)**	**(26)**	**(35,908)**	**(491)**	**(38,851)**
Income					
Financial income	14	26	5,932	1,536	7,508
Management or collaboration contracts	-	-	1	-	1
R&D transfers and licensing agreements	-	-	-	-	-
Dividends received	-	-	-	-	-
Leasing	-	-	35	-	35
Provision of services	-	-	-	-	-
Sale of goods (finished or in process)	-	-	-	-	-
Gains on retirement or disposal of assets	-	-	-	-	-
Other income	-	-	-	-	-
Total earnings	**14**	**26**	**5,968**	**1,536**	**7,544**
Financial					
Purchase of tangible, intangible or other assets	-	-	-	-	-
Financing agreements: credits and contributions from capital (lender)	-	1,230	90,897	104,871	196,998
Other transactions	-	-	-	-	-
Total assets	**-**	**1,230**	**90,897**	**104,871**	**196,998**
Liabilities					
Financing agreements, loans and contributions from capital (borrower)	31,840	3,605	1,480,216	36,761	1,552,422
Dividends and other distributed income	38,876	-	-	-	38,876
Total liabilities	**70,716**	**3,605**	**1,480,216**	**36,761**	**1,591,298**
Guarantees and commitments					
Guarantees and collateral provided	5	215	52,819	19,246	72,285
Financing commitments	-	-	-	-	-
Total guarantees and commitments	**5**	**215**	**52,819**	**19,246**	**72,285**

Thousands of euros					2022
	Significant shareholders	**Administrators and Managers**	**Individuals, companies or group entities**	**Other associates**	**Total**
Expenses					
Financial expense	-	(9)	(213)	(43)	(265)
Management or collaboration contracts	(1,464)	-	(9,167)	-	(10,631)
R&D transfers and licensing agreements	-	-	-	-	-
Leasing	-	-	(19)	-	(19)
Reception of services	-	-	-	-	-
Purchase of goods (finished or in process)	-	-	-	-	-
Valuation allowances for non-performing or bad debts	-	-	-	-	-
Losses due to write-downs or disposal of assets	-	-	-	-	-
Other expenses	-	-	-	-	-
Total expenses	**(1,464)**	**(9)**	**(9,399)**	**(43)**	**(10,915)**
Income					
Financial income	-	6	3,586	398	3,990
Management or collaboration contracts	-	-	3	-	3
R&D transfers and licensing agreements	-	-	-	-	-
Dividends received	-	-	-	-	-
Leasing	-	-	52	-	52
Provision of services	-	-	-	-	-
Sale of goods (finished or in process)	-	-	-	-	-
Gains on retirement or disposal of assets	-	-	-	-	-
Other income	-	-	-	-	-
Total earnings	**-**	**6**	**3,641**	**398**	**4,045**
Financial					
Purchase of tangible, intangible or other assets	-	-	-	-	-
Financing agreements: credits and contributions from capital (lender)	-	1,414	172,643	23,418	197,475
Other transactions	-	-	-	-	-
Total assets	**-**	**1,414**	**172,643**	**23,418**	**197,475**
Liabilities					
Financing agreements, loans and contributions from capital (borrower)	54,505	8,198	215,363	15,675	293,741
Dividends and other distributed income	20,391	-	-	-	20,391
Total liabilities	**74,896**	**8,198**	**215,363**	**15,675**	**314,132**
Guarantees and commitments					
Guarantees and collateral provided	-	213	61,259	1,755	63,227
Financing commitments	-	-	-	-	-
Total guarantees and commitments	**-**	**213**	**61,259**	**1,755**	**63,227**

The information in the above table has been presented on an aggregate basis since, in all cases, related party transactions are not significant in terms of amount or relevance for a proper understanding of the financial information provided.

Transactions with related parties have been carried out under normal market conditions.

46. Transparency regarding financing for construction, real estate development, financing for home purchases and assets acquired in payment of debts

46.1. Qualitative information

In relation to the minimum information to be disclosed by consolidated groups of credit institutions and by individual credit institutions that are not included in any of them, the following considerations should be taken into account:

- With regard to the financing of construction and real estate development, it is requested that the policies and strategies established by the entities to deal with the problematic assets of this sector, both in the short term and in the medium and long term, be made public. In addition, these exposures must be assessed in the context of the stress tests published before the summer, if the entities had participated in them.

- An assessment of the financing needs in the markets must be included, as well as the short, medium and long-term strategies implemented in this respect (without prejudice to the Bank of Spain being able to provide, at a later date, the details of the minimum information on financing and liquidity needs).

The Unicaja Group, as part of its risk policy, and in particular that relating to construction and real estate development, has in place a series of specific policies and strategies focused on enabling borrowers to meet their obligations and mitigating the risks to which it is exposed. In this sense, alternatives are sought that allow the completion and sale of the projects, analyzing the renegotiation of the risks if the Group's credit position improves and with the basic purpose of allowing the borrower to maintain its business activity.

This takes into account previous experience with the borrower, the borrower's history of compliance, the borrower's manifest willingness to pay, the capacity to generate cash flow or the provision of new guarantees, before over-indebting the current ones.

In the first place, provided that there is a certain payment capacity and after having exhausted all possibilities for the recovery of the defaulted debt, the possibility of granting capital grace periods to allow the development of the financed land, the completion of the ongoing developments and the marketing of the finished units is studied. The analysis carried out prioritizes the viability of the projects, so that an increase in investment is avoided for those real estate assets for which a clear possibility of future sales is foreseen.

In the event that the support measures are not possible or sufficient, other alternatives are sought, such as giving in payment or the purchase of assets, the last option being the judicial claim and the subsequent adjudication of the properties by foreclosure of the mortgage guarantees. All irregular assets that become part of the Group's consolidated balance sheet are managed with the ultimate purpose of divesting or leasing them.

To this end, the Unicaja Group has holding companies specializing in the management of urban development projects, the marketing of real estate and the leasing of real estate assets. The Group has specific units to develop these strategies and coordinate the actions of the instrumental subsidiaries, the network of offices and the rest of the agents involved. Finally, the Group's website www.unicajainmuebles.com is one of the main tools used to inform the public interested in these assets.

46.2. Quantitative information

As of December 31, 2023 and 2022, the detail of financing for construction and real estate development and its hedges (1) is as follows:

Thousands of euros				**2023**
	Gross book value (2)	**Excess on the value of collateral (3)**	**Accumulated impairment losses (4)**	**Net amount**
Financing for construction and property development (including land) (business in Spain)	**722,535**	**171,954**	**(37,616)**	**684,919**
Of which: Non-performing/Stage 3 (5)	*64,533*	*20,456*	*(22,054)*	*42,479*
Pro memoria				
Non-performing assets (6)	346,802			

Thousands of euros				**2022**
	Gross book value (2)	**Excess on the value of collateral (3)**	**Accumulated impairment losses (4)**	**Net amount**
Financing for construction and property development (including land) (business in Spain)	**976,041**	**252,512**	**(95,906)**	**880,135**
Of which: Non-performing/Stage 3 (5)	*145,488*	*54,988*	*(84,372)*	*61,116*
Pro memoria				
Non-performing assets (6)	394,633			

		Book value
	2023	**2022 (*)**
Loans to customers, excluding general government (business in Spain) (carrying amount) (7)	44,644,719	48,312,348
Total consolidated assets (total business) (carrying amount)	97,152,650	98,968,984
Impairment and provisions for normal classified exposures (total business) (8)	339,783	429,935

(*) Comparative figures restated as a result of the application of IFRS 17 (Note 1.5).

(1) The classification of financing in this statement will be made according to its purpose, and not according to the debtor's CNAE. This implies, for example, that if the debtor is: a) a real estate company, but devotes the financing granted to a purpose other than construction or real estate development, it will not be included in this statement, and b) a company whose principal activity is not construction or real estate development, but the credit is for the financing of real estate intended for real estate development, it will be included in this statement.

(2) Amount before deducting, if applicable, value adjustments for asset impairment.

(3) This is the amount of the excess of the gross carrying amount of each transaction over the value of any rights in rem received as collateral, calculated in accordance with the provisions of Circular 4/2017. Therefore, the value of the rights in rem is the result of weighting the lower of the cost of the assets and their appraisal value in their current condition weighted by the percentages corresponding to them according to the nature of the mortgaged assets.

(4) Amount allocated by the entity to cover construction and real estate development financing transactions.

(5) It includes all financing, in the form of loans, with or without mortgage guarantee, and debt securities, for construction and real estate development, corresponding to the activity in Spain (business in Spain).

(6) Gross amount of financing for construction and real estate development (business in Spain) written off as a result of having been classified as write-off.

(7) Amount recorded on the asset side of the balance sheet after deducting, if applicable, the amounts set up for hedging purposes.

(8) Total amount of value adjustments and provisions having the nature of generic coverage for credit risk constituted for risks classified as normal as indicated in Circular 4/2017, corresponding to its total activity (total business).

The breakdown of the caption of financing for construction and real estate development, transactions recorded by credit institutions (business in Spain), at December 31, 2023 and 2022 is as follows:

Thousands of euros	Gross book value (1)	
	2023	**2022**
Without real estate guarantee (*)	**263,415**	**330,326**
With real estate guarantee (2)	**459,120**	**645,715**
Finished buildings and other constructions (3)	265,874	357,778
Housing	196,932	259,525
Others	68,942	98,253
Buildings and other constructions under construction (3)	104,745	154,410
Housing	95,119	127,605
Others	9,626	26,805
Land	88,501	133,527
Consolidated urban land	21,753	64,341
Other land	66,748	69,186
Total (4)	**722,535**	**976,041**

(*) At December 31, 2023, the carrying amount of financing identified as “Without real estate collateral” includes 113,667,000 euros corresponding to transactions without real estate collateral that do not fully cover the exposure, excluding public administration; (145,350,000 euros at December 31, 2022). It also includes secured transactions with public authorities amounting to142,710,000 euros (165,039,000 euros at December 31, 2022).

(1) Amount before deducting accumulated impairment losses, if any.

(2) All transactions with real estate collateral are included, regardless of the form in which the collateral is instrumented, regardless of the percentage that the amount of the transaction represents of the amount of the latest available appraisal (loan to value).

(3) If a building has both residential (housing) and other purposes, the financing is included in the category of the predominant purpose.

(4) This amount coincides with the gross carrying amount of the row “Construction and real estate development financing (including land) (business in Spain)”.

Below is a detail of the guarantees received and financial guarantees granted in connection with financing for construction and real estate development, in the transactions recorded by credit institutions (business in Spain) as of December 31, 2023 and 2022:

Thousands of euros	Guarantees received	
	2023	**2022**
Value of collateral	549,480	627,597
Of which: guarantees non-performing risks	38,728	92,176
Value of other guarantees	35,638	60,641
Of which: guarantees non-performing risks	5,364	4,527
Total value of guarantees received	**585,118**	**688,238**

Thousands of euros	Financial guarantees granted	
	2023	**2022**
Financial guarantees granted in relation to real estate construction and development	-	96
Amount recorded as a liability on the balance sheet	-	-

As of December 31, 2023 and 2022, the breakdown of loans to households for home purchases, transactions recorded by credit institutions (business in Spain), is as follows:

Thousands of euros	2023		2022	
	Gross amount (2)	Of which: Non-compliant/ non-performing	Gross amount (2)	Of which: Non-compliant/ non-performing
Home purchase loans (1)	30,463,831	725,734	31,848,805	827,373
No real estate mortgage	167,371	2,461	189,499	2,405
With real estate mortgage (3)	30,296,460	723,273	31,659,306	824,968

(1) Loans, with or without real estate mortgage guarantee, to households for home purchases corresponding to businesses in Spain.

(2) Amount before deducting accumulated impairment losses, if any.

(3) All transactions secured by real estate mortgages are included, regardless of the percentage of the amount of the last available appraisal.

The breakdown of mortgage-backed loans to households for home purchases according to the percentage of the total risk of the amount of the last available valuation (LTV), transactions registered by credit institutions (business in Spain) as of December 31, 2023 and 2022 is as follows:

						December 31, 2023 (1)
	LTV≤40%	40%<LTV≤60%	60%<LTV≤80%	80%<LTV≤100%	LTV>100%	Total
Gross book value (2)	**7,019,582**	**8,877,766**	**13,478,297**	**534,959**	**385,856**	**30,296,460**
Of which: Non-compliant / Non-performing	116,147	168,417	238,883	91,759	108,067	723,273

						December 31, 2022 (1)
	LTV≤40%	40%<LTV≤60%	60%<LTV≤80%	80%<LTV≤100%	LTV>100%	Total
Gross book value (2)	**7,182,197**	**9,266,260**	**14,096,594**	**632,268**	**481,987**	**31,659,306**
Of which: Non-compliant / Non-performing	111,334	160,311	247,463	119,099	186,761	824,968

(1) Loan to value is the ratio resulting from dividing the gross carrying amount of the transaction at the reporting date by the amount of the latest available appraisal.

(2) Amount before deducting accumulated impairment losses, if any. The amounts reported in the "Total" column for the "Carrying amount" and "Of which: non-performing" lines of this statement match the amounts reported in the "With real estate mortgage" line of statement PC 7-3.

With respect to the assets foreclosed to consolidated group entities (businesses in Spain) (1) at December 31, 2023 and 2022, the detail is as follows:

Thousands of euros	2023			2022		
	Gross book value (2)	Accumulated impairment losses	Net amount	Gross book value (2)	Accumulated impairment losses	Net amount
Property awarded or received in payment of debts	**1,253,495**	**(926,118)**	**327,377**	**1,833,068**	**(1,174,712)**	**658,356**
Real estate assets from financing for construction and real estate development companies (3)	744,870	(627,517)	117,353	1,136,099	(777,363)	358,736
Finished buildings and other constructions	118,201	(103,479)	14,722	214,313	(136,050)	78,263
Housing	78,929	(74,355)	4,574	155,191	(102,873)	52,318
Others	39,272	(29,124)	10,148	59,122	(33,177)	25,945
Buildings and other constructions under construction	224,837	(176,786)	48,051	230,809	(161,211)	69,598
Housing	213,334	(167,188)	46,146	202,056	(141,974)	60,082
Others	11,503	(9,598)	1,905	28,753	(19,237)	9,516
Land	401,832	(347,252)	54,580	690,977	(480,102)	210,875
Consolidated urban land	347,852	(304,840)	43,012	597,149	(405,228)	191,921
Other land	53,980	(42,412)	11,568	93,828	(74,874)	18,954
Real estate assets from mortgage financing to households for house purchase	266,202	(149,464)	116,738	361,864	(192,792)	169,072
Rest of real estate assets foreclosed or received in payment of debts (4)	242,423	(149,137)	93,286	335,105	(204,557)	130,548
Equity instruments awarded or received in payment of debts	**10,234**	**(3,684)**	**6,550**	**8,768**	**(4,319)**	**4,449**
Investments in real estate entities	**163,370**	**(8,789)**	**154,581**	**195,655**	**(3,616)**	**192,039**
Equity instruments of entities holding real estate assets foreclosed or received in payment of debts (5)	124,562	-	124,562	143,253	-	143,253
Financing to entities holding real estate assets foreclosed or received in payment of debts (5)	38,808	(8,789)	30,019	52,402	(3,616)	48,786
	1,427,099	**(938,591)**	**488,508**	**2,037,491**	**(1,182,647)**	**854,844**

(1) This includes real estate assets foreclosed or received in payment of debts from financing granted in relation to businesses in Spain, as well as equity investments and financing to entities holding such assets, regardless of how ownership was acquired and the balance sheet item in which they are classified, except for those classified as property, plant and equipment for own use.

(2) Amount at which the assets were recorded in the consolidated balance sheet, as established in point 164 of Annex 9 of Circular 4/2017 of November 27, before deducting the accumulated impairment.

(3) This includes all real estate assets from financing for construction and real estate development, regardless of the sector and main economic activity of the company or individual entrepreneur that delivered the asset.

(4) This includes real estate assets that do not derive from financing for construction and real estate development or mortgage financing to households for the acquisition of housing.

(5) All participations in the capital and financing to entities holding real estate assets awarded or received in payment of debts will be recorded.

As can be seen in the table above, at December 31, 2023 the gross acquisition cost of foreclosed properties, therefore excluding equity instruments and investments in real estate entities, amounted to 1,253,495,000 euros, with a total coverage of provisions of 926,118,000 euros, giving a coverage level over the gross acquisition cost of 73.9% (1,833,068,000 euros at December 31, 2022, with a total coverage of 1,174,712,000 euros, giving a coverage level of 64.1%).

47. Information on payment deferrals made to suppliers. Third additional provision - Duty of information of Law 15/2010, of July 5

In compliance with the provisions of Law 15/2010, of July 5, amending Law 3/2004, of December 29, establishing measures to combat late payment in commercial transactions, which has been developed by the Resolution of December 29, of the Spanish Accounting and Auditing Institute (ICAC), on the information to be included in the notes to the financial statements in relation to deferrals of payment to suppliers in commercial transactions, we hereby state that:

- In view of the activities in which the Group is basically engaged, the information relating to debt deferrals relates basically to payments to suppliers for the rendering of services and sundry supplies, other than payments to depositors and holders of securities issued by the Group, which were made in all cases in strict compliance with the contractual and legal deadlines established for each of them, whether they were payable on demand or with deferred payment.

- Payments made by the Unicaja Group to suppliers exclusively for the provision of services and the supply of sundry services in the 2023 fiscal year amounted to 689,991,000 euros (792,483,000 euros in the 2022 fiscal year), which were made within the legally and contractually established timeframes. The balance pending payment to suppliers as of December 31, 2023 and 2022 had a shorter term than the one established by Law 15/2010, of July 5, 2010.

Pursuant to the provisions of the second final provision of Law 31/2014, of December 3, amending the third additional provision of Law 15/2010, and in relation to the information to be included in the notes to the consolidated financial statements on deferrals of payment to suppliers in commercial transactions calculated based on the provisions of the Resolution of January 29, 2016, of the Spanish Accounting and Audit Institute, the average payment period to suppliers of the Group for the years 2023 and 2022 is 6.90 days and 14.14 days respectively, while the ratio of transactions paid for those years amounts to 6.91 days and 14.10 days respectively, and the ratio of transactions pending payment amounts to 19.22 days and 26.74 days respectively.

The average payment period was within the legal limits set in the regulations, so the inclusion in the management report of the measures provided for in Section 1 of Article 262 of the Consolidated Text of the Capital Companies Act does not apply.

Additionally, Law 18/2022 requires trading companies to provide additional information as of 2022 regarding the monetary volume and number of invoices paid in a period shorter than the maximum legally established (30 days), as well as the percentage they represent of the total. The Unicaja Group paid a total of 261,564 invoices in 2023, of which 255,454 invoices were paid within thelegal maximum period (97.69% of the total). In terms of monetary volume, the Unicaja Group has paid a total of 671,652,000 eurosduring 2023, of which 647,355,000 euros have been paid in a term lower than the legal maximum (96.38% of the total). Unicaja paid a total of 198,832 invoices during 2022, of which 164,903 invoices were paid in less than the legal maximum term(82.94% of the total). In terms of monetary volume, the Unicaja Group paid a total of 435,177,000 euros during 2022, of which 366,997,000 euros were paid in a term shorter than the legal maximum (84.33% of the total).

48. Customer Service

In compliance with the provisions of Article 17.2 of Order ECO/734/2004, of March 11 2004 on customer service departments and services and the ombudsman of financial institutions, it should be noted from the contents of the report of the Bank's Customer Service Department that of the complaints and claims received in fiscal year 2023 76.17% were resolved in the aforesaid period (87.88% in fiscal year 2022). The rest, pending at the end of 2023, are expected to be resolved within the maximum term established in the Regulations and in the Bank's Customer Protection Regulations, depending on their type.

ANNEX I
UNICAJA'S INDIVIDUAL FINANCIAL STATEMENTS

Individual balance sheets as of December 31, 2023 and December 31, 2022.

	Thousands of euros	
	2023	2022 (*)
Cash, cash balances with central banks and other demand deposits	8,039,191	4,660,517
Financial assets held for trading	781,385	32,771
Non-trading financial assets mandatorily at fair value through profit or loss	108,562	146,549
Financial assets at fair value through income	-	-
Financial assets at fair value through other comprehensive income	1,060,210	485,657
Financial assets at amortized cost	77,570,450	83,585,076
Derivatives - Hedge accounting	1,222,395	1,812,887
Changes in the fair value of the items covered in a portfolio with interest rate risk coverage interest	(63,020)	(237,836)
Investments in subsidiaries, joint ventures and associates	2,802,412	1,722,996
Tangible assets	1,511,696	1,602,221
Intangible assets	55,108	37,418
Tax assets	4,361,060	4,876,970
Other assets	232,189	576,453
Non-current assets and disposal groups of items classified as held for sale	91,195	179,210
Total assets	**97,772,833**	**99,480,889**
Financial liabilities held for trading	444,181	37,919
Financial liabilities valued at fair value through income	-	-
Financial liabilities at amortized cost	87,328,359	89,594,738
Derivatives - Hedge accounting	1,148,038	1,081,824
Changes in the fair value of the items covered in a portfolio with interest rate risk coverage interest	-	-
Provisions	940,752	1,071,953
Tax liabilities	358,809	349,400
Share capital repayable on demand	-	-
Other liabilities	549,911	601,106
Liabilities included in disposal groups of elements that have been classified as held for sale	-	-
Total liabilities	**90,770,050**	**92,736,940**
Own funds:	6,966,696	6,863,031
Capital or endowment fund	663,708	663,708
Share premium	1,322,995	1,322,995
Equity instruments issued other than share capital	547,360	547,385
Accumulated earnings	3,887,757	3,832,350
Revaluation reserves	-	-
Other reserves	274,996	261,682
Less: Treasury shares	(2,682)	(148)
Profit or loss for the year	272,562	235,059
Less: Interim dividends	-	-
Other cumulative comprehensive income:	36,087	(119,082)
Elements that will not be reclassified as income	39,171	(18,694)
Items that can be reclassified as income	(3,084)	(100,388)
Total net equity	**7,002,783**	**6,743,949**
Total liabilities and net equity	**97,772,833**	**99,480,889**
Commitments for loans granted	4,632,663	4,521,265
Financial guarantees granted	74,392	67,888
Other commitments granted	2,806,683	4,753,333

(*) Information presented, solely and exclusively, for comparative purposes.

Individual profit and loss accounts for the years 2023 and 2022:

	Thousands of euros	
	2023	2022 (*)
Interest income	2,349,965	1,260,632
Interest expense	(994,321)	(201,503)
Net interest margin	**1,355,644**	**1,059,129**
Dividend income	112,344	92,779
Fee revenue	527,769	519,176
Fee expenses	(45,475)	(50,771)
Gains/losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	4,804	36,292
Net gains or losses on financial assets and liabilities held for trading	6,970	14,680
Gains or (losses) on financial assets not held for trading measured at fair value through profit or loss, net	4,525	(9,216)
Gains/losses on financial assets and liabilities designated at fair value through profit or loss, net	-	-
Net gains or losses resulting from hedge accounting	(1,876)	5,512
Gains/losses on write-off of non-financial asset accounts, net	-	-
Exchange differences/losses, net	4,865	9,546
Other operating income	33,021	38,229
Other operating expenses	(295,512)	(178,306)
Gross margin	**1,707,079**	**1,537,050**
Administrative expenses	(726,916)	(737,042)
Amortization	(79,930)	(78,759)
(Provisions or reversal of provisions)	(118,311)	(94,283)
(Impairment or reversal of impairment of financial assets not measured at fair value through profit or loss and net gains or losses from modification)	(113,134)	(210,426)
Profit or loss from operating activities	**668,788**	**416,540**
Impairment of value or reversal of investments in joint ventures or associates	(184,172)	(109,240)
Impairment of value or reversal of non-financial assets	(4,548)	12,832
Gains/ losses when writing off non-financial assets and participations in accounts, Net	3,566	7,704
Negative goodwill recognized in profit or loss	-	-
Gains/losses from non-current assets and disposal groups of items classified as held for sale not eligible as discontinued operations	(21,833)	7,057
Profit or loss before tax from continuing operations	**461,801**	**334,893**
Expense or income from tax on gains from continuing operations	(189,239)	(99,834)
Profit or loss after tax from continuing operations	**272,562**	**235,059**
Profit/loss after tax from discontinued operations	-	-
Profit or (loss) for the year	**272,562**	**235,059**

(*) Information presented, solely and exclusively, for comparative purposes.

Individual statements of recognized income and expense for fiscal years 2023 and 2022:

	Thousands of euros	
	2023	2022 (*)
Profit or (loss) for the year	**272,562**	**235,059**
Other comprehensive income	**155,169**	**89,597**
Elements that will not be reclassified as income	**57,865**	**(114,290)**
Actuarial gains (losses) on defined benefit pension plans	(3,509)	(15,575)
Non-current assets and disposal groups classified as held for sale	-	-
Fair value changes of equity instruments measuring at fair value through other comprehensive income	57,206	(105,755)
Gains or (losses) resulting from accounting for hedges of equity instruments valued at fair value with changes in other comprehensive income,	-	-
Fair value changes of financial liabilities at fair value through profit or loss attributable to changes in credit risk	-	-
Other valuation adjustments	-	-
Tax on gains related to the items that will not be reclassified	4,168	7,040
Items that can be reclassified as income	**97,304**	**203,887**
Hedging of net investments in businesses abroad (effective part)	-	-
Conversion of foreign currency	113	-
Cash flow hedging (effective part)	126,015	294,047
Hedging instruments (non-designated elements)	-	-
Debt instruments at fair value through other comprehensive income	12,877	(2,780)
Non-current assets and disposal groups classified as held for sale	-	-
Income tax in relation to the items that may be reclassified in gains or losses	(41,701)	(87,380)
Total overall profit or (loss) for the year	**427,731**	**324,656**

(*) Information presented, solely and exclusively, for comparative purposes.

Individual statements of changes in net equity for fiscal years 2023 and 2022:

	Capital and additional paid-in capital	Equity instruments issued other than share capital	Accumulated earnings	Other reserves	Treasury shares	Profit or (loss) for the year	Other cumulative comprehensive income	Total
Opening balance as of 12/31/2022 (*)	**1,986,703**	**547,385**	**3,832,350**	**261,682**	**(148)**	**235,059**	**(119,082)**	**6,743,949**
Effects of error correction	-	-	-	-	-	-	-	-
Effects of changes to accounting policies	-	-	-	-	-	-	-	-
Opening balance at 01/01/2023	**1,986,703**	**547,385**	**3,832,350**	**261,682**	**(148)**	**235,059**	**(119,082)**	**6,743,949**
Total overall profit or (loss) for the year	**-**	**-**	**-**	**-**	**-**	**272,562**	**155,169**	**427,731**
Other changes in net equity	**-**	**(25)**	**55,407**	**13,314**	**(2,534)**	**(235,059)**	**-**	**(168,897)**
Issue of common shares	-	-	-	-	-	-	-	-
Issue of preferred shares	-	-	-	-	-	-	-	-
Issue of other equity instruments	-	-	-	-	-	-	-	-
Exercising or expiry of other equity instruments issued	-	-	-	-	-	-	-	-
Conversion of debt into net equity	-	-	-	-	-	-	-	-
Share capital decrease	-	-	-	-	-	-	-	-
Dividends (or remuneration of shareholders)	-	-	(159,529)	-	-	-	-	(159,529)
Purchase of own shares	-	-	-	-	(9,057)	-	-	(9,057)
Sale or cancellation of own shares	-	-	(124)	-	6,523	-	-	6,399
Reclassification of financial instruments from net equity to liabilities	-	-	-	-	-	-	-	-
Reclassification of financial instruments from liabilities to net equity	-	-	-	-	-	-	-	-
Transfers between components of net equity	-	-	235,059	-	-	(235,059)	-	-
Increase (decrease) in equity resulting from business combinations	-	-	-	-	-	-	-	-
Stock-based payments	-	-	-	-	-	-	-	-
Other increases (decreases) in net equity	-	(25)	(19,999)	13,314	-	-	-	(6,710)
Closing balance at 12/31/2023	**1,986,703**	**547,360**	**3,887,757**	**274,996**	**(2,682)**	**272,562**	**36,087**	**7,002,783**

(*) Information presented, solely and exclusively, for comparative purposes.

	Capital and additional paid-in capital	Equity instruments issued other than share capital	Accumulated earnings	Other reserves	Treasury shares	Profit or (loss) for the year	Other cumulative comprehensive income	Total
Opening balance as of 31.12.2021 (*)	**1,986,703**	**547,385**	**2,803,600**	**260,084**	**(3,359)**	**1,084,845**	**(208,679)**	**6,470,579**
Effects of error correction	-	-	-	-	-	-	-	-
Effects of changes to accounting policies	-	-	-	-	-	-	-	-
Opening balance as of 01/01/2022 (*)	**1,986,703**	**547,385**	**2,803,600**	**260,084**	**(3,359)**	**1,084,845**	**(208,679)**	**6,470,579**
Total overall profit or (loss) for the year	**-**	**-**	**-**	**-**	**-**	**235,059**	**89,597**	**324,656**
Other changes in net equity	**-**	**-**	**1,028,750**	**1,598**	**3,211**	**(1,084,845)**	**-**	**(51,286)**
Issue of common shares	-	-	-	-	-	-	-	-
Issue of preferred shares	-	-	-	-	-	-	-	-
Issue of other equity instruments	-	-	-	-	-	-	-	-
Exercising or expiry of other equity instruments issued	-	-	-	-	-	-	-	-
Conversion of debt into net equity	-	-	-	-	-	-	-	-
Share capital decrease	-	-	-	-	-	-	-	-
Dividends (or remuneration of shareholders)	-	-	(98,291)	-	-	-	-	(98,291)
Purchase of own shares	-	-	-	-	(15)	-	-	(15)
Sale or cancellation of own shares	-	-	507	-	3,226	-	-	3,733
Reclassification of financial instruments from net equity to liabilities	-	-	-	-	-	-	-	-
Reclassification of financial instruments from liabilities to net equity	-	-	-	-	-	-	-	-
Transfers between components of net equity	-	-	1,084,845	-	-	(1,084,845)	-	-
Increase (decrease) in equity resulting from business combinations	-	-	-	-	-	-	-	-
Stock-based payments	-	-	-	-	-	-	-	-
Other increases (decreases) in net equity	-	-	41,689	1,598	-	-	-	43,287
Closing balance as at 12/31/2022 (*)	**1,986,703**	**547,385**	**3,832,350**	**261,682**	**(148)**	**235,059**	**(119,082)**	**6,743,949**

(*) Information presented, solely and exclusively, for comparative purposes.

Statements of individual cash flows corresponding to the years 2023 and 2022:

	Thousands of euros 2023	2022 (*)
Cash flows from operating activities	**4,414,249**	**(16,845,022)**
Profit or loss for the year	272,562	235,059
Adjustments to obtain the cash flows from operating activities	652,927	629,981
Increase/decrease net of operating assets	5,475,803	(457,971)
Increase/decrease net of operating liabilities	(2,307,351)	(17,228,244)
Income tax collections/(payments)	320,308	(23,847)
Cash flows from investment activities	**(1,204,541)**	**(157,657)**
Payments	(1,350,323)	(640,969)
Collections	145,782	483,312
Cash flows from financing activities	**168,966**	**367,297**
Payments	(636,610)	(432,206)
Collections	805,576	799,503
Effect of exchange rate variations	**-**	**-**
Net increase/ decrease in cash and cash equivalents	**3,378,674**	**(16,635,382)**
Cash and equivalents at the beginning of the period	4,660,517	21,295,899
Cash and cash equivalents at the end of the period	8,039,191	4,660,517

(*) Information presented, solely and exclusively, for comparative purposes.

ANNEX II
AGENCY AGREEMENTS AT December 31, 2023

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
A&C TIERRA SUR INVERSIONES,S.L.	RAMBLA (LA)
A. FINANCIERO LA TALLERA, S.L.	SPAIN
ABELLAN BERRUEZO, MARIA DOLORES	MOJACAR
ACOSTA GONZALEZ, RAUL	CANDELEDA
ACTIVIDADES FINANCIERAS Y SERVICIOS MJ, S.L.	SPAIN
AFINANZAS SERVICIOS FINANCIEROS E INMOBILIARIOS,S	PALMA DEL CONDADO (LA)
AFORU NORIEGA, 2016 S.L.	SPAIN
AGENCIA FINANCIERA FJ RAMIREZ, S.L.	VELEZ-RUBIO*MARIA*VELEZ-BLANCO
AGG AGENTES, S.L.U.	SPAIN
AGUDO ROMERO, ANA	BAÑOS DE LA ENCINA
ALAMO ESCALADA, MARIA DEL PILAR	SPAIN
ALBARRACIN GARRIDO, ISABEL MARIA	TURRE
ALCARAZ FORTE, JOSE MANUEL	RAGOL
ALFONSO Y CHEMA ASESORES,S.L.	LAHIGUERA
ALGABA MACIAS, GEMA	SPAIN
ALONSO ARIENZA, ELENA	GRADEFES
ALONSO CRUZ, MARIA ISABEL	VIATOR
ALONSO GARCIA, AITOR	CARRIZO
ALONSO SALCEDO, PATRICIA	SPAIN
ALQIMAT OPORTUNIDADES DE NEGOCIO,S.L.	POZOBLANCO
ALVAREZ DEVESA, DAVID	VIANA DE CEGA
AMADOR ROJO, CAROLINA	VALDERRUEDA
ANTUNEZ CABELLO, LUIS SALVADOR	ANTEQUERA
ANTUNEZ PEREIRA, MARIA	SPAIN
APARICIO COB, VICTOR MANUEL	LANGA DE DUERO
APLAGEST CONSULTING, S.L.	CAMPO DE CRIPTANA
ARAGON JIMENEZ, JOSE MANUEL	ZAHARA
ARDINES BLANCO, ALBA	SPAIN
ARGUDO ATIENZA, LUCIA	SPAIN
ARROYO BLANCO, JUAN ANGEL	VILLAMANRIQUE*COZAR
ARROYO PANIAGUA, MARIA CRISTINA	SPAIN
ASENJO ISABEL, JULIO	SPAIN
ASENSIO AGUILA, MARIA DOLORES	PATERNA DEL RIO
ASESORIA FISCAL FERNANDEZ LOPEZ,S.L.	VILCHES
ASESORIA TREMP,S.L	FREGENAL DE LA SIERRA
ASISTENCIA TRIBUTARIA KOGARASHI, S.L.	SPAIN
ATEEX SEGURIDAD, S.L.	SPAIN
AYALA LOPEZ, GEMA	ALHABIA
AYALA SALGUERO, DOLORES	PRUNA
AYUSO SERRANO, ANTONIO	TORRE DE JUAN ABAD
AZUER INSURANCE,S.L.	MEMBRILLA
BALLESTEROS ENCINAS, MARIA DEL CARMEN	SPAIN
BARBA CIUDAD, CRISTINA	TORRALBA DE CALATRAVA
BARBA REDONDO, ESMERALDA	SACERUELA

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
BARBERO MERINO, CESAR	VILLAMAYOR
BAREA JIMENEZ, ISMAEL	VILLALUENGA DEL ROSARIO
BARRA SALAS, SEBASTIANA	SPAIN
BARRERA BODES, RAMON	CASAR DE CACERES
BECERRA TABUYO, BLANCA	MONTEJAQUE
BELTRAN PEREZ, MIGUEL ANGEL	PRADO DEL REY
BENIJERO, S.L.	SPAIN
BENITEZ MONTERO, MARIA LUZ	ZAHARA
BENZADONMUÑOZ, S.L.	YUNQUERA*BURGO (EL)
BERNARDO FAUS, DANIEL	ASTORGA
BERRON HERNANDEZ, JOSE MIGUEL	MUÑANA
BESANA GESTION S.L.	SPAIN
BLANCO DEL RIO, JAVIER	VECILLA (LA)*MATALLANA DE TORIO
BLANCO SAN EMETERIO, BARBARA	SPAIN
BLUE VALUE 1990,S.L.	CAMAS
BONIFACIO SANCHEZ, JULIO	SPAIN
BOTELLO BARRERO, ROSA MARIA	OLIVENZA
BRAVO FERNANDEZ, VICTOR ALONSO	SPAIN
BRETON SOLUCIONES FINANCIERAS, S.L.	SPAIN
BRUNA CEREZO, JOSE MANUEL	LOPERA
C.L.T. ASESORES, S.L.	SPAIN
CABRERO BENEITEZ, LUIS FERNANDO	FERMOSELLE
CACHOLAS SERVICIOS FINANCIEROS, S.L.	SPAIN
CALDERON CORDERO, MARIA TERESA	ALARAZ
CAMPIÑA ASESORES,S.R.L.	VILLANUEVA DE LOS CASTILLEJOS*BEAS
CANIEGO MONREAL, CARLOS	SPAIN
CANO ACEITUNO, ANTONIO JESUS	FRAILES
CARNERO SALVADOR, MARIA ISABEL	VILLANUEVA DEL CAMPO
CARRETERO MADRID, JAVIER	SPAIN
CARRION CORRAL, MARIA DEL PILAR	PURCHENA
CARRION MARTINEZ, JUAN CARLOS	SPAIN
CARTAS HUESO, ISABEL MARIA	RUS
CASTELLANO YESTE, ANTONIA	SERON
CASTRO EXTREMERA, MARIA	VALDEPEÑAS DE JAEN
CAVAR MEDIACION S.L.	PEÑARROYA-PUEBLONUEVO
CAYFRA AGENTES FINANCIEROS, S.L.	SPAIN
CEBRIAN MONTEAGUDO, MARIA ENCARNACION	SPAIN
CELDRAN CANALES, JESUS JAVIER	SPAIN
CHECA GARRIDO, PALOMA	VINUESA
CHICA JIMENEZ, ANA	PEGALAJAR
COLLADO FERNANDEZ, ENRIQUE	SPAIN
COLLADO SAINZ, MARIA	SPAIN
CONSTRUC.Y PROM.TABERNO GESTI.INMOLIBILIARIAS,S.L	VELEZ-RUBIO
CORCHERO RETORTILLO, JULIO PEDRO	SPAIN
CORRAL PEREIRA, SOFIA	SAN EMILIANO
COUSIDO SANDOVAL, RAQUEL	TORRES DE ALBANCHEZ
CRIADO BUENO, GERARDO VICENTE	MATILLA DE LOS CAÑOS DEL RIO*ROLLAN

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
CSP 2020 AGENTE FINANCIERO, S.L.	SPAIN
CUESTA CALVO, RAQUEL	RENEDO DE ESGUEVA
CUESTA LOPEZ, SANTOS	SPAIN
DE ARRIBA ALONSO, BEATRIZ	BARRUECOPARDO
DE LUIS GARCIA, ELIAS	SPAIN
DEFERRE CONSULTING, S.L.	MAYORGA
DELPUEYO JUSTO, RAUL	BURGANES DE VALVERDE
DIAZ DIEZ, HECTOR	CAMPONARAYA
DIAZ FERNANDEZ, JESUS	SPAIN
DIAZ SILVA, NANCY	PARAMO DEL SIL
DIAZ TABUENCA, MARIA TERESA	SPAIN
DINAMEDIA ASISTENCIA DE GESTION TRIBUTARIA, S.L.	SPAIN
DOBLE ZETA EUROPA, S.L.	SPAIN
DOMINGUEZ CASTRILLO, MARTIN ANGEL	ALMANZA
DOMINGUEZ HOYAS, RODRIGO	DELEITOSA
DOMINGUEZ Y PERRINO, S.L.	FUENTES DE OÑORO
DURAN LOPEZ, LAURA	VEGA DE ESPINAREDA
ECN SERVICIOS DE CAPITAL FINANCIERO, S.L.	SPAIN
ENCABO OBREGON, BENJAMIN BORJA	CABEZON DE PISUERGA
ENCABO SANTOS, NATALIA	SPAIN
ESCANDELL&ESCRIHUELA, S.L.	SPAIN
ESTEBAN RODRIGUEZ, CECILIO	MAYA (LA)
ESTEVEZ HERNANDEZ, CARLOS	SOTOSERRANO*LEDRADA
EXPOSITO ORCERA, TANYA	CHICLANA DE SEGURA
FERNANDEZ CORRAL, OSCAR PEDRO	QUINTANA DEL PUENTE
FERNANDEZ ENRIQUEZ, PABLO	ALCOLEA
FERNANDEZ GIRALDO, MARIA INMACULADA	SPAIN
FERNANDEZ LARA, JESUS	SPAIN
FERNANDEZ MARQUEZ, DANIEL	BOVEDA DE TORO (LA)*LAGUNA DE NEGRILLOS
FERNANDEZ RAMOS, AMELIA	SPAIN
FERNANDEZ REDONDO, JESUS	FUENCALIENTE
FERNANDEZ RIVERA, PABLO	FONDON
FERNANDEZ SALVADOR, JESUS	MANGANESES DE LA LAMPREANA
FERNANDEZ SANCHEZ, ANTONIO JOSE	ALMOGIA
FIDALGO VELASCO, MARIA DEL CAMINO	BECERRIL DE CAMPOS
FINANCAJA PELIGROS, S.L.	PELIGROS
FINANCECO 3006, S.L.	SPAIN
FINANCIERA VALLE DEL JERTE, S.L.	SPAIN
FINISTROSA MONTES, YENNIFER	RIAÑO
FRAILE GARCIA, MARIA CARMEN	SPAIN
FRESNEDA CASTRO, ALICIA	VILLANUEVA DE LA FUENTE*VILLAHERMOSA
GALCA-16, S.L.	SPAIN
GALERA MASEGOSA, ENCARNACION MARIA	ARBOLEAS
GARCIA ALVAREZ, SANDRA OFELIA	SPAIN
GARCIA CABAS, RHUT SEHILA	SPAIN
GARCIA CABRERO, JORGE MANUEL	CAMPASPERO
GARCIA DIEZ, VICTOR	QUINTANILLA DE ONESIMO

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
GARCIA DOMINGUEZ, FRANCISCA	SETENIL DE LAS BODEGAS
GARCIA FERNANDEZ, ENRIQUE	SPAIN
GARCIA GOMEZ, CARLOS	VILLAFRANCA DEL BIERZO
GARCIA GONZALEZ, ALVARO	VALDERAS
GARCIA HERNANDEZ, VANESA	SAN PEDRO MANRIQUE
GARCÍA MERINO, BENITO JAVIER	SPAIN
GARCIA MONTOYA, JOSE MANUEL	GUARROMAN
GARCIA PRIETO, ALICIA	BRAZATORTAS
GARCIA PRIETO, RAQUEL	VALDEPOLO
GARCIA RUIZ, YOLANDA	SPAIN
GARCIA SANCHO, CRISTINA	SPAIN
GARCIA SERRANO, JAVIER ENRIQUE	SPAIN
GARDUÑO CALVO, JOSE	SERRADA
GARRIDO SOLANA, CESAR	SPAIN
GESTION 3 ULEILA, S.L.	SORBAS*ULEILA DEL CAMPO
GESTORES FINANCIEROS Y TRIBUTARIOS FEGO 2021,S.L.	BENAVIDES*VILLAQUILAMBRE
GESTORIA DEL POZO SANCHEZ, S.L.	CARBAJOSA DE LA SAGRADA
GESTORIA INTERCAZORLA,S.L	IRUELA (LA)
GIL PRIETO, CARLOS ANTONIO	SPAIN
GJA FRESBAN, S.L.	SPAIN
GOMEZ ASENSIO, LUIS DANIEL	POZUELO DE CALATRAVA
GOMEZ COLLAZOS, ANA ISABEL	SPAIN
GOMEZ COLLAZOS, JOSE VIDAL	SPAIN
GOMEZ SANCHEZ, FRANCISCO GUILLERMO	CANTALPINO*CANTALAPIEDRA
GONZALEZ ARIAS, MARIA DEL MAR	OHANES
GONZALEZ CARCELEN, ANTONIO	SPAIN
GONZALEZ GARCIA, ANTONIO	OJEN
GONZALEZ HERNANDEZ, DAVID	SPAIN
GONZALEZ IBAÑEZ, MANUEL	SPAIN
GONZALEZ MARTIN, JUDITH	CERVERA DE PISUERGA
GONZALEZ MARTINEZ, YASMINA	GENAVE*PUENTE DE GENAVE
GONZALEZ PLAZA, MARIA ISABEL	CALVARRASA DE ABAJO
GONZALEZ RODRIGUEZ, FRANCISCO	SPAIN
GONZALVEZ PEREZ, NEFTALI	PECHINA
GORDO MUÑOZ, MIGUEL	CORTEGANA
GRANADOS LOPEZ, MARIA DE LOS ANGELES	ALCALA LA REAL
GUTIERREZ ANTOLIN, ANA ISABEL	SPAIN
GUTIERREZ GARCIA, JAVIER	VILLAMURIEL DE CERRATO
HARO RODRIGUEZ, DOMINGA PILAR	CARRIZOSA
HERNANDEZ NIEVES, JUAN CARLOS	SPAIN
HERNANDEZ PINTOR, JUAN CARLOS	MOJADOS
HERRERA PEREZ, MOISES	NAVAS DE SAN JUAN
HERRERO HERRERO, RICARDO	SPAIN
IGLESIAS DIAZ, CARLA	SPAIN
INDA SERVICIOS FINANCIEROS, S.L.	SPAIN
INDALHOME INVERSIONES,S.L.	GALLARDOS (LOS)
INTERMEDIARIOS DE PRODUCTOS PARA EMPRESAS, S.L.	SPAIN

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
INVERSEG 2016, S.L.	SPAIN
INVERSIONES AGUADO MONTOZA, S.L.	OTURA
INVERSIONES E INTERMEDIACION 2022, S.L.	SPAIN
INVERSIONES TOMI 2020, S.L.	SPAIN
ISABENA CONSULTING, S.L.	SPAIN
J.M.GESTION Y SERVICIOS,S.C.A	LAUJAR DE ANDARAX
JIMENEZ JIMENEZ, FRANCISCO	SPAIN
JIMENEZ ROMERO, FRANCISCO JESUS	GUARDIA DE JAEN (LA)
JIMENEZ SANCHEZ, ESTIVALIZ	SPAIN
JM MACHON82 INVERSIONES, S.L.	SPAIN
JODAR CASTRO, RAMON	CARBONERAS
JUAREZ PADILLA, MARIA ISABEL	RIOJA
LARA CORDOBA, BENITA	ARJONILLA
LEDESMA GUTIERREZ, JESUS	MUGA DE SAYAGO
LEON MINAYA, JESUS	ESCAÑUELA
LIEBANA JIMENEZ, JUAN	JAMILENA
LOGROSAN MORENO, SERGIO	SPAIN
LOMO SANCHEZ, SANTIAGO	ZARATAN
LOPEZ FELIX, LAURA	ALDEA DEL REY*VILLAMAYOR DE CALATRAVA
LOPEZ LOPEZ, MARTA	FONTIVEROS
LOPEZ SANCHEZ, JUAN CARLOS	CABRERIZOS
LORENZO MACHO, LUIS ANGEL	ASTUDILLO*VILLARRAMIEL
LOZANO QUIJADA, CRISTOBAL	SPAIN
MACADALEO, S.L.	SPAIN
MACIAS RABANAL, MIGUEL ANGEL	VILLAMANIN*RIOSECO DE TAPIA
MAF GLOBAL XXI, S.L.	SPAIN
MAIQUES RASCON, JUAN CARLOS	HERRERA DE PISUERGA
MANSO SANCHEZ, ANTONIA MARIA	TARIFA
MANUEL JESUS JIMENEZ LARA S.L	BRENES
MAQUEDA MUÑOZ, RAQUEL	SPAIN
MARCEM CONSULTORES, S.L.	SPAIN
MARCOS SANCHEZ, SEVERO ENRIQUE	NAVA DEL REY
MAROTILLA FINANCIAL SERVICES, S.L.	SPAIN
MARQUEÑO ROSA, JOSE MARIA	SPAIN
MARTIN HERNANDEZ, MARIA DE LOS ANGELES	SPAIN
MARTIN LANCHA, ROSA ESMERALDA	SPAIN
MARTIN LUCENA, VERONICA	ALMODOVAR DEL RIO
MARTIN MARTIN, MARIA ROCIO	TORQUEMADA
MARTIN RIVAS, BELEN	CORESES
MARTIN TORREJON, ANGEL	SPAIN
MARTINEZ ESCOBAR, ALFREDO	ARCOS DE JALON
MARTINEZ FERNANDEZ, LUIS	SERON
MARTINEZ GARCIA, CRISTINA ISABEL	SPAIN
MARTINEZ MORENO, MARIA DEL CARMEN	SPAIN
MARTINEZ ROMERO, EVANGELINA	IZNATORAF
MARTOS GARCIA, MARIA TERESA	ESPELUY
MARTOS MIRAS, MARIA DEL CARMEN	ALBANCHEZ

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
MARZAL LUJAN, CELIA	SPAIN
MASKIRONAVA, S.L.	SPAIN
MELENDEZ ROMAN, SONIA	TARIFA
MENDIOLA CONCHA, MARIA DE LOS ANGELES	VILLARTA DE SAN JUAN
MENENDEZ GONZALEZ, MARIA	SPAIN
MINGUEZ PEREZ, SONIA	OSORNO LA MAYOR
ML FINANCIAL MANAGEMENT AND TRAINING, S.L.	CISTERNIGA
MOLINA ARTERO, PILAR	ARQUILLOS
MOLINA TORO, MONICA	VILLANUEVA DE TAPIA
MONTALVO GARRIDO, JUAN MIGUEL	TORREPEROGIL
MONTEJANO LOPEZ, FERNANDO JESUS	SPAIN
MORA MALDALA,S.L.	BENAMARGOSA
MORENO ALCAÑIZ, JOSE LUIS	SPAIN
MORENO DE LA FUENTE, EMILIO JOSE	SPAIN
MORENO HERNANDEZ, JORGE FRANCISCO	SPAIN
MORENO MORENO, JESUS	IBROS
MORENO RUBIO, RAQUEL	SPAIN
MORENO SANCHEZ, PABLO JOSE	NIJAR
MPF TORCAL,S.L.	ANTEQUERA*CUEVAS BAJAS
MUÑOZ MUÑOZ, CARLOS RUFINO	SPAIN
MUÑOZ MUÑOZ, JOSE	GAUCIN*JUBRIQUE
MUROS GESTION INTEGRAL, S.L.	SPAIN
NAFORE GESTION FINANCIERA,S.L.U.	CORTIJOS (LOS)*PORZUNA
NAJERA IGLESIAS, CAROLINA	LINARES DE RIOFRIO
NARANJO FERNANDEZ, NATALIA	BOSQUE (EL)
NAVARRO LAO, FRANCISCA	GERGAL
NAVARRO LATORRE, ANTONIA	CUEVAS DEL ALMANZORA
NAVARRO MOLINA, FRANCISCO ALEJANDRO	GABIAS (LAS)*SALOBREÑA
NER ASESORAMIENTO Y GESTION, S.L.	SPAIN
NEVADO CHAMORRO, FRANCISCO MIGUEL	SPAIN
NICODEMUS INVERSIONES, S.L.	SPAIN
NIETO MARTIN, FRANCISCO	MOJONERA (LA)
NOGUES & SORIANO, S.L.	SPAIN
NOVA GOMEZ, BEATRIZ	PUERTA DE SEGURA (LA)*ARROYO DEL OJANCO
NOVENTA Y TRES AFI INNOVATION, S.L.	SPAIN
NUKA LA CUISINE, S.L.	SPAIN
OACHES, BIANCA IOANA	SPAIN
OJEDA CAZORLA, MARIA DEL SOL	SEGURA DE LA SIERRA
OMLOBE FINANCE, S.L.	SPAIN
OREJA MARTIN, PILAR	FUENTEGUINALDO
OROZCO PASTOR, JOSE MANUEL	CORIPE
ORTEGA BARREIRO, MARIA DE LA PAZ	VEGA DE VALCARCE
ORTIZ BERNABE, ALEJANDRO	ABLA*FIÑANA
ORTIZ GOMEZ, MARIA ELENA	SPAIN
OVEJERO MARTIN, VICTOR	DUEÑAS
PABLOS SALGADO, JULIO CESAR	SPAIN
PADIAL PEREZ, MARIO	MARACENA

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
PADILLA TORRES, DAVID	BAENA
PAFISER, S.L.	SPAIN
PAYLITE, S.L.	SPAIN
PB ASESORES ECONOMIA Y EMPRESA, S.L.	CILLEROS
PELAGIO GARCIA, JOSE ENRIQUE	OSUNA
PEÑA BECERRA, ALEJANDRO	ESTEPONA
PEREZ ALARCON, PATRICIA	SPAIN
PEREZ GARCIA, MERCEDES	VILLABLINO
PEREZ GARCIA, RAQUEL	VILLANUEVA DE LAS MANZANAS
PEREZ GEMAR, FRANCISCO ANTONIO	CANILLAS DE ACEITUNO
PEREZ JIMENEZ, SONIA	BENALUP-CASAS VIEJAS
PEREZ LOPEZ, LAURIA	CANTORIA
PEREZ MORA, CRISTINA	ABENOJAR*BALLESTEROS DE CALATRAVA
PEREZ RAMOS, MARIA DE LA LUZ	TORRE DEL BIERZO
PEREZ RIVERA, JOSE JAVIER	SPAIN
PEREZ RUBIO, MARIA JESUS	SIERRO
PINAR MARTIN,S.L.	VILLANUEVA DE LA VERA
PINTADO ZAMORA, BELINDA	MOMBUEY
POMARES MOLINA, MARIA DEL CARMEN	GADOR
POZUELO DIAZ, OLGA	VILLADANGOS DEL PARAMO
PRIETO FERNANDEZ, DANIEL	VILLATURIEL
PRIETO MIGUEL, SONIA	CORRALES
PROFESSIONAL BANKING SERVICES S.L.	PEDRAJAS DE SAN ESTEBAN
PUENTE LEGUINA, ANGEL	SPAIN
PUERTAS MARTIN, ESTHER	ZARZA DE GRANADILLA
PUNTO EMPRESARIAL INTEGRAL MP, S.L.	SPAIN
QUESADA BLANCO, MARIA PILAR	CAMPILLO DE ARENAS
RAMIREZ CARMONA, MARIA DOLORES	CAROLINA (LA)
RAMIREZ SANCHEZ, FRANCISCO ANTONIO	VALLE DE ABDALAJIS
RANGEL TORRES, FRANCISCO JAVIER	CAZALILLA
RECIO ORTEGA, BEATRIZ	PERIANA
REDONDO MARCOS, JOSE LUIS	GOMARA
REDONDO&RUIZ ASOCIADOS, S.L.	COVALEDA
REQUEJO FERNANDEZ, BELEN	SPAIN
RIVAS DOMINGUEZ, MARIA DE LA PEÑA	SPAIN
RIVERO ORTEGA, PATRICIA	ALCAUCIN
ROBLES GALLARDO, JOSE JESUS	ILLORA
RODRIGUEZ ALONSO, RENE	PUENTE DE DOMINGO FLOREZ
RODRIGUEZ ANGEL, MIRIAM	SPAIN
RODRIGUEZ CARTON, MARIA NIEVES	CASTROCONTRIGO
RODRIGUEZ GARCIA, JOSE MANUEL	JEREZ DE LOS CABALLEROS
RODRIGUEZ LAHIGUERA, EVANGELINA INES	VILLANUBLA
RODRIGUEZ MARTIN, SARA ALMUDENA	RIOFRIO DE ALISTE
RODRIGUEZ SAEZ, LAURA	SPAIN
RODRIGUEZ SANCHEZ, MAGALI	PEDROSO DE LA ARMUÑA (EL)
RODRIGUEZ SIMON, ESPERANZA	FUENTES DE NAVA
ROJAS TELLEZ, JOSEFA	JEREZ DE LA FRONTERA

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
ROJO FLORES, ALVARO	MOTA DEL MARQUES
ROJO FRUCTUOSO, CARLOS	VILLABRAGIMA
ROJO HERNANDEZ, MARIA CRUZ	SPAIN
ROMAN GARCIA, MARIA	SIERRA DE YEGUAS*FUENTE DE PIEDRA
ROMERA SORIA, MARIA EVA	SILES
ROMERO BALETA, EULALIA	SANTIAGO-PONTONES
ROSADO CHAPARRO, VERONICA	SPAIN
ROSARIO RIVERO, S.L.	SPAIN
ROYUELA MORA, SARA	SPAIN
RUBIO MAESTRO, ALBERTO	BABILAFUENTE
RUEDA VELASCO, FRANCISCO JOSE	BOLLULLOS DE LA MITACION
RUIZ LISBONA, CARMEN	ALMACHAR*BENAMOCARRA
RUIZ MORENO, JUAN	OLVEGA
RUIZ RODRIGUEZ, ANTONIO JAVIER	TOLOX
RUIZ SANCHEZ, JOSE MARIA	MESTANZA
SAINZ PASCUAL, CARLOS	BERLANGA DE DUERO
SAIZ DE LA PARTE, MURIEL	ALAR DEL REY
SALAMANQUES RANDO, MARIA CRISTINA	CASTRONUÑO
SALAS GARCIA, MARIA DEL PILAR	TORRE ALHAQUIME*GASTOR (EL)
SANCHEZ BARTOL, YOLANDA	ALDEADAVILA DE LA RIBERA
SANCHEZ BERJAGA, MARIA EUGENIA	ORCERA
SANCHEZ GARCIA, LUCIA	FRIGILIANA
SANCHEZ MENDEZ, MIGUEL	SPAIN
SANCHEZ MENENDEZ, FRANCISCO MANUEL	SPAIN
SANCHEZ PEREZ, MIGUEL	OLMEDO
SANCHEZ RUIZ, ANTONIO	VILLARRODRIGO
SANCHEZ SANZ, DAVID	SAN PEDRO DEL ARROYO*MINGORRIA
SANCHO JIMENEZ, DAVID	SAUCEJO (EL)
SANCLE AGENTES, S.L.	SPAIN
SANDOVAL MARIN, FAUSTO	SPAIN
SANTAMARIA VIZAN, ANA BELEN	MORALEJA
SANTIAGO PEREZ, ALBERTO	GALENDE
SEGURA RODRIGUEZ, LUIS MIGUEL	BENATAE
SEGURADO HERNANDEZ, PABLO	CARBAJALES DE ALBA
SEGURSEÑORIO 2018, S.L.	SPAIN
SEGURTOJAR, S.L.	FUENTE-TOJAR
SERRANO ALONSO, ANDRES	RUEDA
SERRANO BIENER, SILVIA	SPAIN
SERRANO MARTIN, FRANCISCO JAVIER	SPAIN
SERVICIOS AGENCIADOS DEL NORTE, S.L.	SPAIN
SERVICIOS FINANCIEROS BAZA AGUADO,S.L.	ZARATAN
SERVICIOS FINANCIEROS MARTIN & ASOCIADOS, S.L.	SPAIN
SILIO Y CARREÑO, S.L.	SPAIN
SIMON & GARCIA SERVICIOS FINANCIEROS,S.L.	LUBRIN
SIÑERIZ DE PAZ, GONZALO	SPAIN
SOLA GARCIA, EMMA	CHIRIVEL
SOLIS FERRETE, DOLORES	CAÑETE LA REAL

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
SORIA ARROYO, PEDRO	MONTIEL
TALAVERA GOMEZ, ANGEL	SPAIN
TAMARGO PELAEZ, MARIA JESUS	SPAIN
TAPIAS & BELLIDO INVESTMENT, S.L.	CUELLAR*CEBREROS
TEGEAN 78, S.L.	SPAIN
TEJERO JIMENEZ, FERNANDO	SPAIN
TERESA PEREZ, MARIA DEL CARMEN	SAN LEONARDO DE YAGÜE
TIRADOR GUTIERREZ, RAUL	SPAIN
TORAÑO FERNANDEZ, BORJA	SPAIN
TORRES TEJERINA, VICTOR MANUEL	ASPARIEGOS
TORRES TORRES, JUAN FRANCISCO	SPAIN
TRANDAL SWING, S.L.	ALMERIA
TSC FINANZAS, S.L.	SPAIN
UREÑA ASENSIO, ANA MARIA	VALENZUELA DE CALATRAVA
V.R.FINANCIAL 3093, S.L.	SPAIN
VALDES MARTINEZ, MARIA DOLORES	SANTIBAÑEZ DE VIDRIALES
VALERO LOZANO, MARIA BELEN	FRESNO EL VIEJO
VALLEZ GOMEZ, ESMERALDA DE ZUQUECA	GRANATULA DE CALATRAVA
VALOR RODRIGUEZ, LORENA	SPAIN
VELASCO PALOMO, JOSE	CABEZARRUBIAS DEL PUERTO
VICENTE HERRERA, JOSE	CALZADA DE VALDUNCIEL
VIEJO RODRIGUEZ, CRISTINA	SPAIN
VIJANDE QUINTANA, MANUEL	SPAIN
VILLALABEITIA ELGUERO, MERCEDES	SPAIN
VILLAMOR RODRIGUEZ, ANGEL	PORTILLO
VILLAREJO BECERRA, INMACULADA	CUEVAS DEL BECERRO
VILLASCLARAS FERNANDEZ, JAVIER	ROBLA (LA)*VEGAS DEL CONDADO
YUGUEROS LEONARDO, ANA ISABEL	ALOZAINA

ANNEX III
GROUP ENTITIES AS AT December 31, 2023

Company name	Tax ID number	Registered office	Activity	% of Capital Owned by The Group		
				% of Equity Interest		Total Holding
				Direct	Indirect	
Administradora Valtenas, S.L.U.	B33473737	Plaza de la Escandalera, 2, Oviedo	Consultancy	100%	0%	**100%**
Alqlunia Duero, S.L.U. (in liquidation)	B45541786	C/ Titán 8-2º, Madrid	Real estate development	100%	0%	**100%**
Análisis y Gestión de Innovación Tecnológica, S.L.U.	B91774422	Plaza de Santa María, 8, Cáceres	Parking lots	100%	0%	**100%**
Analistas Económicos de Andalucía, S.L.U.	B29714045	C/ San Juan de Dios, 1-2	Economic activity study and analysis	100%	0%	**100%**
Andaluza de Tramitaciones y Gestiones, S.A.U.	A29600178	C/ Compositos Lehmberg Ruiz, 5, Málaga	Management and settlement of documents and deeds	100%	0%	**100%**
Arco Explotaciones, S.L.U.	B10486348	Plaza de Santa María, 8, Cáceres	Farming	100%	0%	**100%**
Asturiana de Administración de Valores Mobiliarios, S.L.U.	B33473760	Plaza de la Escandalera, 2, Oviedo	Consultancy	100%	0%	**100%**
Banco Europeo de Finanzas, S.A.U.	A78963816	C/ La Bolsa, 4, piso 1 Málaga	Banking, financial activities	100%	0%	**100%**
Briareo Gestión, S.A.U.	A86081718	Camino Fuente de la Mora, 5, Madrid	Business consulting	100%	0%	**100%**
Caja Castilla La Mancha Iniciativas Industriales, S.L.U.	B45664224	Camino Fuente de la Mora, 5, Madrid	Holding company activities	100%	0%	**100%**
Camín de la Mesa, S.A.U.	A74014085	C/ San Francisco, 14, Planta 4, Oviedo	Consultancy	100%	0%	**100%**
Camping Alto Gallego, S.L.U.	B10488286	Plaza de Santa María, 8, Cáceres	Catering	100%	0%	**100%**
Cánovas Explotaciones, S.L.U.	B10488294	Plaza de Santa María, 8, Cáceres	Catering	100%	0%	**100%**
Cantábrica de Inversiones de Cartera, S.L.U.	B33473729	Calle Alvarez Garaya, 2, Planta 7, Gijón	Holding company activities	100%	0%	**100%**
CCM Brokers 2007 Correduría de Seguros, S.A.U.	A45652260	C/ Sillería, 18, Planta 3, Toledo	Insurance brokerage	100%	0%	**100%**
Concejo Explotaciones, S.L.U.	B10488328	Plaza de Santa María, 8, Cáceres	Catering	100%	0%	**100%**
Corporación Empresarial Caja Extremadura, S.L.U.	B10255404	Plaza de Santa María, 8, Cáceres	Holding company activities	100%	0%	**100%**
Ercávica Desarrollos, S.L.U.	B10490464	Plaza de Santa María, 8, Cáceres	Real estate development	100%	0%	**100%**
Explotaciones Santa Isabel, S.L.U.	B10485043	Plaza de Santa María, 8, Cáceres	Catering	100%	0%	**100%**
Factoría de Transformación de Operaciones y Servicios, S.L.U.	B45847837	C/ Ocaña, 1, Toledo	Other consulting activities	100%	0%	**100%**
Finca Las Huelgas, S.A.U.	A33363920	Villamayor, Piloña	Farming	100%	0%	**100%**
Gestión de Inmuebles Adquiridos, S.L.U.	B92954197	C/ Mauricio Moro Pareto nº 6, 6ª planta, Edf. Eurocom, Málaga	Real estate development	0%	100%	**100%**
Grafton Investments, S.L.U.	B87977476	Camino Fuente de la Mora, 5, Madrid	Catering	100%	0%	**100%**
Hoteles Layos, S.L.U.	B10485472	Plaza de Santa María, 8, Cáceres	Catering	100%	0%	**100%**
Instituto de Economía y Empresa, S.L.U.	B02109999	Camino Fuente de la Mora, 5, Madrid	Business consulting	100%	0%	**100%**
La Algara Sociedad de Gestión, S.L.U.	B91933523	C/ Mauricio Moro Pareto nº 6, 4ª, Edf. Eurocom, Málaga	Real estate development	0%	100%	**100%**
Liberbank Capital, S.A.U.	A74188988	C/ San Francisco, 14, Planta 4, Oviedo	Other activities auxiliary to financial services	100%	0%	**100%**
Liberbank Contact, S.L.U. (in liquidation)	B02656924	Camino Fuente de la Mora, 5, Madrid	Call center activities	100%	0%	**100%**
Liberbank I.T. S.L.U.	B74365115	C/ San Francisco, 14, Planta 4, Oviedo	IT Consulting	100%	0%	**100%**

Company name	Tax ID number	Registered office	Activity	% of Capital Owned by The Group		
				% of Equity Interest		Total Holding
				Direct	Indirect	
Liberbank Pensiones, Sociedad Gestora de Fondos de Pensiones, S.A.U.	A81553398	Camino Fuente de la Mora, 5, Madrid	Pension fund manager	0%	100%	**100%**
Liberbank Servicios Financieros, S.A.U.	A81404592	Camino Fuente de la Mora, 5, Madrid	Holding company activities	100%	0%	**100%**
Norteña Patrimonial, S.L.U.	B33473745	Plaza de la Escandalera, 2, Oviedo	Consultancy	100%	0%	**100%**
Parque Industrial Humilladero, S. L.	B92503432	C/ Miguel Hernández, 1, Humilladero, Málaga	Industrial land development	0%	92.38 %	**92.38 %**
Peña Rueda, S.L.U.	B74022872	C/ San Francisco, 14, Planta 4, Oviedo	Consultancy	100%	0%	**100%**
Pico Cortés, S.L.U.	B74022898	C/ San Francisco, 14, Planta 4, Oviedo	Consultancy	100%	0%	**100%**
Pico Miravalles, S.L.U.	B74022880	C/ San Francisco, 14, Planta 4, Oviedo	Consultancy	100%	0%	**100%**
Planes e Inversiones CLM, S.A.U. (in liquidation)	A16144917	Camino Fuente de la Mora, 5, Madrid	Real estate development	100%	0%	**100%**
Pomarada Gestión, S.L.U.	B01800796	Camino Fuente de la Mora, 5, Madrid	Business consulting	100%	0%	**100%**
Procesa Recuperación de Activos, S.A.U.	A33516410	C/ San Francisco, 14, Planta 4, Oviedo	Legal activities	100%	0%	**100%**
Propco Blue 1, S.L.U. (in liquidation)	B93597904	C/ Mauricio Moro Pareto nº 6, 6ª planta, Edf. Eurocom, Málaga	Real estate development	0%	100%	**100%**
Puntida, S.L.U.	B39557269	Pasaje Puntida, 1, Santander	Holding company activities	100%	0%	**100%**
Segóbriga Desarrollos, S.L.U.	B10490449	Plaza de Santa María, 8, Cáceres	Catering	100%	0%	**100%**
Segurandalus Mediación, Correduría de Seguros, S.A.U.	A48484232	C/ Cuarteles nº 51 Ptl.1 Entreplanta Málaga	Insurance brokerage	100%	0%	**100%**
Sierra del Acebo, S.L.U.	B74014077	C/ San Francisco, 14, Planta 4, Oviedo	Consultancy	100%	0%	**100%**
Sociedad de Gestión San Carlos, S.A.	A11504842	Avda. San Juan Bosco,46. San Fernando - Cádiz	Real estate development	0%	63.61 %	**63.61 %**
Tiatordos, S.A.U.	A74022864	C/ San Francisco, 14, Planta 4, Oviedo	Consultancy	100%	0%	**100%**
U Market Ebusiness, S.L.U. (*)	B10490431	Camino Fuente de la Mora, 5, Madrid	Business consulting	100%	0%	**100%**
Unicaja Gestión de Activos Inmobiliarios, S.A.U.	A93229516	Avda. Andalucia, 10-12, Málaga	Real estate activities	100%	0%	**100%**
Unicartera Gestión de Activos, S.L.U.	B84537356	C/ Bolsa nº 4, planta 5ª, Málaga	Auxiliary activities to financial services	100%	0%	**100%**
Unicorp Patrimonio, Sociedad de Valores, S.A.U.	A92067131	C/ Bolsa, Nº 4, 1ª planta, Málaga	Asset management	100%	0%	**100%**
Unigest,S.G.I.I.C., S.A.U.	A29558798	Avda. Andalucia, 10-12, Málaga	Collective investment institution manager	100%	0%	**100%**
Unimediación Operador Banca Seguros, S.L.U.	B92802271	C/ Bolsa nº 4, planta 2, Málaga	Insurance brokerage	100%	0%	**100%**
Unión del Duero Seguros de Vida, S.A.U.	A37042975	C/ Titán 8-11, Madrid	Insurance	100%	0%	**100%**
Uniwindet, S.L.U.	B18602680	C/ Bolsa, Nº 4, 5ª planta, Málaga	Renewable energies	100%	0%	**100%**
Viacava – Incós de Energía, S.A.U.	A74235227	C/ San Francisco, 14, Planta 4, Oviedo	Catering	0%	100%	**100%**
Viproelco, S.A.U. (in liquidation)	A24501561	Av. Madrid 120, León	Real estate development	100%	0%	**100%**

(*) Previously Liberbank Ebusiness, S.L.U.

ANNEX IV
JOINTLY CONTROLLED ENTITIES AS AT December 31, 2023

Company name	Tax ID number	Registered office	Activity	% of capital owned by the Group			Individual results as of the analysis date	Non-current asset	Current asset	Non-current liability	Current liability	Total earnings	Total expenses
				% of equity interest		Total equity interest							
				Direct	Indirect								
Dolun Viviendas Sociales, S.L. (1)	B91701854	C/ Muñoz Olivé 1, portal 1-1-C Seville	Real estate development	0%	40%	40%	-	140	125	-	-	-	-
Muelle Uno-Puerto Málaga, S.A. (3)	A92674522	Avda. de Andalucía 21-Entreplanta, Málaga	Real estate development	0%	39.74 %	39.74 %	2,219	37,311	9,593	19,256	2,237	10,507	(8,288)
Lares Val de Ebro, S.L. (4)	A84076975	Avda. Talgo 155 Madrid	Real estate development	33.33 %	0.00 %	33.33 %	(292)	-	19,277	2	21,381	-	(292)
Madrigal Participaciones, S.A. (3)	A47538301	Avda. Madrid, 120 Ed.El Portillo - León	Investment in assets, securities and financial companies	75.7%	0%	75.7%	(36)	-	20	-	-	64	(100)
Rochduero, S.L. (5)	B11824430	C/ Armas 10-A Jerez de la Frontera (Cádiz)	Real estate development	54.09 %	0.00 %	54.09 %	(359)	-	35,758	420	36,535	25	(385)
Polígono Romica, S.A. (1)	A02182715	C/ Parque San Julián, 20, Cuenca	Real estate development	0%	50%	50%	(17)	-	815	-	-	-	(17)
Promociones 2020 San Lázaro, S.L. (2)	B10488302	Calle Lopez del Vallado, 2, Oviedo	Real estate development	0%	20%	20%	-	-	3,876	3,870	5	83	(83)

1. Financial data as of December 31, 2023.
2. Financial data as of November 30, 2023.
3. Financial data as of October 31, 2023.
4. Financial data as of June 30, 2016. Company in liquidation.
5. Financial data as of August 31, 2016. Company in liquidation.

Note: The financial information used for the equity method for the equity interest in the jointly controlled entities listed herein is the latest information available to the Bank as of the date of preparation of these consolidated financial statements. When this financial information does not correspond to December 31, 2023, it is because information relating to a date very close to the end of 2023 has been used instead or because the jointly-controlled entity has no relevant activity that could have a significant bearing on these consolidated financial statements (either because it is in liquidation or for other reasons with similar effects).

ANNEX V
ASSOCIATED COMPANIES AS AT December 31, 2023

Company name	Tax ID number	Registered office	Activity	% of capital owned by the Group			Financial statements as of the analysis date				
				% of equity interest		Total equity interest	Total assets at end of year	Equity	Company results	Liabilities	Operating income
				Direct	Indirect						
Ala Ingeniería y Obras, S.L. (12)	B85294536	Crta. de la Estación, naves 7 y 8 - Meco (Madrid)	Manufacture of metal structures	0%	26.49 %	26.49 %	8,889	(5,005)	(1,178)	13,894	(1,275)
Alanja Desarrollos, S.L. (3)	B10490191	C/ Albacete, 3, Planta 5, Cáceres	Real estate activities	2.07 %	17.93 %	20.00 %	363	279	(202)	84	(202)
Andalucía Económica, S.A. (3)	A41397514	C/ Diego de Riano nº 11, Piso 2º, Seville	Publishing, graphic arts and television	23.8%	0%	23.8%	624	554	28	70	28
Área Logística Oeste, S.L. (9)	B85273514	C/ Príncipe de Vergara, 15, Madrid	Real estate development	0%	27.28 %	27.28 %	4	(1,793)	(2,081)	1,797	(2,081)
B.I.C. Euronova, S.A. (2)	A29534765	Avenida Juan López Peñalver, 21 (Parque Tecnológico Andalucía), Campanillas, Málaga	Other professional, scientific, and technical activities	20%	0%	20%	1,728	1,443	148	285	148
Baraka Home 20, S.L. (6)	B01998855	Carretera de Fuencarral, Campus Tribeca, Edificio 6, Alcobendas	Real estate activities	0%	29.96 %	29.96 %	27,527	14,642	(138)	12,885	(66)
Camping El Brao, S.A. (10)	A33357484	C/ Uría, 6 - 2 C, Oviedo (Asturias)	Camping	25%	0%	25%	5	(10)	(4)	15	(4)
Cartera de Activos H&L, S.L. (6)	B88625686	C/ Zurbano, 76, Planta 8, Madrid	Real estate activities	5.69 %	21.85 %	27.54 %	7,617	5,041	58	2,576	82
Convivenzia Projet, S.L. (6)	B01993781	Plaza Nueva, 8, Planta 4, Sevilla	Real estate and construction	43.26 %	6.68 %	49.94 %	6,123	5,849	(15)	274	(12)
Desarrollo Urbanísticos Cerro de Medianoche, S.L. (2)	B23532252	Plaza Jaén por la Paz, 2, Jaén	Real estate development	0%	24.72 %	24.72 %	3,517	3,512	11	5	11
Desarrollos Inmobiliarios Navalcan, S.L. (6)	B01674704	Carretera Nacional V, Kilometro 107.5, Toledo	Real estate development	0%	48.79 %	48.79 %	9,232	9,226	(12)	6	(20)
Desarrollos Inmobiliarios Peña Vieja, S.L. (6)	B39889258	Paseo Pereda, Planta 1, Santander	Real estate activities	15.16 %	33.78 %	48.94 %	32,609	26,033	(234)	6,576	(215)
Desarrollos Inmobiliarios Ronda Sur, S.L. (3)	B74469313	C/ López del Vallado, 9, Oviedo	Real estate development	0%	37.14 %	37.14 %	7,095	6,955	-	140	1
Digital Finance & Insurance Services, S.L. (2)	B44884161	C/ Velazquez 100, 3º dcha., Madrid	Commercialization of banking and insurance products, creation of digital platforms	0%	30%	30%	1,060	687	(16)	373	(16)
Druet Real Estate, S.L. (6)	B02871390	C/ Príncipe de Vergara, 15, Madrid	Real estate and construction	0%	49.23 %	49.23 %	21,303	16,191	(116)	5,112	84
Euro 6000, S.L. (3)	B87990552	C/ Alcalá 27, Madrid	Auxiliary activities to financial services	23.2%	0%	23.2%	3,581	2,963	618	618	576
Experiencia Peñíscola, S.L. (3)	B02975605	Avenida de España, 17, Peñíscola	Real estate and construction	47.63 %	0.00 %	47.63 %	11,343	10,425	(20)	918	(20)
Gestión e Investigación de Activos, S.A. (3)	A79332367	Paseo General Martinez Campos, 46-2ªplanta. Madrid	Real estate rental	31.71 %	18.29 %	50.00 %	500	496	8	4	(15)

Company name	Tax ID number	Registered office	Activity	% of capital owned by the Group			Financial statements as of the analysis date				
				% of equity interest		Total equity interest	Total assets at end of year	Equity	Company results	Liabilities	Operating income
				Direct	Indirect						
Global Berbice, S.L. (3)	B87959219	C/ Albacete, 3, Madrid	Holding company activities	5.28 %	14.72 %	20.00 %	20,476	18,924	(1,978)	1,552	(1,978)
Griffin Real Estate Developments, S.L. (6)	B52579299	C/ Alvarez Garaya, 12, Gijón	Real estate development	0%	40.83 %	40.83 %	12,455	10,099	80	2,356	111
Hidralia, Gestión Integral de Aguas de Andalucía, S.A. (2)	A41461856	C/ Alisios.Edf Ocaso, nº 1,, Sevilla	Comprehensive water cycle management	20%	0%	20%	167,418	90,670	11,401	76,748	7,912
Hormigones y Áridos Aricam, S.L. (4)	B83221598	Carretera de Fuenlabrada, Kilometro 18.500, Pinto	Sand and gravel mining	25%	0%	25%	-	(61)	-	61	-
Hostelería Asturiana, S.A. (2)	A33013160	C/ Gil de Jaz ,16, Oviedo	Catering	40.42 %	0.00 %	40.42 %	7,101	5,606	3	1,495	99
Industrializaciones Estratégicas, S.A. (4)	A45601580	Cuesta Carlos V, 5, Planta 2, Madrid	Real estate development	0%	35%	35%	3,735	2,354	(13)	1,381	(33)
Ingeniería de Suelos y Explotación de Recursos, S.A. (5)	A21102157	Paseo del Coso S/N, Minas de Riotinto, Huelva	Mining industry	30%	0%	30%	107,802	52,743	13,995	55,059	18,374
Inversiones Alaris, S.L. (3)	B31881055	Avda. Diagonal, 621, Barcelona	Share holdings	33.33 %	0.00 %	33.33 %	7,623	5,255	(72)	2,368	(72)
Kenta Capital Investment Management, S.A. (2)	A10592426	C/ Miguel Ángel,11 28010 Madrid	Auxiliary activities to financial services	36%	0%	36%	8,205	5,078	1,095	3,127	1,379
La Reserva de Selwo Golf, S.L. (7)	B18671784	Pasaje Linaje 3, Planta 1, Piso 1, Málaga	Real estate development	0%	35%	35%	63	(3,875)	-	3,938	-
Leche del Occidente de Asturias, S.A. (1)	A33411109	C/ Arguelles, 27, Oviedo	Food industry	33.34 %	0.00 %	33.34 %	-	-	-	-	-
Lico Leasing, S.A. (3)	A28167799	Pº General Martínez Campos, 46 - 2, Madrid	Financial leasing	34.16 %	0.00 %	34.16 %	15,061	11,178	(3,976)	3,883	(3,440)
Mastercajas, S.A. (3)	A81584369	C/ Alcalá 27, Madrid	Other financial services	78.77 %	0.00 %	78.77 %	3,769	3,727	222	42	200
Mejor Campo Abonos y Cereales, S.A. (10)	A24371866	Callejón de San Francisco, 1 - Bajo, Medina del Campo, Valladolid	Fertilizer and feed sales	27%	0%	27%	3	(58)	-	61	-
Oppidum Capital, S.L. (3)	B74341678	C/ Cimadevilla, 8, Oviedo	Holding company activities	44.13 %	0.00 %	44.13 %	1,317,941	904,949	30,928	412,992	(8,687)
Parque Científico-Tecnológico de Almería S.A. (2)	A04418067	Avda. de la Innovación, nº 15, Edificio Pitágoras, Almería	Real estate development	0%	30.13 %	30.13 %	34,591	26,106	(713)	8,485	(449)
Participaciones Estratégicas del Sur, S.L. (3)	B90471350	C/ Luis Montoto 65, 1º B	Other financial services	0%	30%	30%	15,379	13,420	566	1,959	3
Patrimonio Inmobiliario Empresarial, S.A. (11)	A83458067	C/ Santa Engracia, 69, Madrid	Real estate activities	29.09 %	0.00 %	29.09 %	26,857	(21,423)	(566)	48,280	-
Propco Eos, S.L. (3)	B93673291	C/ Goya, 6, 2ª planta, Madrid	Real estate development	0%	20%	20%	40,645	38,087	233	2,558	233
Propco Epsilon, S.L. (3)	B93673283	C/ Goya, 6, 2ª planta, Madrid	Real estate development	0%	20%	20%	33,114	30,474	(163)	2,640	(163)
Propco Malagueta, S.L. (2)	B93562940	C/ Mauricio Moro Pareto (Edificio Eurocom Norte), 6, Málaga	Real estate development	0%	25%	25%	1,253	1,209	(828)	44	(828)
Propco Orange 1 S.L. (2)	B93597896	C/ Mauricio Moro Pareto (Edificio Eurocom Norte), 6, Málaga	Real estate development	0%	49%	49%	37,354	8,482	107	28,872	192
Proyecto Lima, S.L. (2)	B93562957	C/ Mauricio Moro Pareto (Edificio Eurocom Norte), 6, Málaga	Real estate activities	0%	25%	25%	836	645	(1,518)	191	(1,518)

Company name	Tax ID number	Registered office	Activity	% of capital owned by the Group			Financial statements as of the analysis date				
				% of equity interest		Total equity interest	Total assets at end of year	Equity	Company results	Liabilities	Operating income
				Direct	Indirect						
Pryconsa- Ahijones, S.L. (6)	B88560768	Glorieta de Cuatro Caminos, 6, Madrid	Real estate development	0%	32.94 %	32.94 %	60,803	51,311	-	9,492	(250)
Santa Justa Residencial, S.L. (2)	B93514453	C/ Mauricio Moro Pareto (Edificio Eurocom Norte), 6, Málaga	Real estate development	0%	49.5%	49.5%	1,018	558	(4)	460	(5)
Sedes, S.A. (3)	A33002106	C/ Arquitecto Galán, 2, Oviedo	Real estate and construction	39.9%	0%	39.9%	21,016	5,898	(1,335)	15,118	(981)
Sociedad Astur-Castellano Leonesa de Navegación, S.A. (1)	A33685306	Puerto del Musel, Gijón	Maritime transportation	23.05 %	0.00 %	23.05 %	-	-	-	-	-
Sociedad de Gestión y Promoción de Activos, S.L. (6)	B74453432	C/ Fruela, 5, Oviedo	Real estate development	8.96 %	40.77 %	49.73 %	83,258	58,451	(2,351)	24,807	(1,628)
Sociedad Municipal de Aparcamientos y Servicios, S.A. (3)	A29178902	Plaza Jesús "El Rico" 2-3, Málaga	Parking lots	24.5%	0%	24.5%	70,290	49,512	3,956	20,778	6,109
Sociedad Regional de Promoción del Principado de Asturias, S.A. (3)	A33055138	Parque Tecnológico de Asturias (Edificio Idepa), Llanera	Regional development company	29.33 %	0.00 %	29.33 %	91,556	74,060	59	17,496	(175)
Unema Promotores Inmobiliarios, S.A. (8)	A92078013	C/ Strachan, nº1, planta 1. Málaga	Real estate development	0%	40%	40%	37	(1,669)	-	1,706	-
Unicorp Vida, Compañía de Seguros y Reaseguros, S.A. (3)	A78804390	C/ Bolsa, Nº4, 3ª planta. Málaga	Insurance	50%	0%	50%	5,350,542	474,650	118,028	4,875,892	152,671
World Trade Center Santander, S.A. (13)	A39348156	C/ Carlos Haya, 23, Santander	Real estate activities	31.5%	0%	31.5%	214	212	(12)	2	(13)
Zedant Desarrollos, S.L. (5)	B02865129	Calle Fernandez de la Hoz, 62, Madrid	Real estate activities	40.3%	4.81 %	45.11 %	11,412	6,716	(233)	4,696	(112)

1. Company in liquidation.
2. Financial data as of December 31, 2023.
3. Financial data as of November 30, 2023.
4. Financial data as of November 30, 2022. Company in liquidation.
5. Financial data as of October 31, 2023.
6. Financial data as of September 30, 2023.
7. Financial data as of December 31, 2020. Company in liquidation.
8. Financial data as of September 30, 2017. Company in liquidation.
9. Financial data as of December 31, 2017. Company in liquidation.
10. Financial data as of December 31, 2016. Company in liquidation.
11. Financial data as of March 31, 2014. Company in liquidation.
12. Financial data as of December 31, 2013. Company in liquidation.
13. Financial data as of June 30, 2012. Company in liquidation.

Note: The financial information used for the equity method for the equity interest in the associates listed herein is the latest information available to the Bank as of the date of preparation of these consolidated financial statements. When this financial information does not correspond to December 31, 2023, it is because information relating to a date very close to the end of 2023 has been used instead or because the associate has no relevant activity that could have a significant bearing on these consolidated financial statements (either because it is in liquidation or for other reasons with similar effects).

ANNEX VI
ANNUAL BANKING REPORT FOR FISCAL YEAR 2023

Information for compliance with Article 89 of Directive 2013/36/EU of the European Parliament and its transposition into Spanish legal system by means of Law 10/2014

Pursuant to the provisions of Article 89 of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, and in accordance with the provisions of Article 87 of Law 10/2014, of June 26, on the regulation, supervision and solvency of credit institutions, which transposes this directive to the Spanish legal system, attached below is the information related to the annual banking report of Unicaja Group for the fiscal year ended on December 31, 2023.

	Turnover (*) (thousands of euros)	Number of Employees (**)	Income before taxes (thousands of euros)	Taxes on income (thousands of euros)
Spain	1,775,548	7,677	370,569	104,037
Other EU countries	-	-	-	-
Rest of the world	-	-	-	-
Total	**1,775,548**	**7,677**	**370,569**	**104,037**

(*) Turnover is considered to be the gross margin of the consolidated income statement.

(**) Number of equivalent full-time employees obtained from the workforces of the Unicaja Group companies operating in each jurisdiction.

At December 31, 2023, the return on assets of the Unicaja Group, calculated as the ratio between “Consolidated income for the year” in the consolidated income statement and “Total assets” in the consolidated balance sheet, is 0.27%.

Detailed information on the companies on the consolidation perimeter of the Unicaja Group operating in each jurisdiction, including their name and geographical location and the nature of their activity, is available in Annexes III, IV and V hereto.

As can be seen in these annexes, almost all of the Group’s business activity takes place in Spain and within the financial sector, with the commercial banking activity carried out by the Unicaja credit institution being particularly important.

Unicaja has not received any public subsidies or aid.

UNICAJA BANCO, S.A. AND SUBSIDIARIES (UNICAJA GROUP)

CONSOLIDATED MANAGEMENT REPORT, 2023

1. Introduction

This Management Report presents the data and facts which are relevant at year-end 2023 so that the situation of the Unicaja Banco Group (hereinafter, the Unicaja Group, or the Group) and the evolution of its business may be ascertained. The consolidated financial statements for the 2023 fiscal year, which this Management Report supplements, have been prepared according to the International Financial Reporting Standards as adopted by the European Union (IFRS-EU), also taking into consideration the Bank of Spain Circular 4/2017 of November 27, 2017 and its subsequent amendments.

Unicaja Banco, S.A. (hereinafter Unicaja, the Parent Company or the Bank) is a credit institution incorporated for an indefinite period of time on December 1, 2011. The start of its activity has its origin in the indirect performance, through a bank, of the financial activity of the Monte de Piedad y Caja de Ahorros de Ronda, Cádiz, Almería, Málaga, Antequera and Jaén savings bank and pawnbroker, i.e. Unicaja (currently, the Unicaja Bank Foundation), as a result of the entry into force of Law 26/2013, of December 27.

The Bank is an entity subject to the rules and regulations on banking entities operating in Spain. Other public information about the Bank is available both on its corporate website (www.unicajabanco.com) and at its registered office (Avenida de Andalucía, 10 y 12, Málaga).

The Bank's object is to carry out all kinds of activities, operations, acts, contracts and services typical of the banking business in general or which are directly or indirectly related or supplementary thereto or are carried out by it, provided that their performance is permitted or not forbidden by current legislation.

The Bank's object includes the provision of investment services and other auxiliary services, as well as the performance of activities typical of insurance agents, as an exclusive or linked operator, the simultaneous exercise of both not being admissible.

In accordance with its bylaws, such activities, which meet the requirements of Law 10/2014, of June 26, on the regulation, supervision and solvency of credit institutions and which comprise its object, may be carried out in part of in full, indirectly, in any of the forms permitted by law and, in particular, through the ownership of shares or equity holdings in companies or through participation in other entities whose object is identical, similar or supplementary to its activities.

The Bank is registered in the Mercantile Registry of Málaga and, as a credit institution, in the Special Registry of the Bank of Spain under number 2103. The Bank also holds a license to engage in banking activities granted by the Ministry of Economy and Finance, pursuant to Article 1 and other concordant provisions of Royal Decree 1245/1995.

As at December 31, 2023, Unicaja Banco S.A. is the parent company of the Unicaja Group, whose main shareholder is the Unicaja Banking Foundation, with a 30% stake. The Bank is subject to Spanish law and files its financial statements with the Mercantile Registry of Málaga. The Bank is also the head of a subgroup of subsidiaries and associates, which are engaged in various activities and make up the Unicaja Group, as described in the consolidated financial statements corresponding at year-end 2023.

	Millions of euros		Annual Var.	
Balance Sheet and Turnover	**Dec-23**	**Dec-22***	**Millions of euros**	**%**
Total assets (1)	97,153	98,969	(1,816)	-1.8%
Performing loans and advances to customers (2)	48,325	52,953	(4,628)	-8.7%
Deposits– customers (3)	67,635	69,813	(2,178)	-3.1%
Off-balance sheet funds raised and insurance	21,087	20,249	838	4.1%
Managed resources (4)	98,747	98,178	569	0.6%
Of which: retail customers (not market) (5)	*88,825*	*90,081*	(1,256)	-1.4%

(*) Shown solely and exclusively for comparative purposes (Note 1.5).

(1) Source: Consolidated Public Balance Sheet.

(2) Source: Loans and advances to customers of the Consolidated Public Balance Sheet, without valuation adjustments, active money market operations carried out through counterparties and other financial assets of other resident sectors.

(3) Source: Customer deposits from the Consolidated Public Balance Sheet, without valuation adjustments and mortgage bonds or repurchase agreements accounted for as deposits.

(4) Source: Customer deposits from the Consolidated Public Balance Sheet, plus debt securities issued, without valuation adjustments in both cases, plus off-balance sheet funds.

(5) Source: Customer deposits from the Consolidated Public Balance Sheet, excluding mortgage bonds counted as deposits and money market deposits made through counterparties, without valuation adjustments, plus off-balance sheet funds.

	Millions of euros		Annual Var.	
Income	**Dec-23**	**Dec-22***	**Millions of euros**	**%**
Net interest margin	1,353.2	1,073.4	279.8	26.1%
Gross margin	1,775.5	1,605.8	169.7	10.6%
Operating margin (before write-downs)	917.0	744	173	23.3%
Write-downs and other results	(546.4)	(361.2)	(185.2)	51.3%
Income before tax	370.6	382.8	(12.2)	-3.2%
Consolidated income for the year	266.5	277.6	(11.1)	-4%
Profit/loss attributed to the dominant entity	266.7	277.6	(10.9)	-3.9%

	%		Annual Var.	
Profitability and Efficiency	**Dec-23**	**Dec-22***	**Millions of euros**	**%**
ROE* (6) (Income for the year/own funds)	5.1%	4.3%	N/A	0.8 pp
ROTE* (6) (Profit for the year / Tangible equity)	5.2%	4.4%	N/A	0.8 pp
ROA* (6) (Profit for the year/Total assets)	0.3%	0.3%	N/A	0.0 pp
RORWA* (6) (Net income/APRs)	1.1%	0.8%	N/A	0.3 pp
Efficiency ratio* (6) (Operating Expenses with Amortization/Gross Margin)	46.7%	53.7%	N/A	-7.0 pp

* In calculating these ratios, the impact of the temporary bank levy, which in 2023 totaled 63.8 million euros, has been eliminated. Without eliminating the impact of the temporary bank levy, as of December 31, 2023 they would stand at: ROE 4.1%, ROTE 4.1%, ROA 0.3%, RORWA 0.9% and efficiency ratio 48.4%.

	Millions of euros or as a %		Annual Var.	
Solvency	**Dec-23**	**Dec-22***	**Millions of euros**	**% ppt**
Net equity	6,646	6,477	169	2.6%
Total capital	5,617	5,818	(201)	-3.5%
Common Equity Tier 1 (CET1) capital	4,470	4,659	(189)	-4.1%
Additional Tier 1 capital	547	547	-	- %
Tier 2 capital	600	612	(12)	-2%
Average Risk Weighted Assets	29,841	34,133	(4,292)	-12.6%
Total capital ratio	18.82%	17.05%	N/A	1.8 pp
CET1 ratio	14.98%	13.65%	N/A	1.3 pp
CET-1 fully loaded ratio	14.71%	12.98%	N/A	1.7 pp

(*) Shown solely and exclusively for comparative purposes (Note 1.5).

	Millions of euros or as a %		Annual Var.	
Risk Control	**Dec-23**	**Dec-22***	**Millions of euros**	**% ppt**
Non-performing	1,568	1,938	(370)	-19.1%
NPL ratio	3.1%	3.5%	N/A	-0.4 pp
Non-performing loan coverage ratio	63.7%	66.5%	N/A	-2.8 pp
Cost of credit risk	0.29%	0.39%	N/A	-0.1 pp
Cost of recurring credit risk	0.29%	0.24%	N/A	0.1 pp
Foreclosed real estate available for sale (gross)	1,253	1,833	(580)	-31.6%
Foreclosed real estate asset coverage ratio	73.9%	64.1%	N/A	9.8 pp

	Millions of euros or as a %		Annual Var.	
Liquidity	**Dec-23**	**Dec-22***	**Millions of euros**	**% ppt**
Gross liquid assets	37,183	31,921	5,262	16.5%
Net liquid assets	29,238	23,516	5,722	24.3%
Net Liquid Assets/Total Assets	30.1%	23.8%	N/A	6.3 pp
LTD ratio	73.7%	78.6%	N/A	-4.9 pp
Liquidity coverage ratio (LCR)	308%	284%	N/A	24 pp
Net stable funding ratio (NSFR)	149%	143%	N/A	6 pp

	Units		Annual Var.	
Additional information	**Dec-23**	**Dec-22***	**Number**	**%**
Branches in Spain	957	968	-11	-1.1%
Automatic teller machines	2,374	2,469	-95	-3.8%
Average employees	7,677	8,416	-739	-8.8%

Credit Rating		**Dec-23**
Fitch	Short term	F3
	Long term	BBB-
	Perspective	Stable
	Senior preferred debt	BBB-
	Senior non-preferred debt	BB+
	Subordinated debt (Tier2)	BB
	Convertible contingent bonds (AT1)	B+
Moody's	Long-term deposits	Baa3
	Short term	Prime-3
	Perspective	Stable
	Mortgage-backed securities	Aa1
	Subordinated debt (Tier2)	Ba3

2. Economic and Financial Scenario

In recent months, the world economy has performed better than expected, in a context of continued restrictive monetary policy measures by the main central banks and high uncertainty in the face of the various sources of geopolitical instability, among which the conflicts in the Middle East and the war between Russia and Ukraine, which will soon be two years old, stand out. In any event, the International Monetary Fund's growth forecasts for 2023 anticipate a GDP growth rate of 3%, 0.5 percentage points lower than that of 2022 and the average of the last twenty years (3.6%). For 2024 and 2025, the moderation path is expected to continue, with production increases below 3%. Inflation has gradually declined, although in most economies it has remained above the target level set by the monetary authorities. This process is expected to continue in the coming months, provided that there are no episodes of tension in the international energy markets and that monetary policy measures unfold their full effects on the real economy.

However, the disaggregated analysis shows notable differences between economic areas, with growth in the United States standing out, supported to a large extent by the strength of the labor market and the buoyancy of consumption, and in China, given the expansionary fiscal policies that have been applied to counteract the effects of the real estate crisis that has been going on since September 2021.

In the specific case of the Eurozone, the main indicators have confirmed the prolongation of the weakness of activity in the second part of 2023, both in the domestic demand components and in the contribution of the foreign sector. The European Central Bank (ECB) estimates that, for both 2023 and the current fiscal year, GDP will increase at rates of 0.6% and 0.8% respectively. It will not be until 2025 that the growth rate of production will reach levels of 1.5% - in line with potential growth - supported, among other factors, by an increase in household disposable income in real terms, with a positive impact on private consumption, as well as by the recovery of activity in export markets. In any event, the cumulative projected growth for the 2023-2024 period is significantly lower than that recorded during the two previous years. Inflation continued its downward trend, despite pressure from food prices and the significant contribution of service-related components. In December, the inflation rate stood at 2.9%, 0.5 percentage points below core inflation (3.4%). Forecasts indicate that it will remain high for a prolonged period of time, exceeding expected levels if the increase in the prices of the most volatile components persists and generates significant second round effects, both in terms of wages and margins. The projected path of price increases is 3.2% for 2024 (5.4% in 2023), not converging to the monetary policy target until 2025, when the estimated rate is 2.1%.

Based on macroeconomic developments and the outlook for the future, the ECB considers that policy rates are at sufficiently restrictive levels for inflation to converge to its medium-term target levels. Thus, at its meeting held on December 14, the ECB decided to maintain the intervention rate at 4.5%, while the marginal lending and deposit rate remained at 4.75% and 4% respectively. It also announced the adoption in 2024 of measures aimed at reducing the size of the Eurosystem's balance sheet, including the end of the full reinvestment of the principal of maturing securities under the Pandemic Emergency Purchase Program (PEPP).

In this context, expectations of a reduction in official interest rates in the United States and the Eurozone have translated into a downward movement of the long yield curves. The 10-year benchmark for the United States fell by 45 b.p. in December from the previous month to 4.09%, with the fall in the Eurozone countries being more pronounced, by 55 b.p. to 2.87% for the whole. In December, the 12-month Euribor stood at 3.7%.

In this context, and even though it has been showing greater resilience than that of other countries and the Eurozone as a whole, largely due to its sectoral structure, the economic data for the fourth quarter reveals that the Spanish economy continues to show clear signs of a slowdown in activity.

The latest GDP data for the third quarter showed a quarter-on-quarter increase of 0.3%, 0.1 percentage points lower than in the previous quarter. On a year-on-year basis, the increase was 1.8%, compared to 2% in the previous quarter. The drivers of growth in the quarter were, from a demand perspective, the components linked to consumption, both private and public, given that gross capital formation contracted by 1% and the contribution of external demand was negative. On the supply side, the evolution of services (0.9%) stands out, especially those branches linked to tourism. Both industry and construction experienced declines of 0.7%, being more pronounced in the primary sector (-4.3%). For the fourth quarter, the Bank of Spain estimates a variation rate of 0.3% with respect to the previous quarter.

Although employment was more dynamic than activity during the first part of the year, the growth rates of both variables have been converging in the second half of the year. In the month of December, Social Security Enrollment registered a monthly increase of 0.1% in seasonally adjusted terms.

The trend of moderation in inflation has been consolidated since October, due to the marked moderation in energy prices. In December, inflation stood at 3.1%. With respect to the maximum level reached in July 2022, the cumulative drop is 7.7 percentage points. Core inflation moderated marginally to 3.8%.

In view of these developments and the current context of high uncertainty, the latest projections of the Bank of Spain suggest a GDP growth of 2.4% for 2023. Growth has been estimated at 1.6% for 2024 and 1.9% for 2025. As for inflation, it would average 3.4% in 2023, falling to 3.3% for 2024 as a whole, heavily conditioned by decisions on the extension of the VAT reduction on electricity and gas, and the excise tax on electricity.

With regard to the real estate market, during the fourth quarter, the main indicators of activity have shown notable signs of decline, albeit more moderate than expected. Housing investment shows modest growth, with decreases in the percentage of construction work execution and no change in trend in the short term. On the demand side, the main limiting factors are the gradual increase in the cost of financing and the weakening of the economy. In November, home sales and purchases fell by 15.1% in year-on-year terms. In this line, new mortgages presented a year-on-year decrease of 22.3%. As for prices, they continue their upward trend. In the third quarter, the general housing price index increased in year-on-year terms by 4.5%, higher than in the previous quarter (3.6%) and more pronounced in the new housing segment (11%) than in the used segment (3.2%).

The evolution and outlook for the evolution of economic activity and employment, together with the increase in the cost of credit and the tightening of credit conditions, have been reflected in the flow of new financing. In November, loans granted to households fell by 1.9% year-on-year, with a sharper decline of 3.3% in the case of companies.

On the liabilities side, deposits continued their downward trend, with a year-on-year fall in November of 0.9% for both households and companies. The contraction of this source of financing, together with that from the Eurosystem, has been partially offset by the issuance of debt instruments and greater recourse to the interbank market.

The rise in market interest rates has not been fully reflected for the time being in the profitability of new operations, particularly in retail mortgages, so it is to be expected that the contribution of credit to net interest income will increase in the coming months. On the other hand, the average cost of liabilities continues to rise, so that the evolution of net interest income in the coming months will reach its highest levels in the sector, given the current downward trend in reference rates. The weighted average lending rate for housing loans stood at 3.79% in November. For operations granted to non-financial companies, it reached 5.1%.

On the other hand, despite the context of high interest rates and slower economic growth, the volume of non-performing loans remained stable. In October, the non-performing assets ratio stood at 3.6%.

3. Milestones in the year

In 2023 Unicaja has laid the foundations for a significant improvement in recurring profitability and shareholder remuneration

After completing the integration of Liberbank in 2022, Unicaja's strategic priorities in 2023 were aimed at laying the foundations for a significant improvement in recurring profitability and shareholder remuneration.

- **Profitability:** Core income grew 40% due to improved net interest income, net fees and commissions and lower operating expenses.
- **Non-performing assets**: a sharp reduction in non-performing assets and an increase in coverage, bringing the year-on-year drop in net non-performing assets to 31.3%.
- **Solvency:** High and solid solvency levels. At year-end, it had a maximum quality phased-in capital level (CET 1) of 15% and a total capital ratio of 18.8%, which represents a margin of 6.7 percentage points and 6.1 percentage points respectively, with respect to the levels required of the Bank.
- **Shareholder remuneration**: Thanks to the significant capital generation, authorization has been requested for a share buyback of up to 100 million euros, or 3.8% of the capital, and proposal was made to pay a dividend of around 130 million euros, equivalent to a pay-out of 50%.
- **Corporate governance**: The Board of Directors has been reorganized with the appointment of a new non-executive chairperson.

With the Strategic Plan as a guide, the Unicaja Group recorded a net profit of 267 million euros in fiscal year 2023, an increase of 19% with respect to fiscal year 2022, excluding the impact of the new temporary banking levy, which amounted to 63.8 million euros.

The improvement in earnings is the result of the increase in ordinary revenues (with net interest income and net fee and commission income up 26.1% and 1.6% respectively) and the reduction in administrative expenses (down 0.4%, as a result of the adjustments from the merger with Liberbank).

The volume of non-performing assets (NPAs) decreased by 25.2%, mainly due to sales of foreclosed assets of 487 million euros, with positive results, which reduced the stock by 31.6% in the year. In addition, non-performing loans have been reduced by 370 million euros over the last twelve months. Coverage levels have been strengthened, particularly in real estate (+9.8 percentage points in the year), placing the coverage ratio of non-performing assets among the highest in the sector (68.2%), which will enable the accelerated reduction of NPAs to continue and substantially improve profitability.

The implementation of new service capabilities in digital banking has been a priority, ending the year with the successful launch of the new Digital Banking, which includes a renewed user experience and a design focused on updated and intuitive navigation. The momentum maintained during 2023 on the Digital Plan consolidates the improvement achieved in the adoption, acquisition and digital sales rates.

In addition, Unicaja has continued to develop its innovation strategy by analyzing new digital acquiring solutions, the creation of solutions that combine Voice Biometrics and Virtual Assistants technologies or the opportunities arising from the irruption of Generative Artificial Intelligence, with the aim of integrating it appropriately in the Bank. All these laboratories are part of an improvement process that allows us to incorporate innovations that improve our levels of efficiency, quality, customization and safety for our customers, but in a prudent, effective and sustainable manner.

The Bank's commitment to society has been reflected this year in a series of initiatives, notably including the following: the approval of the policy of exclusions to financing for environmental and social risks, with the commitment not to finance those activities that may be contrary to the Bank's sustainability principles, the launching of new ESG products such as mixed-rate mortgages ("Oxygen Mortgages") that subsidize the interest rate for financing energy-efficient goods, or the extension of the Ecomobility Loan. In financial education, Unicaja's Edufinet Project was awarded first prize in the Financial Education category, in the Over 65s section of the 2022 CECA Social Work and Financial Education Awards.

Balance of the bank's commercial activity in 2023

Resources under management increased by 0.6% during the year, in a financial year that was not very favorable for savings, marked by high inflation and the volatility of the financial markets.

Customer deposits (71,833 million euros) account for the bulk of funds collected from retail customers, of which 52,053 million euros are private-sector demand deposits and 14.326 billion euros are time deposits, including 4.198 billion euros of mortgage-backed securities.

The most popular savings products in the year were time deposits, off-balance sheet instruments and Treasury bills deposited with the bank (which are not included in the aggregate of retail customer funds under management). Time deposits, including mortgage-backed securities, increased by 36.1% in the year (72.4% excluding covered bonds).

The funds managed through off-balance sheet instruments and savings insurance accounted for 21.087 billion euros, the main product being mutual funds (11.404 billion euros), followed by savings insurance (4.926 billion euros), pension funds (3.611 billion euros) and other managed assets (1.146 billion euros). Investment funds grew 1.4% over the year. Savings insurance increased 15.4% year-on-year, driven by the marketing of unit-linked policies aimed at customers with a conservative investment profile. Purchases of Treasury bills deposited with the bank amounted to 1.42 billion euros in the year, and if these are included in retail customer funds under management, they increase by 0.2% in the year.

In terms of the origin of the funds, 90% corresponds to the retail business (88.825 billion euros), while the remaining 10% (9.922 billion euros) are funds raised in wholesale banking markets through issues, multi-seller covered bonds and temporary assignments of assets.

Two senior debt issues were made during the year, both of which were heavily oversubscribed, resulting in a very granular and geographically diversified book. In February, a 500 million-euro Senior Preferred debt issue was made, with a six-year maturity with an option to cancel it in the fifth year, while in September another 300 million-euro issue of five-year non-preferred green bonds was made, covering MREL needs.

Managed resources *Figures in millions of euros without valuation adjustments*

	Dec-23	Compos.	Dec-22	Annual Var.	% Annual Var.
Balance sheet funds	**77,661**	**78.6%**	**77,930**	**(269)**	**-0.3%**
Customer deposits	**71,833**	**72.7%**	**74,467**	**(2,634)**	**-3.5%**
Public Administration Bodies	**5,454**	**5.5%**	**6,889**	**(1,435)**	**-20.8%**
Private sector	**66,379**	**67.2%**	**67,578**	**(1,199)**	**-1.8%**
Demand deposits	52,053	52.7%	57,049	(4,996)	-8.8%
Term deposits	14,326	14.5%	10,529	3,797	36.1%
Temporary assignment of assets	**1,589**	**1.6%**	**20**	**1,569**	
Issuances	**4,239**	**4.3%**	**3,443**	**796**	**23.1%**
Mortgage bonds	1,185	1.2%	1,185	-	- %
Other values	2,455	2.5%	1,659	796	48%
Subordinated liabilities	599	0.6%	599	-	- %
Off-balance sheet funds	**21,087**	**21.4%**	**20,249**	**838**	**4.1%**
TOTAL FUNDS MANAGED	**98,748**	**100%**	**98,179**	**569**	**0.6%**
Of which:					
Customer funds managed (retail)	**88,825**	**90%**	**90,082**	**(1,257)**	**-1.4%**
On-balance sheet	*67,738*	*68.6%*	*69,833*	*(2,095)*	*-3%*
Off-balance sheet	*21,087*	*21.4%*	*20,249*	*838*	*4.1%*
Markets	**9,923**	**10%**	**8,097**	**1,826**	**22.6%**

Performing loans (excluding reverse repurchase agreements) fell by -8.7% over the year and maintained a low risk profile, mortgages to individuals (62%) and loans to public administrations (10%) being significant.

Performing loans to individuals fell by -4.3% in the year, a decline that was concentrated in the mortgage portfolio (-4.7%), and in particular in the variable-rate portfolio, where the pace of early repayments and cancellations was higher than in previous years, especially in the first half of the year. The individual mortgage portfolio is made up of transactions that finance the first home (94%), with low LTVs (92% of cases below 80%).

Corporate lending is highly diversified by sector of activity. The Official Credit Institute (ICO) guarantees 13% of the corporate loan portfolio.

Managed resources *Figures in millions of euros without valuation adjustments*

	Dec-23	Compos.	Dec-22	Annual Var.	% Annual Var.
PERFORMING CREDIT	**48,491**	**100%**	**53,788**	**(5,297)**	**-9.8%**
1. Credit to public administration bodies	**4,799**	**9.9%**	**5,767**	**(968)**	**-16.8%**
2. Credit to the private sector	**43,525**	**89.8%**	**47,186**	**(3,661)**	**-7.8%**
Companies	**10,503**	**21.7%**	**12,695**	**(2,192)**	**-17.3%**
Real estate development and construction	508	1%	663	(155)	-23.4%
SMEs and self-employed workers	4,808	9.9%	6,233	(1,425)	-22.9%
Other companies	5,187	10.7%	5,799	(612)	-10.6%
Individuals	**33,022**	**68.1%**	**34,491**	**(1,469)**	**-4.3%**
Housing	30,134	62.1%	31,617	(1,483)	-4.7%
Others	2,888	6%	2,874	14	0.5%
3. Temporary assignments of assets (TAAs)	**167**	**0.3%**	**835**	**(668)**	**-80%**
PERFORMING CREDIT without TAAs	**48,324**	**99.7%**	**52,953**	**(4,629)**	**-8.7%**
Pro memoria:					
TOTAL CREDIT without ATAS	**49,893**		**54,891**	**(4,998)**	**-9.1%**

During the year, 7.022 billion euros in new loans and credits were granted, including 2.291 billion euros in mortgages and 3.12 billion euros of loans and credits for companies. The market share in mortgage formalizations amounts to 5.6% of the national total (source: General Council of Notaries, with data as of November 2023 accumulated over the last 12 months).

Improved balance sheet quality and a significant increase in coverage, particularly in real estate, which will enable us to continue the accelerated reduction of nonperforming assets and substantially improve profitability

Non-performing assets (which include non-performing loans and foreclosed assets available for sale) fell by 25.2% in the year and their coverage level stood at 68.2%, among the highest in the sector in Spain.

The Group has managed to continue reducing its non-performing assets, bringing the balance of non-performing assets to 1.568 billion euros at the end of December 2023, down 19.1% on the previous year (down 370 million euros), having maintained a conservative and prudent approach to management (more than half of the entries in non-performing assets for the year are subjective markings, representing 43% of the non-performing portfolio). The default ratio fell by 39 b.p. over the year to 3.14% while the NPL coverage ratio decreased by 2.9 b.p. year-on-year to 63.7%. Entries into default due to subjective marking reduce the coverage ratio, since these are transactions with no or insignificant defaults, which therefore require few provisions.

Credit Investment *Figures in millions of euros*

	Gross Value	Value Adjustments	Carrying Amount	Coverage (%)
Stage 1	45,086	171	44,915	0.4%
Stage 2	3,238	169	3,069	5.2%
Stage 3	1,568	658	910	42%
TOTAL credit investment	**49,892**	**998**	**48,894**	**63.7%**

Risks under special monitoring (Stage 2) came to 3.238 billion euros, i.e. 6.5% of the gross loan portfolio with coverage of 5.2%.

Foreclosed assets available for sale recorded an annual decrease in gross terms of 32%, and in net book value amounted to 329 million euros, representing 0.3% of the consolidated balance sheet.

Provisions on foreclosed assets amounted to 925 million euros at year-end 2023, representing a coverage level of 73.8%, 9.8% higher than at year-end 2022, which will enable us to continue with the accelerated reduction of non-performing assets and substantially improve profitability.

Awarded assets *Figures in millions of euros*

	Gross Value	Value Adjustments	Carrying Amount	Coverage (%)
Homes under construction	249	193	56	77.5%
Finished homes	321	209	112	65.1%
Building land, rural properties and other land	528	430	98	81.4%
Offices, premises, warehouses and other	156	93	63	59.6%
TOTAL FORECLOSED ASSETS	**1,254**	**925**	**329**	**73.8%**

Note: The amount of the coverage includes both the impairment losses associated with the foreclosed assets and the coverage in place prior to their acquisition, which covered the impairment of the credit instruments which they stemmed from.

Most of these foreclosed assets are finished housing (34.1% in terms of net book value) and land (29.7%).

Sales of foreclosed assets during the year totaled 487 million euros. 47% of the said sales correspond to housing, 27% to land and 26% to tertiary sector assets and construction work in progress, which have a positive impact on the income statement.

Increase in CET 1 fully loaded to 14.7% and strong liquidity position

The Group maintains an excellent liquidity position, with a loan-to-deposit (LTD) ratio of 73.7%, a liquidity coverage ratio (LCR) of 308% and a net stable financial ratio (NSFR) of 149%.

Bankable liquid assets at the European Central Bank – net assets of all assets used – amount to 29.238 billion euros, a sum that represents 30% of the consolidated balance sheet.

Discountable liquid assets *Figures in millions of euros*

	Dec-23
Liquid Assets	
Short-term cash surplus (1)	6,580
Reverse purchase agreements of bankable assets	1,437
Fixed-income portfolio and other bankable assets at the ECB	29,165
Total liquid assets (discounted value at the ECB)	**37,182**
Liquid Assets Used	
Taken out at the ECB	954
Assets sold under temporary assignments of assets and other pledges	6,990
Total liquid assets used	**7,944**
Available bankable liquid assets	**29,238**

(1) Interbank deposits + surplus balance at the ECB and operating accounts

Short-term issuance maturities are not significant.

Upcoming market issuance maturities (*) *Figures in millions of euros*

	2024	2025	2026	>2026	TOTAL
AT1	-	-	500	-	500
Tier 2	300	-	-	300	600
Senior preferred debt	500	660	-	500	1,660
Non-preferred senior debt	-	-	500	300	800
Mortgage-backed securities	-	1,282	-	3,940	5,222
TOTAL	**800**	**1,942**	**1,000**	**5,040**	**8,782**

(*) It includes multi-seller covered bonds.

The highest quality capital, CET 1 Common Equity Tier 1, in the phased-in transient period was 15%, the Level 1 Capital ratio was 16.8% and the Total Capital ratio was 18.8%. These ratios represent some leeway above the bank's required levels of 6.7 ppt in CET 1 and 6.1 ppt in total capital. Capital ratios include net income, net of accrued dividends, computability pending approval by the European Central Bank.

In the fully loaded period, CET 1 Common Equity Tier 1 amounts to 14.7%, the Tier 1 Capital ratio to 16.5% and the Total Capital ratio to 18.5%.

Thanks to the significant capital generation, authorization has been requested for a share buyback of up to 100 million euros, or 3.8% of the share capital, and a dividend of around 130 million euros can be proposed.

The consolidated profit for the year amounted to 267 million euros. Excluding the impact of the temporary bank levy, net income would be 19% higher than the previous year.

Aggregate Income Statement (pro-forma) Unicaja Group *Figures in millions of euros*

	Dec-23	Dec-22*	V.Abs.	I.R.C.
Net interest margin	**1,353.2**	**1,073.4**	**279.8**	**26.1%**
Commissions	533.4	525	8.4	1.6%
Dividends and other equity results	116.5	98.7	17.8	18%
RFO + exchange rate differences	20	52.4	(32.4)	-61.8%
Other operating income/expenses and reinsurance income (loss)	(247.6)	(143.8)	(103.8)	72.2%
Gross margin	**1,775.5**	**1,605.7**	**169.8**	**10.6%**
Operating expenses	858.6	861.7	(3.1)	-0.4%
Operating margin (before write-downs)	**916.9**	**744**	**172.9**	**23.2%**
Write-downs and other results	(546.4)	(361.2)	(185.2)	51.3%
Income before tax	**370.5**	**382.8**	**(12.3)**	**-3.2%**
Income tax	104	105.3	(1.3)	-1.2%
Consolidated income for the year	**266.5**	**277.5**	**(11)**	**-4%**
Pro memoria:				
Basic Income (Net Interest Margin + Fees and Commissions - Operating Expenses)	**1,028**	**736.7**	**291.3**	**39.5%**

(*) Shown solely and exclusively for comparative purposes (Note 1.5).

Core earnings (net interest income plus fees and commissions and less operating expenses), the main indicator of the profitability of the typical business, increased by 39.5% compared with the previous year. All margins increased year-on-year compared to the same period in 2022.

Net interest income increased year-on-year by 26.1% to 1.353 billion euros, supported by the retail business, by the repricing of the variable-rate loan portfolio, which has not yet taken into account the full rise in the Euribor or the higher rates on new production. The financial cost remained contained, given the granularity of deposits, due to the high weight of deposits from individual customers (75% of the total), which represents a strength and competitive advantage for the Bank.

Fees and commissions grew by 1.6% year-on-year, supported by recurring fees from investment funds, which contributed 132 million euros, up 1.8% year-on-year. This income statement caption accounts for 30% of the gross margin.

Dividends and other results from investees amounted to 116.5 million euros (17.8 million euros higher than in the previous year) and came mainly from insurance companies and the position in Oppidum capital (holding company of EDP shares).

Other operating income and expenses and reinsurance income amounted to 247.6 million euros. This caption includes results from subsidiaries and real estate activities, as well as 23 million euros from the capital gain on monetizable deferred tax assets, 88 million euros from the Deposit Guarantee Fund (DGF), 44 million euros from the contribution to the Single Resolution Fund (SRF) and 64 million euros from the temporary levy on credit institutions. The latter two items account for most of the increase in costs compared to the previous year.

The Group has maintained its efforts to contain operating expenses, which have been reduced by 0.4% for the year as a whole, with a 3.8% drop in personnel expenses, as a result of the adjustments of the merger with Liberbank. The efficiency ratio - excluding the effect of the temporary bank levy - improved year-on-year by 7 percentage points to 46.7% (48.4% without excluding said effect).

Finally, *Write-downs and other results* amounted to 546 million euros. Of this amount, 146 million euros comes from loan loss provisions, bringing the cost of risk to 29 b.p. for the year.

Detail of write-offs and other results *Figures in millions of euros*

	Dec-23	Dec-22	V.Abs.
Credit write-off	146.2	214.1	(67.9)
Foreclosed asset write-off	206.9	16.8	190.1
Provisions	114.2	93.9	20.3
Other results	79.1	36.4	42.7
TOTAL WRITE-DOWNS AND OTHER RESULTS	**546.4**	**361.2**	**185.2**

Income before taxes was 371 million euros, and net income reached 267 million euros, down 3.2% and 4% respectively.

4. Branch Network

The Unicaja Group operates exclusively in Spain, mainly in Andalusia, Asturias, Cantabria, Castilla y León, Castilla-La Mancha, Extremadura and Madrid.

The Unicaja Group concentrates 90% of its branches in the regions of Andalusia (39%), Castilla y Leon(14%), Castilla-La Mancha (13%), Madrid(9%), Asturias(9%) and Extremadura (7%), with the provinces of Málaga (13%), Madrid (9%), Asturias (9%) and Toledo (6%) having the greatest specific weight.

The network comprised 958 branches as of December 31, 2023: 957 branches in Spain and one foreign branch office in the U.K. (the branches open to the public according to the criteria of the Bank of Spain include itinerant customer service desks and offices open abroad).

DISTRIBUTION OF THE BUSINESS NETWORK					
		Operational branches as at		Operational branches as at	
Country	**Autonomous Community**	**Number of Branches**	**Distribution (%)**	**Number of branches**	**Distribution (%)**
SPAIN	Andalusia	372	38.9 %	374	38.6 %
	Aragón	2	0.2 %	2	0.2 %
	Asturias	85	8.9 %	85	8.8 %
	Cantabria	47	4.9 %	47	4.9 %
	Castilla y León	131	13.7 %	130	13.4 %
	Castilla-La Mancha	129	13.5 %	128	13.2 %
	Catalonia	9	0.9 %	9	0.9 %
	Ceuta	1	0.1 %	1	0.1 %
	Valencian Community	10	1 %	11	1.1 %
	Extremadura	64	6.7 %	65	6.7 %
	Galicia	10	1 %	10	1 %
	La Rioja	1	0.1 %	1	0.1 %
	Madrid	84	8.8 %	93	9.6 %
	Melilla	3	0.3 %	3	0.3 %
	Murcia	4	0.4 %	4	0.4 %
	Navarra	1	0.1 %	1	0.1 %
	Basque Country	4	0.4 %	4	0.4 %
Total number of offices in Spanish territory		**957**	**100%**	**968**	**100%**

		Operational branches as at		Operational branches as at	
Country	**City**	**Number of branches**	**Distribution (%)**	**Number of branches**	**Distribution (%)**
U.K.	London	1	100%	1	100%
Total number of branches abroad		**1**	**0.1%**	**1**	**0.1%**
TOTAL NUMBER OF BRANCHES		**958**		**969**	

As of September 30, 2023, according to Statement FI-132 published by the Bank of Spain, the market share of deposits to the private sector was 4.9% in the country as a whole, and as follows by autonomous community: Andalusia (12.1%), Asturias (22.2%), Cantabria (21%), Castilla y León (18.7%), Castilla-La Mancha (16.3%) and Extremadura (19.8%).

Regarding the share of credit to the private sector, according to Statement FI-132 published by the Bank of Spain, it amounted to 4.1% in the country as a whole and to 10.2% in Andalusia, 18.5% in Asturias, 22.8% in Cantabria, 11.2% in Castilla y León, 14.9% in Castilla-La Mancha and 13.6% in Extremadura.

With respect to branches, the Unicaja Group's share of presence in Andalusia represented 12%, in Asturias 18.5%, in Cantabria 22.4%, in Castilla y León 10.7%, in Castilla-La Mancha 11.7% and in Extremadura 9.6%, according to the latest available information from the Bank of Spain as of September 30, 2023. Its branches in the country as a whole represented 5.5% of all branches from all banks.

5. Risk Management

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

– A system of governance and organization of the risk function based on the active involvement and supervision of executive management, which approves the Bank's general policies and business strategies and lays down the overall risk management and control guidelines.

– A Risk Appetite Framework (RAF), which the Group considers a fundamental instrument for the implementation of its risk policy.

– A prudent risk exposure management model to which the Unicaja Group pays close attention so as to keep a prudent, balanced risk profile at all times in order to meet its solvency, profitability and appropriate liquidity objectives, which translates into a solid, consistent risk culture.

– A selection of suitable methodologies for the identification, measurement, management and control of risks, which undergo a continuous process of improvement and are in line with regulatory requirements. At the same time, the Group matches its equity requirements to the level of actual risks stemming from its banking activity.

– A supervisory model based on three lines of defense, something which is in line with the expectations of regulatory and supervisory authorities.

The Unicaja Group's overall risk management and control policies, methods and procedures are approved and periodically revised by its Board of Directors.

Based on the current regulatory framework, Unicaja's organizational structure includes the Risk Control and Supervisory Relations Department (CRO), which is functionally separate from the areas that generate exposures. One of the functions of this unit is to take control from a global perspective of all the risks for the Bank. The organization of the Unicaja Group's executive management has a well-defined internal structure that supports this unit and enables it to implement all the decisions it makes.

5.1. Risk Appetite Framework

The Group's risk management and control is arranged via, among others, the Risk Appetite Framework (RAF), which is approved by the Bank's Board of Directors.

The Unicaja Group uses this RAF as an instrument for implementing its risk policy and as a key management and control tool that allows it to: (i) Formalize its risk appetite statement; (ii) specify its risk objectives in line with its corporate strategy, whereby it acts as a reference for guiding the activities that are carried out; (iii) formalize the risk supervision and monitoring mechanism so as to ensure compliance with its risk appetite; (iv) integrate all risk control and management processes into a common framework and (v) strengthen and disseminate its risk culture.

Developing this Framework as the Group's general risk policy is a key aspect to the Bank's management and control, thus providing the Board of Directors and executive management with a comprehensive framework for determining the risks that the Bank is willing to assume.

The main aim of Unicaja's RAF is therefore to establish a set of principles, procedures, controls and systems by means of which the Bank's risk appetite can be defined, communicated and monitored.

Risk appetite is understood as the risk level or profile that Unicaja is willing to assume and maintain, both in terms of its type and its quantity, as well as its tolerance level, and must be oriented towards achieving the objectives of its strategic plan in accordance with the lines of action established therein.

The main goal in managing the different risks is to achieve a risk profile that falls within the desired risk appetite level, which is defined on the basis of the established limits, those management measures that are considered most appropriate to achieve this being taken.

In addition, this Framework establishes different metrics for the quantification, control and monitoring of risks, which permit reacting to certain levels or situations. These metrics characterize the objective behavior of the Unicaja Group, are cross-functional to the organization, and make it possible to convey the risk-prone culture to all levels in the organization in a systematized and understandable way. In turn, they summarize the Group's objectives and limits, can be communicated, where appropriate, to its stakeholders and are homogeneous since they are applied throughout the organization.

The Group has a process for identifying material risks, in which methodologies for the quantification of all risks to which the Bank is exposed are used. Likewise, it defines a criterion for selecting those risks which are material and hence must be managed and controlled more proactively. This management and control involves, among other things, the allocation of capital within a Internal Capital Adequacy Assessment Process (ICAAP) or, in the case of the liquidity risk, the allocation of a liquidity management buffer, which is assessed within a Internal Liquidity Adequacy Assessment Process (ILAAP). The process of quantification and identification of material risks is carried out on a recurring basis, which allows the Bank to identify emerging risks at all times.

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

The Risk Control and Supervisory Relations Department (CRO) monitors compliance with the Risk Appetite Framework via the existing metrics for each type of risk. It also submits the results of its monitoring to executive management and its governing bodies.

The Bank has integrated its Risk Appetite Framework with its strategy, its ICAAP and ILAAP, its corporate risk policies and its Recovery Plan, among others. The Bank ensures the observance of the established risk culture through the approval of the management framework, the development of strategies and policies and the monitoring of the limits established for managing each type of risk.

5.2. Governance

The Bank's risk management and control model requires a robust and efficient organizational structure. This requires the effective involvement of the Board of Directors and the executive management, as well as adequate coordination throughout the organization.

The following is a list of the bodies that are directly involved in Governance, showing their main functions and responsibilities related to risk management and control, without prejudice to the other functions envisaged in the Law and in the Bank's Bylaws and regulations and manuals, where applicable.

Board of Directors

The overall risk management and control policies, methods and procedures are approved by the Bank's Board of Directors. Thus, with respect to this area, the main functions conferred on this body are as follows:

- Approving the risk control and management policy, including tax risks, as well as periodically monitoring all internal information and control systems.
- Approving the RAF and its subsequent modifications, at the Risk Committee's proposal.
- Taking the RAF into consideration in the day-to-day management of the Bank and, especially, in the making of strategic decisions.
- Being informed, at least on a quarterly basis, of the monitoring of the RAF by the Risk Committee, without prejudice to the information that it may request of the latter at any given time.
- Taking all relevant corrective measures when deemed appropriate.
- Specifically approving, where appropriate, the maintenance of situations that involve an exceedance of a limit.

The Risk Committee

The following are among its main functions:

- Advising the Board of Directors on the Bank's overall risk appetite – current and future – and its strategy in this area and helping it to monitor the implementation of this strategy.
- Ensuring that all risk control and management systems work properly and, in particular, that any significant risks that affect the Company are properly identified, managed, and quantified.
- Ensuring that all risk control and management systems properly mitigate the risks within the framework of the policy defined by the Board of Directors.
- Actively taking part in drawing up the Company's risk management policy, ensuring that it identifies at least the following:
    - The different types of financial and non-financial risks (including, among others: operational, technological, legal, social, environmental, political and reputational) that the Company faces, contingent liabilities and other off-balance sheet risks being counted among the financial and economic risks.
    - The level of risk that the Company considers acceptable.
    - The measures envisaged to mitigate the impact of the risks identified, should they materialize.
    - The information and internal control systems that will be used to control and manage the aforementioned risks, including all contingent liabilities and off-balance sheet risks.

– In particular, within the RAF:

  - Proposing to the Board of Directors the approval of the RAF and its subsequent modifications.
  - Informing the Board of Directors, at least quarterly or at any time at it requests it, on the monitoring of the RAF.
  - Requesting, when it deems it convenient, information about the RAF from the various units.
  - Propose the appropriate remedial measures according to the protocol established in the event of a limit violation.
  - Proposing to the Board of Directors, where appropriate, the maintenance of situations that involve the exceedance of a limit.

The Regulatory Audit and Compliance Committee

This Commission has functions pertaining to:

– Information and internal control systems, supervising, among others, the effectiveness of the internal financial information control system (IFICS).

– Internal audits.

– Accounts audits.

– Observance of corporate governance rules.

– Regulatory compliance

– Those structural and corporate modification operations the Bank plans to carry out.

Among these functions and in relation to financial and non-financial risks, mention should be made of the supervision of the risk control and management system as a whole, in coordination, as necessary, with the Risk Committee and the Sustainability Committee.

The Technology and Innovation Commission

Among the functions conferred on this Commission is the monitoring of the technological risk in general.

Sustainability Committee

Among the functions attributed to this Committee is the monitoring of the processes of identification, evaluation, control and management of risks in the area of sustainability.

The Steering Committee

Among its functions, the following related to the RAF stand out:

– Validating and, where appropriate, submitting to the Governing Bodies proposals for documents relating to the Bank's strategic planning, among which is the RAF.

– Conveying the RAF's main criteria, whether they be the initial criteria or their subsequent adaptations, to the rest of the Bank, through the units that are in charge of each area, with the aim of having a solid "risk culture" at Unicaja.

– Evaluating the implications of the RAF, in their respective areas of competence, in coordination with the Bank's internal committees, which will in turn inform the competent units of them if necessary.

5.3. Risk Control Model

The risk management and control model adopted by the Bank contemplates both financial and non-financial risks, among which the following should be mentioned:

- Credit Risk and concentration and management of nonperforming loans
- Market risk.
- The interest rate risk in the banking book (IRRBB).
- The liquidity risk.
- Property Risk.
- The operational risk.
- Reputational risk
- Business and Strategic Risk
- Risks related to environmental, social and governance factors.

Credit Risk and concentration and management of nonperforming loans

Credit risk is defined as the risk of incurring losses as a result of a default on payments due to the Company. This risk is inherent to its operation.

Unicaja has a document approved by the Board of Directors entitled Customer Credit Risk Policies which it has established as the framework for properly controlling and managing the credit risks inherent to its credit investment.

It defines the mandatory risk policies and procedures, details the activities and tasks to be performed, delimits the responsibilities of the different areas involved in the processes of granting and monitoring operations, establishes the risk predisposition decided by the Company and its articulation through risk limits and types of operations, and documents in a structured and unified manner all of the general and specific aspects related to a large part of the credit investment operations.

The Unicaja Group also has scoring and rating models integrated in its approval, monitoring and recovery processes. The PD (probability of default), LGD (loss given default) and EAD (exposure at default) estimates are taken into account in different uses, such as the granting of operations, the calculation of provisions or the classification of credit transactions.

Additionally, it should be noted that in 2021 Unicaja received authorization from the European Central Bank to use internal models relating to the retail portfolio (not SMEs) to calculate its solvency ratios. At the end of 2023, approval was received to extend this authorization to the perimeter of exposures originated in Liberbank, S.A. prior to the integration.

Regarding the granting of credit transactions, Unicaja detailed policies, methods and procedures to ensure it grants loans and credit to consumers in a responsible manner.

The principles developed for this purpose are aligned with the Bank's current situation, through the Customer Credit Risk Policies document and with the regulatory requirements established in the regulations in force, including the following points:

- The granting criteria associated with the debtor's ability to pay.
- A transaction amortization plan that is adapted to the customer.
- A prudent ratio of the amount of the transaction to the value of its collateral.
- A collateral valuation policy.
- Granting of loans in foreign currency. Interest rate variability. The Interest rate risk cover.
- The exceptions policy on the terms and conditions of transactions.
- A warning to the customer about their failure to compliance with their payment obligations.
- A debt renegotiation policy.
- Information on the cost of services related to the granting of the credit transaction.
- The obligation to provide information to home buyers by subrogation of a developer loan.
- Other aspects of responsible lending policies and procedures.

On the other hand, the Unicaja Group has implemented systems for compliance with Law 5/2015 on the promotion of business activity, which recognizes inalienable rights for SMEs and the self-employed in those cases in which a credit institution decides to cancel or reduce the flow of finance.

In addition, the granting of credit operations must be subject, depending on their beneficiaries, nature, amount, term, guarantees and characteristics, to a decentralized approval process based on the joint powers of the following decision-making bodies:

- The Board of Directors
- Credit Risk Committee.
- Risk Admission Committee
- Corporate Banking and Specialized Financing Risk Analysis Committee.
- Individuals Analysis Committee
- Mortgage Analysis Committee
- Territorial Risk Committee
- Territorial Analysis Committee
- Office Risk Committee.

Likewise, the credit risk control functions and methodologies are applied both during the credit transaction approval phase and the credit transaction follow-up and recovery phases. Follow-up consists in monitoring the evolution of the risk of the transaction itself and of the customer or, where applicable, the economic group. Thus, various controls monitor and control the credit risk of the financial investment:

- The preventive supervision of operations and credit receivers.
- The supervision of all impaired, non-performing or unpaid transactions.

In accordance with the provisions of the regulations in force, the Unicaja Group has a policy for refinancing, restructuring, renewing and renegotiating transactions.

In addition, the Unicaja Group has methodologies, procedures, tools and rules of action for controlling and recovering irregular assets.

Unicaja adapted its policies, processes and tools in order to better identify and measure credit risk in the context derived from the coronavirus pandemic (COVID-19).

Market risk

Market risk is defined as the possibility of a negative impact on the Bank's results due to the maintenance of portfolio positions as a result of adverse movements in the financial variables or risk factors that determine the value of such positions.

Even though market risk is assigned to trading positions for solvency purposes, the Unicaja Group has developed policies, processes and tools for managing the market risk corresponding to its entire portfolio of securities entered at a fair value for accounting purposes.

For the adequate management of market risk, the Bank has tools to measure, calculate and control market risks and the limits authorized by the Board of Directors, in particular "Value at Risk" (VaR) and operating limits for credit/counterparty risk that affect the Unicaja Group's operations in capital markets and serve as a means of diversification in order to avoid excessively concentrated exposures to market risk.

The Unicaja Group carries out the measurement and control function by establishing a scheme of delegations in financial market operations. The Group has detailed information on the different subrisks and has assigned limits within its Risk Appetite Framework that allow it to adequate monitor and, if necessary, mitigate such risks.

The ultimate responsibility for risk identification and control lies with the Governing Bodies of the Unicaja Group. Thus, the executive management is responsible for and actively participates in the entire risk management process (planning, approval, assessment and control of all risks inherent in the positions taken by the Bank in financial markets).

Interest rate risk in the banking book (IRRBB)

Interest rate risk in the banking book (IRRBB) is defined as the current or future risk to both the earnings and economic value of the Bank arising from adverse interest rate fluctuations affecting interest rate sensitive instruments.

The control functions performed and methodologies employed by the Bank also include the control of the effectiveness of balance sheet coverages as mitigation instruments and the use of stress testing measures. Thus, in the analysis, measurement and control of the interest rate risk assumed by the Group, it uses sensitivity measurement and analysis techniques of a wide range of scenarios that could significantly affect it to capture the different sources of risk.

Based on the results of the structural interest rate risk exposure the Unicaja Group obtained on each analysis date, a series of actions aimed at mitigating such exposure are implemented until it is brought back to the acceptable levels defined by the Bank's risk profile, should this be necessary.

The Board of Directors approves the Bank's overall risk management strategy and laid down the general and control guidelines of this management.

The Assets and Liabilities Committee (ALC) develops the strategy within the framework and limits established by the Board of Directors.

Liquidity Risk

Liquidity risk can be defined differently since it is not a monodimensional concept. Typically liquidity risk has three different meanings, which we will define hereinbelow as:

- The cost of unwinding a position in a real or financial asset. It refers to the difficulties that may arise when unwinding or closing a position in the market, at a particular point in time, without impacting the market price of the instruments or the cost of the transaction (market or asset liquidity).
- A mismatch between the degree of enforceability of liability operations and the degree of performance of asset operations (funding liquidity).
- A mismatch between the capabilities for growth of the investment activity arising from the impossibility of finding financing commensurate with the risk appetite to leverage asset growth strategies (strategic or structural liquidity).

The Bank establishes prudent policies and goals that contemplate not only normal market conditions but also contingency plans for stress or crisis situations, both its own and of the market.

The Unicaja Group has set limits to the liquidity risk to control its exposure thereto and maintain such exposure within authorized levels.

Generally speaking, liquidity is considered adequate if potentially liquid assets and funding capacity are greater than the needs arising from the business and the costs of refinancing in the markets. The greater this difference, the greater the available liquidity.

The Unicaja Group also practices a diversification policy in order to avoid excessively concentrated exposures to the structural liquidity risk. In its management of liabilities, it diversifies its sources of funding, ensuring that they are diversified by market, maturity and product, in order to steer away from difficulties at particular moments of crisis or of the markets.

Property risk

This is the risk associated with the loss of value of real estate assets held on the Bank's balance sheet.

The Unicaja Group sets limits to the real estate risk relating to assets received in payment for debts in order to control this exposure and keep it within adequate levels.

These assets are managed in the Bank with the ultimate purpose of divesting or leasing them. To this end, the Unicaja Group has holding companies specializing in the management of urban development projects, the marketing of real estate and the leasing of real estate assets.

It also has specific units to develop these strategies and coordinate the actions of the instrumental subsidiaries.

In addition, the Bank has a decentralized governance structure that, through a framework of attributions, ensures this risk is properly managed and controlled.

Operational risk

Operational risk is defined as the risk of suffering losses due to the unsuitability or failure of company procedures, people or systems or to external events, including the legal risk.

Unicaja assumes the following types of operational risk, pursuant to Regulation 575/2013 (CRR), in order to maintain a uniform and parameterized management of risk, in accordance with the standards defined in the New Basel Capital Accord (NBCA):

- Internal fraud

- External fraud
- Employment and occupational health and safety practices
- Customers, products and business practices
- Damage to tangible physical assets
- Interruption of the activity and system failures
- Process execution, delivery and management

The emergence in recent years of new potential risks for financial institutions is driving the transition towards an operational risk management model in Unicaja that contemplates an expanded taxonomy that addresses new emerging or potential risks, incorporating, therefore, a greater number of risk typologies and which are listed below: people (human resources), internal fraud, external fraud, conduct, transactional processes, technology, physical asset security, information security (including cybersecurity), business continuity; regulatory compliance, financial crime, legal, suppliers/third parties, financial and tax reporting, data and model management.

The Unicaja Group has established a series of procedures for capturing operational loss events.

These provide the Group with the necessary information to be able to implement the corresponding mitigation instruments of its operational risk management policy. It also has an Operational Risk Policy, approved by the Board of Directors.

The Group carries out an operational risk management that not only covers the recognition of loss-generating events and their correct accounting, but also promotes its control and active management facet with the purposes of minimizing and reducing all losses and negative impacts arising from this type of risk.

The Unicaja Group uses other operational risk mitigation measures to manage the operational risk. These measures include (i) the performance of self-assessment exercises and (ii) the system of key risk indicators (KRI) for measuring the evolution of risk factors. Since December 2017, the Company has been using the Standardized Approach as its methodology for the quantification of Operational risk in terms of capital, with the objective of improving its operational risk management, in line with the Company's risk culture.

Among the types of risks included within operational risk are technology risk, defined as the risk arising from system, network and hardware or software failures; and information security risk (including cybersecurity), which considers the risk arising from information security incidents, including the loss, theft or misuse of information (of all types, customers, employees, owned by the organization), as well as non-compliance with rules relating to information security. In relation to these risks, Unicaja has a catalog of metrics for their quantification, control and monitoring within the Bank's Risk Appetite Framework. It also ensures the proper governance of these risks to provide resilient and quality services to its customers, shareholders, and other stakeholders.

Furthermore, model risk is also included, which includes losses arising as a consequence of decisions based mainly on the result of (internal) models, due to errors in the development, implementation or use of such models. The Models Committee is the governing body responsible for the supervision, approval and ratification of all those processes in the life cycle of the corporate models that require it.

Within operational risk there is also conduct risk, defined as risk caused by inadequate practices in the relationship of the Bank or its employees with its customers, the treatment and the products offered and their suitability. The Unicaja Group ensures the correct creation, issuance and distribution of products and the proper provision of services while ensuring compliance with current legislation. One of the Bank's aims is to ensure that new products are subjected to the necessary analysis and review procedures in order to mitigate the risk of litigation as far as possible.

Reputational risk

Reputational risk is defined as the probability of incurring losses in value as a consequence of a deterioration in the perception that its main stakeholders have of its corporate reputation.

The Unicaja Group has traditionally been very demanding as regards aspects relating to reputational risk management.

Customer satisfaction and the good image of the Bank are permanent goals of all its employees and of the Company's highest levels of governance and management.

This constant effort to maintain and reinforce it good image is rooted in its global culture and is embodied in, among other concrete manifestations:

- The Bank's strategic objectives.
- The Code of Conduct, the Corporate Social Responsibility Policy, the Sustainability Policy, Environmental, the Energy and Climate Change Policy and the Criminal Risk Prevention Program approved by the Board of Directors.
- The actions of the three lines of defense.
- Compliance with the general regulatory framework and, in particular, with the regulations on markets in financial instruments and investor protection ("MiFID") and on the protection of the user of financial services.
- The process of continuous training of employees in all areas in which they carry out their activities, which includes, specifically, training related to ethical aspects, as determined in the "Code of Conduct".

Business and Strategic Risk

This is defined as the risk of incurring losses due to erroneous strategic decisions derived from an incorrect analysis of the market in which it operates, either due to a lack of knowledge of the market or the inability to achieve its objectives, any of which could threaten the viability and sustainability of the Company's business model. It includes change management risk, in other words the risk derived from projects that do not meet their objectives, change their scope or undergo a transformation process in their operation.

In order to analyze the soundness of its business model, the Group analyzes potential vulnerabilities through sensitivities and stress exercises. In addition, through the Risk Appetite Framework, metrics related to business and strategic risk are defined and monitored on a recurring basis.

Risks related to environmental, social and governance factors.

Environmental, social and governance (ESG) factors may have a significant short-, medium- and long-term impact on the Bank's financial and non-financial risks, as any of these factors may have a material adverse impact on the Group's financial position, business and operating results.

Climate-related and environmental risks (environmental ESG factor) are risks arising from the Bank's exposure to counterparties that might potentially contribute to or be adversely affected by environmental factors, including factors resulting from climate change and other types of environmental degradation. These risks are generally considered to comprise two main risk factors affecting economic activities, which in turn have an impact on the financial system. These are:

- Physical risk, which refers to the financial impact of a changing climate, including more frequent extreme weather events and gradual changes in climate, as well as environmental degradation, such as air, water and land pollution, loss of biodiversity and deforestation.

  Physical risk is in turn classified as:

  - "Severe", where it arises from extreme events, such as droughts, floods and storms.
  - "Chronic", where it arises from gradual changes, such as rising temperatures, sea level rise, land use change, habitat destruction and scarcity of resources.

  This can directly cause damage to goods or a decrease in productivity, for example, and can also indirectly lead to further incidents, such as the disruption of supply chains.

- The transition risk refers to the Bank's financial losses that might arise directly or indirectly from the process of adapting to a lower carbon and more environmentally sustainable economy[1]. This may be triggered, for example, by a relatively abrupt adoption of environmental policies, technological advances or changes in the market climate and consumer preferences.

Physical and transition risks can also trigger further damages arising directly or indirectly from legal claims (liability risk) and a loss of reputation if the public, counterparties or investors associate the Bank or its customers—particularly corporate or institutional clients—with adverse environmental effects (reputational risk).

Accordingly, physical and transition risks are factors of the existing risk, in particular the credit risk, the operational risk, the market risk and the liquidity risk, as well as the risks outside Pillar 1, such as the migration risk, the credit spread risk in the investment portfolio, the real estate risk and the strategic risk.

In order to properly manage ESG risks (which encompasses climate-related and environmental risks), the Bank has launched a series of initiatives, including an Action Plan on Sustainable Financing - approved in June 2020 and revised in April and November 2021 - which culminated in 2023, whose purpose is to measure in depth the impact of such risks on its financial structure and to enable it to act efficiently in this area in the medium and long term.

In 2023, the Bank has continued to incorporate climate and environmental factors into risk decision-making, with a special focus on the risk admission process in the corporate segment.

[1] The European Union aims to achieve a neutral balance of greenhouse gas emissions by 2050 (see, e.g. the "European Green Pact", published by the European Commission in December 2019). This purpose has materialized in a binding normative text, the "European Climate Law:" Regulation (EU) 2021/1119 of the European Parliament and of the Council of June 30, 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) 401/2009 and (EU) 2018/1999. As far as Spain is concerned, Law 7/2021, of May 20, on climate change and energy transition, which affects, among other aspects, transparency and disclosure of information by financial institutions, in general, and by banks, in particular, is worth highlighting.

6. Post-year-end events

Unicaja's Directors learned after year-end that the Constitutional Court has declared Royal Decree-Law 3/2016, of December 2 unconstitutional. This act amended Law 27/2024, of November 27, 2024 on Corporate Income Tax, and established, among other matters, that the coefficient limiting the integration of monetizable deferred tax assets and credits for negative tax bases, for certain taxpayers was 25%, instead of the general 70%.

Following the evaluation of the ruling by the Bank's management and tax advisors, the Directors have proceeded to record the estimated income tax settlement for 2023 considering a limitation on the integration of deferred tax assets of 70%, pursuant to the annulment due to the unconstitutionality of the aforementioned Royal Decree-Law. This aspect has had no impact on Unicaja Group equity, as it has only entailed a reclassification between deferred tax assets and current tax assets. It should also be noted that, according to the estimates made by Unicaja management and directors, this aspect has not had a significant impact on the estimated recoverability of deferred tax assets.

In the period between year-end as of December 31, 2023 and the date of the drafting of this consolidated management report, there have been no other events of special significance other than those which have been disclosed in the report to the consolidated financial statements or in the consolidated management report.

7. Research and Development

The Unicaja Group did not carry out any research and development activities of any significant amount during the 2022 and 2023 fiscal years.

8. Environmental impact

The Group's global operations are governed by laws relating to the protection of the environment (environmental laws). The Parent Company considers that it substantially complies with these laws and maintains procedures designed to ensure and promote their compliance.

The Parent Company considers that it has taken suitable measures in relation to the protection and improvement of the environment and the minimization, where applicable, of the environmental impact of its activities, thus complying with all applicable regulations. In 2023 and 2022, the Group did not make any significant investments of an environmental nature and did not consider it necessary to record any provision for environmental risks and charges, nor does it consider that there are any significant contingencies related to the protection and improvement of the environment.

9. Treasury shares

At December 31, 2023, the Group holds 2,927,266 treasury shares (285,063 treasury shares at December 31, 2022).

The breakdown of treasury shares at December 31, 2023 and 2022 is as follows:

	2023		2022	
	Number of shares	Thousands of euros	Number of shares	Thousands of euros
Balance of own shares at the beginning of the period	**285,063**	**235**	**4,418,125**	**3,446**
Unicaja's direct acquisitions	9,231,783	9,056	62,346	15
Redemption of Unicaja's treasury shares	-	-	-	-
Unicaja's direct sales	(6,589,580)	(6,523)	(4,195,408)	(3,226)
Sales of other Group entities	-	-	-	-
Balance of treasury shares at the end of the period	**2,927,266**	**2,768**	**285,063**	**235**

10. Deferral of payments to suppliers

Payments made by the Unicaja Group to suppliers exclusively for the provision of services and the supply of sundry services in the 2023 fiscal year amounted to 689,991,000 euros (792,483,000 euros in the 2022 fiscal year), which were made within the legally and contractually established timeframes. The balance pending payment to suppliers as of December 31, 2023 and 2022 had a shorter term than the one established by Law 15/2010, of July 5, 2010.

In accordance with the provisions of the second final provision of Law 31/2014, of December 3, amending the third additional provision of Law 15/2010, and in relation to the information to be included in the notes to the financial statements on deferrals of payment to suppliers in commercial transactions calculated based on the provisions of the Resolution of January 29, 2016, of the Spanish Accounting and Audit Institute, the average payment period to suppliers of the Group for the years 2023 and 2022 is 6.90 days and 14.14 days respectively, while the ratio of transactions paid for those years amounts to 6.91 days and 14.10 days respectively, and the ratio of transactions pending payment amounts to 19.22 days and 26.74 days respectively.

The average payment period was within the legal limits set in the regulations, so the inclusion in the management report of the measures provided for in Section 1 of Article 262 of the Consolidated Text of the Capital Companies Act does not apply.

11. Consolidated Non-Financial Information Statement

Pursuant to the provisions of Law 11/2018, of December 28, which amends the Code of Commerce, the revised text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of July 2, 2010 and Law 22/2015, of July 20, 2015 on Auditing of Accounts, in terms of non-financial information and diversity, the Unicaja Group has prepared the Consolidated Non-Financial Information Statement for the 2023 fiscal year, which, pursuant to the provisions of Article 44 of the Code of Commerce, is part of this consolidated management report and has been appended hereto as a separate document.

ANNEX I

ALTERNATIVE PERFORMANCE MEASURES (APM)

The information contained herein has been prepared in accordance with International Financial Reporting Standards as adapted by the European Union (EU-IFRS). In addition, the Unicaja Banco Group considers that certain Alternative Performance Measures (APM), as defined in the Guideline on Alternative Performance Measures published by the European Securities Market Authority (ESMA) on October 5, 2015 (ESMA/2015/1415en), provide additional information that might be useful when analyzing the Group's financial performance.

The Group considers that the APMs included herein comply with said ESMA Guideline. These APMs have not been audited and under no circumstances replace the financial information prepared under the IFRSs. Likewise, the definition of these APMs that the Group uses may differ from similar measures calculated by other companies and therefore might not be comparable.

Following the recommendations of the aforementioned Guideline, the APMs used by the Unicaja Group are listed below:

ALTERNATIVE PERFORMANCE MEASURES (Millions of euros)		Dec.23	Dec.22
Loans and advances to customers (without valuation adjustments)	1. Non-trading financial assets mandatorily at fair value through income - Loans and advances to customers (Note 8.2)	73	113
	2. Financial assets at amortized cost - Loans and advances to customers (Note 10)	50,062	54,326
	3. Valuation adjustments (Note 10)	(530)	(892)
	4. Temporary acquisitions of assets	167	-
	5. Other financial assets	605	439
	Figure (1+2-3-4-5)	**49,893**	**54,892**

Objective: To know the total balance and evolution of credit risk in the field of loans and advances to customers.

		Dec.23	Dec.22
Performing credit	1. Loans and receivables portfolio. Gross	49,893	54,891
	2. Loans and receivables portfolio. Non-performing risk (1) (Note 10)	1,568	1,938
	Figure (1-2)	**48,325**	**52,953**

Objective: To know the total balance and evolution of the Group's healthy loans and advances (those in Stage 1 or Stage 2).

(1) It excludes other nonperforming financial assets.

		Dec.23	Dec.22
Managed resources	1. Financial liabilities at amortized cost. Customer deposits (without valuation adjustments)	73,421	74,487
	(+) Financial liabilities at amortized cost. Customer deposits (Note 17.3)	73,475	74,386
	(-) Valuation adjustments	(54)	101
	2. Debt securities issued (without valuation adjustments)	4,239	3,442
	(+) Debt securities issued (Note 17.4)	4,239	3,329
	(-) Valuation adjustments	-	113
	3. Funds managed through off-balance sheet instruments* (Note 31.4)	21,087	20,249
	Figure (1+2+3)	**98,747**	**98,178**

Objective: To know the total balance and the evolution of the funds managed by the Group, both on- and off-balance sheet.

(*) This figure does not expressly appear in the consolidated financial statements or in the explanatory notes thereto but has instead been obtained from the records, databases or inventories of the Unicaja Group.

ALTERNATIVE PERFORMANCE MEASURES	Dec.23	Dec.22

Managed resources. Customers (non-market)	1. Managed resources (see the specific APM)	98,747	98,178
	2. Individual mortgage bonds under the "Term Savings" item. Cash value. Management figure (*)	4,198	4,655
	3. Customer deposits. Repurchase agreements (without valuation adjustments) (Note 17.3)	1,589	20
	4. Debt securities issued (without valuation adjustments) (Note 17.4)	4,239	3,442
	5. Repurchase agreements of assets held by retail customers. Management figure (*)	103	20
	Figure (1-2-3-4+5)	**88,824**	**90,081**

Objective: Knowing the total balance and evolution of the funds managed by the Group, both on- and off-balance sheet, for the customer area, excluding market operations.

(*) This figure does not expressly appear in the consolidated financial statements or in the explanatory notes thereto but has instead been obtained from the records, databases or inventories of the Unicaja Group.

Managed resources (Markets)	1. Individual mortgage bonds under the "Term Savings" item. Cash value. Management figure (*)	4,198	4,655
	2. Customer deposits. Repurchase agreements (without valuation adjustments) (Note 17.3)	1,589	20
	3. Debt securities issued (without valuation adjustments) (Note 17.4)	4,239	3,442
	4. Repurchase agreements of assets held by retail customers. Management figure (*)	103	20
	Figure (1+2+3-4)	**9,923**	**8,097**

Objective: Knowing the total balance and the evolution of the funds managed by the Group for the market operations area.

(*) This figure does not expressly appear in the consolidated financial statements or in the explanatory notes thereto but has instead been obtained from the records, databases or inventories of the Unicaja Group.

Default rate	1. Loans and receivables portfolio. Non-performing risk	1,568	1,938
	2. Loans and receivables portfolio. Gross	49,893	54,891
	Ratio (1/2)	**3.1%**	**3.5%**

Objective: Measuring the quality of the loan portfolio, indicating the percentage of non-performing loans with respect to the total number of loans

Coverage of non-performing loans	1. Loans and receivables portfolio. Total number of valuation adjustments due to impairment of assets (Notes 10 and 27) (2)	998	1,289
	2. Loans and receivables portfolio. Non-performing risk	1,568	1,938
	Ratio (1/2)	**63.6%**	**66.5%**

Objective: Knowing the percentage of the non-performing portfolio that is covered by loan loss provisions. It is an indicator of the expected recovery of such assets.

(2) It excludes valuation adjustments due to the impairment of other financial assets.

Coverage of foreclosed assets	1. Accumulated impairment of assets foreclosed or received in payment of debts (Note 47.2)	926	1,175
	2. Gross carrying amount of assets foreclosed or received in payment of debts (Note 47.2)	1,253	1,833
	Ratio (1/2)	**73.9%**	**64.1%**

Objective: Showing the level of coverage of foreclosed assets classified for accounting purposes as available-for-sale assets or inventories.

ALTERNATIVE PERFORMANCE MEASURES	**Dec.23**	**Dec.22**

ALTERNATIVE PERFORMANCE MEASURES		Dec.23	Dec.22
ROE	1. Consolidated income for the year (consolidated profit and loss statement)	266.5	277.6
	2. Temporary levy on banks	63.8	-
	3. Own funds	6,523	6,465
	Ratio ((1+2)/3)	**5.1%**	**4.3%**

Objective: It measures the return obtained on funds invested/retained by/in the Group and hence is an indicator of ROE.

ROTE	1. Consolidated profit for the fiscal year, excluding the temporary bank levy, of interest on equity instruments other than capital (3+4-5)	305.9	253.2
	3. Consolidated income for the year (consolidated profit and loss statement)	266.5	277.6
	4. Temporary levy on banks	63.8	-
	5. Interest from equity instruments other than capital (Note 22.2)	24.4	24.4
	2. Tangible own funds (6-7-8-9)	5,839	5,790
	6. Own funds	6,523	6,465
	7. Equity instruments issued other than share capital (AT1)	547	547
	8. Intangible assets	85	75
	9. Goodwill on investments	52	53
	Ratio (1/2)	**5.2%**	**4.4%**

Objective: Measuring the return obtained by the Group's tangible equity and, hence, the Group's ability to remunerate its shareholders on the equity they have invested in the Bank once intangible assets have been discounted.

ROA	1. Consolidated income for the year (consolidated profit and loss statement)	266.5	277.6
	2. Temporary levy on banks	63.8	-
	3. Total assets	97,153	98,969
	Ratio ((1+2)/3)	**0.3%**	**0.3%**

Objective: Measuring the profitability obtained by the Group's total assets, which reflects the Group's efficiency in generating profit with the assets to which it has applied its funds.

RORWA (management)	1. Consolidated income for the year (consolidated profit and loss statement)	266.5	277.6
	2. Temporary levy on banks	63.8	-
	3. Risk-weighted assets (RWAs) (Note 1.9.1)	29,841	34,134
	Ratio ((1+2)/3)	**1.1%**	**0.8%**

Objective: RORWA is an evolution of ROA. It is used to measure the return obtained in relative terms on the total number of risk-weighted assets.

Efficiency (operating expense/gross operating income)	1. Operating expenses (consolidated profit and loss statement)	858.6	861.8
	2. Gross margin excluding temporary bank levy (3+4)	1,839.3	1,605.8
	3. Gross margin (pro-forma consolidated profit and loss statement)	1,775.5	1,605.8
	4. Temporary levy on banks	63.8	-
	Ratio (1/2)	**46.7%**	**53.7%**

Objective: Knowing the percentage of funds used to generate the gross margin.

ALTERNATIVE PERFORMANCE MEASURES		Dec.23	Dec.22
Cost of risk	1. Impairment or (-) reversal of the impairment of the value of loans to and receivables from customers (pro-forma consolidated profit and loss statement)	146.2	214.2
	2. Balance at end of the period of loans and advances to customers (without valuation adjustments or TAAs)	49,893	54,891
	Ratio (1/2)	**0.29%**	**0.39%**

Objective: Knowing the Group's credit quality through the annual cost, in terms of impairment losses (write-downs of loans and receivables, entered in the accounts under the impairment of financial assets not valued at a fair value through income item) of each gross customer lending unit.

Cost of recurring risk	1. Impairment or (-) reversal of the impairment of the recurring value of loans to and receivables from customers (2-3)	146.2	133.8
	2. Impairment or (-) reversal of the impairment of the value of loans to and receivables from customers (pro-forma consolidated profit and loss statement)	146.2	214.2
	3. Impairment of value or (-) reversal of impairment of non-recurring value. Management Data	-	80.4
	4. Balance at end of the period of loans and advances to customers (without valuation adjustments or TAAs)	49,893	54,891
	Ratio (1/4)	**0.29%**	**0.24%**
	Objective: Provides information on the Group's credit quality through the annual recurring cost, in terms of impairment losses (write-downs of loans and receivables, entered in the accounts under the impairment of financial assets not valued at a fair value through income item) of each gross customer lending unit.		

Loan to Deposits (LtD)	**NUMERATOR: Loans and advances to customers without valuation adjustments**	**49,893**	**54,891**
	1. Financial liabilities at amortized cost. Customer deposits (without valuation adjustments) (Note 17.3)	73,421	74,488
	2. Individual mortgage bonds under the "Term Savings" item. Cash value. Management figure (*)	4,198	4,655
	3. Customer deposits. Repurchase agreements (without valuation adjustments) (Note 17.3)	1,589	20
	4. Repurchase agreements of assets held by retail customers. Management figure (*)	103	20
	(1-2-3+4) DENOMINATOR. Customer deposits without valuation adjustments-	**67,737**	**69,833**
	Ratio (NUMERATOR/DENOMINATOR)	**73.7%**	**78.6%**

Objective: Measuring the ratio of the funds the Group has in its customer deposits to the volume of loans and advances.

Gross liquid assets	1. Short-term cash surplus (Interbank deposits + Excess balance in the ECB and operating accounts) (*)	6,580	3,235
	2. Reverse purchase agreements of bankable assets	1,437	198
	3. Fixed-income portfolio and other bankable assets at the ECB (*)	29,165	28,488
	Figure (1+2+3)	**37,182**	**31,921**

Sum of:

- The excess/deficit of deposits in the Bank of Spain with respect to the minimum reserve ratio in effect as of that date and the excess/deficit in operating accounts with credit institutions with respect to the average over the last 12 months.

- The net position of interbank deposits with other credit institutions.

- The discountable fixed-income portfolio at the ECB, both firm and by means of reverse repurchase agreements, including the Bank's own portfolio issued for use as collateral at the ECB and all pledged loans, all valued at the discounted value at the ECB.

Objective: Knowing the total balance and evolution of the Group's high quality liquidity assets (HQLA).

Net liquid assets	1. Gross liquid assets (see APM above)	37,183	31,921
	2. Taken out at the ECB (Note 17.1)	954	5,321
	3. Temporary assignments of assets and other pledges (*)	6,990	3,084
	Figure (1-2-3)	**29,239**	**23,516**

Note: The portion of gross liquid assets that is being used as collateral for financing, either against the ECB, through temporary assignments of assets or other pledges, is deducted from the gross liquid assets.

Objective: Knowing the total balance and evolution of the Group's high quality liquid assets (HQLA) by netting such assets that are being used as collateral for financing.

ANNEX II

SEPARATE REPORT ON NON-FINANCIAL INFORMATION

The separate report on non-financial information for the 2023 fiscal year corresponding to Unicaja Banco, S.A. and its subsidiaries (Unicaja Group), which has been prepared pursuant to the provisions of the Code of Commerce and other applicable regulations, is included herein below. This report is an integral part of the consolidated management report.

Unicaja

CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT

2023

12/31/2023

CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT 2023

INDEX

Letter from the CEO

Through these brief introductory words I have the opportunity to present the Consolidated Non-Financial Information Statement of the Unicaja Group, which reports on the main actions and indicators -qualitative and quantitative- in the environmental, social and governance (ESG) and Corporate Social Responsibility (CSR) areas, corresponding to 2023.

"The challenge is to give impetus and continuity to the strategic plan, focused on boosting profitable and sustainable business growth, as a reference entity in its territories of origin."

Isidro Rubiales Gil,
Chief Executive
Officer

As we near the halfway point of the decade leading to 2030, the changing environment of recent years has not slowed down the will of public authorities and the private sector to achieve climate neutrality by 2050.

The European Union maintains the goal of reducing greenhouse gas emissions by 55% by 2030, taking 1990 as the reference year.

Of course, the Group perceives this environmental and social transition as an opportunity for the development of its own business, and also for the improvement of the situation of the various stakeholders, with a special focus on our customers.

Social risks are beginning to emerge on the horizon, with a prominent role for human rights and their preservation throughout the value chain, but, for the time being, no significant steps have been taken in 2023 towards the development of a social taxonomy comparable to the environmental one approved by the European authorities in 2020. This has not prevented the Group from keeping this approach in mind with regard to the adequacy of the products offered and the extension of the service provided to customers.

Banking institutions have continued to play a crucial role in this fiscal year 2023, providing credit and other financial services, and giving continuity to the economic and even social measures proposed in 2022, such as, for example, the revision of the "Strategic protocol to strengthen the social and sustainable commitment of the banking sector" or the "Code of best practices for urgent measures for mortgage debtors at risk of vulnerability".

As already stated in the previous Statement of Non-Financial Information, the Group adhered to these two initiatives out of conviction and as a sign of its special sensitivity towards the most vulnerable groups, people and territories.

We agree that public and private efforts must be maintained to transform our society into one that is more inclusive and respectful of the natural environment, and that promotes sustainable and inclusive growth.

The 2022-2024 Strategic Plan is committed to sustainability in all lines of business and to the reduction of the carbon footprint, both corporate and that of the credit and investment portfolios, with significant progress in the 2023 fiscal year, which is reported in this Statement of Non-Financial Information.

I would like to take this opportunity to highlight the completion at the beginning of 2023 of the Bank's Sustainable Finance Action Plan, which in no way implies a reduction in efforts in this area, and the approval by the Board of Directors, in April 2023, of decarbonization targets for the loan portfolio in the fossil fuel ("Oil & Gas") and energy sectors, and for the residential mortgage portfolio, with a view to see 2030 as an intermediate step towards climate neutrality in 2050. I would also highlight the approval by the Board of Directors, in December, of a policy of excluding certain particularly polluting economic activities from financing, and the continued dedication to respond to the European Central Bank's supervisory expectations in environmental and climate matters.

All this is evidence of the singular and harmonious consideration of the financial and non-financial or sustainability aspects, in the terminology of the new European Corporate Sustainability Reporting Directive (CSRD), approved in 2022 and coming into force in fiscal year 2024.

This makes it possible to assess the impact of the Group's activity on society, and of the dynamics of society on the Unicaja Group, as a prior step to a financial quantification of the exposure to climate and environmental risks, on the one hand, and to social risks, on the other. Such assessment reinforces the adequate attention to the needs and expectations of all our stakeholders.

We continue to work on maintaining and expanding efficient and transparent relationship models with the various groups, which are increasingly based on the development of technologies and innovation, while addressing the needs of various groups. The new Corporate Identity, presented at the beginning of 2024, reflects the Bank's adaptation to the needs of today's society, but without losing its traditional values, focusing on proximity to customers (current and future) and their regions of origin. This evolution aims to reinforce Unicaja's positioning as a bank that is solid, close to its customers, and open to society, as well as unique and differential in the Spanish financial sector, as a brand that wants to be a protagonist.

Finally, I would like to thank all the people and institutions that have placed their trust in the Group and those who have worked with us in the effective performance of our corporate mission and the exercise of our social role. I sincerely hope that they will continue to do so in the future. We will devote our best efforts to merit the renewal of that trust and to meet the needs expressed by all our stakeholders. We believe that the Unicaja Group can play the role that the emerging society demands of us, responding to the great changes that await us in the years to come.

Through all this, the Group also reaffirms its ties with the United Nations Global Compact and the Spanish Global Compact Network, thus demonstrating its support for the achievement of its goals, including the Sustainable Development Goals (SDGs) of the 2030 Agenda, which set out the path we must all follow.

(GRI 2.22)

Scope

SCOPE (GRI 2.3, GRI 2.4)

The purpose of this consolidated non-financial information statement is to provide an overview of the evolution of the Unicaja Group in the 2023 financial year (from January 1, 2023 to December 31, 2023), of its management and business model, as well as of the exercise of its Corporate Social Responsibility (CSR) in its different areas. In view of the foregoing, this Non-Financial Information Statement contains the most relevant economic and financial information, as well as information related to environmental, social and governance (ESG) and CSR aspects.

This Statement also includes certain indicators in accordance with the provisions of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investments, in particular those indicated in Delegated Regulation (EU) 2021/2139 and Delegated Regulation (EU) 2021/2178, as amended.

For this fiscal year 2023, it is verified, in relation to the subsidiaries that make up the Unicaja Group, that the respective environmental and social impacts are material for the Group, so that the indicators reflect, in general, the activity of all of them.

The Unicaja Group complies with the provisions of Article 49 of the Code of Commerce regarding the dissemination of non-financial information, by virtue of the amendment made by Law 11/2018, of December 28, through the issuance of a separate report that forms part of the consolidated management report that is subject to the same criteria of approval, filing and publication as the aforementioned management report.

The information gathered comes from accounting and documentary records, regulations, procedures and rules approved by the Board of Directors or other competent bodies, as well as from its regular control and follow-up reports, such as, for example, the criteria established in the policy for the preparation and disclosure of economic-financial, non-financial and corporate information, which were completed in January 2023 with the approval of Guidelines for the preparation and disclosure of non-financial information.

In order to ensure maximum transparency, information used by Group management is also provided in documents submitted to the Board of Directors, in communications sent to the National Securities Market Commission (CNMV), together with statements from the heads of the various general management departments, directorates and other departments.

The presentation of the economic, environmental, social and governance aspects was carried out using the conventional definitions used in this type of Report or Notes, or in those used by companies in the financial sector.

Giving continuity to the Non-Financial Information Statement of previous years, the 2023 statement, as discussed earlier, was prepared pursuant to the provisions derived from Law 11/2018 of December 28, on non-financial information and diversity, with the amendments operated by this Law on the Commercial Code, and follows the guidelines of the GRI Sustainability Reporting Standards (GRI Standards) and Financial Services Sector Supplement of the GRI G4 Guidelines.

The preparation of this Statement has taken into consideration the Non-Financial Reporting Guidelines, published in 2017, the European Commission's 2019 Supplement on Climate-Related Reporting, and the European Central Bank's Guidance on Climate-Related and Environmental Risks, November 2020, addressed to significant credit institutions. The aforementioned Supplement expressly integrates the recommendations, published in 2017, of the Task Force on Climate-related Financial Disclosures (TCFD), created by the G-20 Financial Stability Board, which are also considered by the European Central Bank in its Guidance. This report also shows the progress of the Unicaja Group with respect to the Global Compact and the United Nations Sustainable Development Goals.

In accordance with the provisions of the 2022-2024 Strategic Plan, and once the Sustainable Finance Action Plan has been fully implemented, this Statement reports, for the second year, on the follow-up of the recommendations on climate information disclosure (TCFD), which will be further developed and specified in future years.

Additionally, the non-financial information has been externally reviewed, following the assurance requirements indicated in the revised international standard ISAE 3000, by an independent assurance service provider appointed by the Board of Directors at the proposal of the Audit and Regulatory Compliance Committee.

As required by GRI (Global Reporting Initiative) guidelines, in 2023 Unicaja has carried out a new materiality analysis in the area of sustainability, in order to ascertain the general expectations of stakeholders, which was taken as a reference for the preparation of this Non-Financial Information Statement. The materiality study carried out identified the economic, environmental and social aspects that are significant for stakeholders and the importance attributed to these aspects by the Group.

The information contained in the Non-Financial Information Statement can be complemented with that reflected in the individual and consolidated Annual Financial Statements, the Information of Prudential Relevance (Pillar 3), the Annual Corporate Governance Report (IAGC) - which shows information on the governing bodies, related-party transactions and risk management, among other aspects - and the Annual Report on Remuneration of the Directors, as well as with updated information on the Group's activities and the communications sent to the CNMV for disclosure. The aforementioned reports are available on the Unicaja corporate website (www.unicajabanco.com).

Regarding Information of Prudential Relevance, it expressly notes the expansion of the information to be disclosed as of 2023, as a result of the entry into force of Article 449 bis of Regulation (EU) 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions, which imposes new duties to disclose information, to be successively expanded, on environmental, social and governance risks (ESG risks), including physical and transition risks.

Finally, for any questions related to the report, the following email address has been provided: info@unicaja.es.

Significant changes during the period covered by the Non-Financial Information Statement to the organization's size, structure and ownership

Throughout 2023, several significant changes in Unicaja's governance model were introduced.

On June 1, 2023, the Board of Directors, with the aim of advancing in the Bank's governance model, in accordance with the provisions of the Common Merger Plan between Unicaja and Liberbank, unanimously agreed to remove Manuel Menéndez from the position of Chief Executive Officer, effective when the appointment of his replacement in such position becomes effective. On that date, the resignation of Manuel Menéndez as a member of the Board of Directors was also accepted, which would become effective with the appointment of the new Chief Executive Officer, thus guaranteeing the full functionality of the Bank's management until such appointment.

On July 31 of the same year, the new Chief Executive Officer, Isidro Rubiales, was appointed, effective upon receipt of the corresponding regulatory authorizations from the European Central Bank on September 20, 2023.

On September 29, 2023, in compliance with the provisions of the Common Merger Plan, the Chairman of the Board of Directors became a non-executive director, and his category as a member of the Board of Directors was "other external".

On November 24, 2023, the Chairman of the Company resigned as a Director of the Company. This resignation also implies the resignation from the position of Chairman of the Board of Directors, which will take effect once the supervisory no objection of the European Central Bank has been obtained, and when the appointment, as Chairperson, of the person who will succeed him in said position has been agreed upon.

On the other hand, there have been no significant changes to the organization's ownership structure. Fundación Bancaria Unicaja continues to hold the position of principal shareholder of Unicaja at the end of the year. Its share in the capital stock slightly exceeds 30%.

The present EINF includes information on Unicaja and its subsidiaries that make up the Unicaja Group. Where the reported information refers not to the Group but to a part of it, this is stated explicitly.

In general terms, the non-financial information for fiscal year 2023 expresses Unicaja's data.

IDENTIFICATION OF MATERIAL ASPECTS (GRI 2.29, GRI 3.1, GRI 3.2, GRI 207-3)

The Unicaja Group, in its commitment to sustainability, performs an annual analysis to identify those aspects that, in reference to the guidelines of the GRI Standards, especially GRI 1 Fundamentals, GRI 2 General Contents and GRI 3 Material Issues, are most relevant for its different stakeholders. The aspects that influence the Group's capacity to generate value and that are of interest to the groups and people with whom it relates are identified. This environmental and social materiality analysis - impact materiality analysis - identifies and defines the main non-financial risks in its business environment.

Impact Materiality Analysis Process

Unlike the previous year, in 2023 the materiality study was prepared with the assistance of an independent expert (EY), in accordance with the sequential analysis methodology established in the GRI standard, and was submitted for approval to the Sustainability Committee. This analysis was based on an exhaustive and participative process in which some of the main stakeholders (customers, investors and shareholders, suppliers, financial agents), as well as Bank executives, representing key areas of the Bank, took part.

The materiality analysis has addressed the following phases:

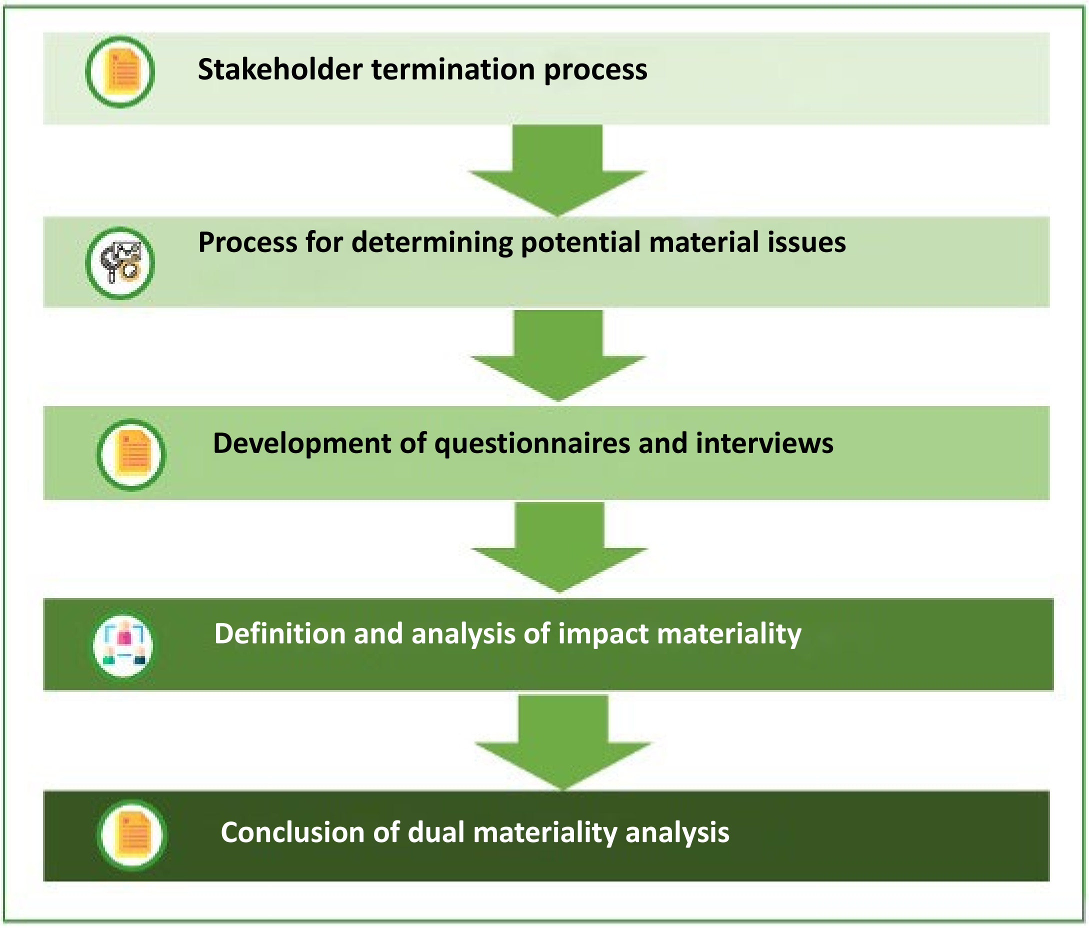


Figure 1. Impact materiality scheme.

Determination of stakeholders and material issues

The identification of stakeholders is a key point for the definition of strategies and goals in the Group based on the material issues identified by each group and their aggregation.

In this exercise, a stakeholder analysis has been carried out, encouraging the participation of stakeholders in the business environment. These groups were able to respond directly through a questionnaire or individual interviews on their main ESG concerns, and to express their expectations of Unicaja in the management of these issues.

The selection of stakeholders has been made through a study of the interested parties that may affect or be affected by the Bank's decisions and actions, thus following the recommendations established by the international standards GRI and Sustainability Accounting Standards Board (SASB), which complements the previous one by focusing on financially relevant sustainability issues. In addition, an exercise was carried out to assess the impact of these potential risks within the framework of the United Nations Sustainable Development Goals (hereinafter, SDGs) in order to identify an action plan that contributes to the goals established within each SDG.

With this broadening of the approach, the material aspects considered in previous exercises have been redefined, resulting in six main dimensions. Each dimension groups the related potential impacts by which the Group may be affected. In order to provide traceability of information between years and motivated by the change in methodology, a complete mapping of the aspects identified in the 2022 materiality and the 2023 adjustment has been carried out.

Dimension 2022	Category 2022
Environment	Climate change
	Sustainable use of resources. Circular economy
	Environmental, Social and Governance criteria (ESG) in business
Corporate governance and business ethics	Corruption and bribery
	Transparency of information
	Risk management and compliance
	Bad debt management
	Profitability, solvency and stability
Policy	Policy
Human rights	Human rights
Customers	Safety and data protection
	Transparent and responsible marketing
	Digitalization and accessibility
Social and personnel	Employment and work organization
	Health and safety
	Talent management
	Diversity/equality and accessibility
Company	Commitment to sustainable development and the SDGs
	Subcontracting and suppliers
	Fiscal responsibility
	Financial education

Table 1. Dimensions and categories. Unicaja's 2022 market analysis.

Dimension 2023	Category 2023
Impact materiality analysis	
Fight against climate change	Climate change
	Sustainable use of resources. Circular economy
Good corporate governance and transparency	Policy
	Regulatory compliance
	Transparency of information
	Transparent marketing
	Subcontracting and suppliers
	Corruption and bribery
Finance and leadership	Profitability, solvency and stability
	Fiscal responsibility
	Risk management
	Bad debt management
Investments and financing	Environmental, Social and Governance criteria (ESG) in business
Products and services	Responsible marketing
	Digitalization and accessibility
Company	Employment and work organization
	Talent management
	Diversity/equality and accessibility
	Human rights
	Financial education
	Commitment to sustainable development and the SDGs
	Safety and data protection

Table 2. Dimensions and categories. Unicaja's 2023 market analysis.

To support the determination of the main material issues to be considered, Unicaja has drawn on the aspects already identified in the 2022 materiality and has carried out a complete mapping of the dimensions, categories and associated issues, taking into account the needs of the 2023 financial year. Integrating the risks identified in previous years in new analyses provides traceability and consistency in the information, and makes it possible to monitor the evolution and significance of the real and potential risks to which Unicaja may be subject.

As the most relevant differences for fiscal 2023, the dimensions have been redefined from 7 to 6 and the associated issues have been regrouped. Furthermore, two of the issues (risk management and compliance, and transparent and responsible marketing) have been divided into four separate issues: (i) risk management, (ii) compliance, (iii) responsible marketing and (iv) transparent marketing. This allows for a granular analysis of how these issues impact the Group in detail, taking into account the relevance of these aspects for the financial sector in general.

Following the traceability in the analysis of associated issues for the years 2022 and 2023, a mapping has been drawn up between each issue and the main reference standard in order to cover the maximum number of potentially relevant issues for the Group. A similar analysis had already been performed in previous years considering the indicators identified as material. In 2023, this analysis goes a step further, determining the relevant GRI indicators for Unicaja and developing, for the first time, as mentioned above, questionnaires focused on the previously identified groups, and an analysis considering the goals associated with the SDGs. In this sense, Unicaja once again demonstrates its commitment and interest in sustainable development.

As a consequence of the publication of Law 11/2018, this analysis has also been more clearly aligned with the non-financial risks identified in the Unicaja Group, so that the matrix resulting from the identification of relevant aspects reflects which risks are more material both from an internal perspective and from the perspective of stakeholders.

To assess whether an issue is material in the context of sustainability, a combination of factors internal and external to the Unicaja Group were considered. By way of clarification, any reference to materiality contained in this EINF must be understood as related to the sustainability and CSR spheres, although the regulation and supervisory expectations suggest an increasing complementarity between the two spheres ("dual materiality").

The scope of non-financial risk management activities in the Unicaja Banco Group was determined by, among other requirements, those derived from Law 11/2018 and Directive 2014/95/EU, amending Directive 2013/34/EU, regarding the disclosure of non-financial information and information on diversity. This legislation seeks to identify risks to improve sustainability and increase the confidence of investors, consumers and society in general, increasing for this purpose the disclosure of non-financial information, including information related to social and environmental factors, as well as other purely financial information, related to the business model and sustainable financial products (European Union Environmental Taxonomy Regulation, mentioned above) and, finally, with sustainability issues for reporting under the *TCFD* framework. Apropos Directive 2014/95/EU, Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No. 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU as regards sustainability reporting by companies states that starting in 2024, to be reported in 2025, obliged companies are challenged to broaden the basis of sustainability information management and disclosure.

Development of consultation and interview questionnaires

As mentioned above, a stakeholder analysis has been carried out in this exercise, encouraging the participation of stakeholders in the business environment. These groups were able to respond directly through a questionnaire that was supplemented by individual interviews on their main ESG concerns, and by expressing their expectations of Unicaja in the management of these issues.

The assignment of the representativeness of the questionnaires is based on an expert criterion taking as a reference the market practices for each of the stakeholders. These responses are in line with those observed in the Spanish financial sector.

Subsequently, the material issues on each stakeholder group were prioritized. Based on the results of this prioritization, the results were aggregated. To this end, a similar relative weighting of responses has been adopted for all stakeholders, resulting in a joint prioritization of material issues.

In addition to the questionnaires, a series of interviews were conducted with Bank executives to capture issues that, from their perspective, could be considered material. The different issues raised were grouped into the following seven blocks:

– **Fight against climate change**: a list of the main initiatives to be undertaken by Unicaja in relation to climate change: improvement of energy efficiency, decarbonization process, circular economy, etc.

- **Finance and leadership**: main levers for ensuring the sustainability of the Bank in the medium and long term: solvency, risk management, profitability and results.
- **Products and services**: need or opportunity to develop a catalog of sustainable credit and investment products, as well as to know the current appetite of clients for them.
- **Investments and financing**: considering the Bank's own financing and investment, the need or opportunity for such investments to be in sustainable or socially responsible products.
- **Good corporate governance and transparency**: from the perspective of the Bank's internal management, assess the most relevant aspects: communication and transparency, code of conduct and ethics, regulatory compliance, etc.
- **Employees**: assessment of the main concerns of Unicaja employees in relation to their working conditions: training, remuneration, equal opportunities, professional careers, etc.
- **Vision of the "Personal" stakeholder group:** general reflection on the issues of greatest concern or on which the Bank should focus its attention.

The result of the different interviews held has been consolidated, identifying the priorities and material issues for the Unicaja Group. This information has been used, under expert judgment, to make an adjustment to the material issues identified in the stakeholder consultation.

Definition and analysis of impact materiality

As mentioned above, the Group has identified its material aspects, using as a reference the standards of the Global Reporting Initiative (GRI) and the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda.

Through this process, we identify those economic, social, environmental and ethical behavioral aspects that are relevant to our approach to sustainable development. The ultimate objective is, on the one hand, to identify the Bank's material issues, which will therefore be the matters to be reported on in the Corporate Social Responsibility Report and, on the other hand, to identify the material SDGs that will represent the fundamental basis for developing the sustainability strategy, emphasizing the actions and projects carried out by the Bank that help to contribute to the achievement of the Group's priority SDGs.

Below are the results for each stakeholder group and the consolidated materiality at Unicaja level.

Customers

In general terms, customers rate all the issues raised as having High or Very High importance. Among the material issues with the highest priority are those related to the customer's relationship with the Bank, the Bank's governance and solvency. With a lower priority level, initiatives that promote sustainability are identified, such as the development of products and services that promote the financial health of customers or the contribution to society as disadvantaged groups.

The issues with high relevance and high impact from a customer perspective are as follows:

- Customer protection and information security
- Ethics and transparency
- Level of solvency.
- Promotion of accessibility in a digitalized environment.

SDG 16 Peace – Justice and strong institutions has been identified as the most relevant and impactful in terms of customer consideration.

Investors and shareholders

The main concerns of investors and shareholders are as follows:

- The fight against climate change:
    - Transparent breakdown of own emissions with a clear reduction policy, preferably with a Science Based Target initiative (SBTi) commitment in the medium term (3 to 5 years).
- Finance and leadership:
    - Include ESG criteria in the credit approval process to ensure that the companies and projects financed identify the climate and social risks of their activities.
    - Environmental impact assessment of larger financed projects, to ensure that they are identified and monitored, and that their negative impacts are reduced.
    - Periodic monitoring of the portfolio's transition and physical risks.
- Products and services:
    - As key "players" for the environment, through financing and investment, Unicaja is expected to develop and market more green products.
    - Commitment to financial inclusion by further expanding access to financial products and services for communities at risk of exclusion in the geographic areas in which the Group operates.
- Good corporate governance and transparency:
    - Prevention of discrimination and promotion of diversity (that companies promote diversity among their employees and senior management)
    - Audits on ethical standards at least every 3 years to avoid potential reputational risk and, eventually, financial losses
    - Promote reporting on social aspects: organizational structure, social dialog, human capital development, responsible investment, financial inclusion and other related issues
    - Have a marketing strategy that is transparent, fair and protects consumers: clear communication of features, commissions and risks
    - Participate in alliances/initiatives such as: Responsible banking principles, Equator principles, Net Zero Banking Alliance (NZBA) or the United Nations Environment Programmer Finance Initiative (UNEP FI).

- Policies and internal audits aimed at mitigating any risk of violation of the United Nations Global Compact

– Employees:

- Preventive policies to avoid environmental, social and governance disputes, and if they occur, implement appropriate measures to address deficiencies

The issues with high relevance and high impact from the investors' perspective are as follows:

– Improved profits from the Bank

– Evaluations of sustainability in the supply chain

– Optimal risk management.

SDG 8 – Decent work and responsible growth and SDG 12 – Responsible production and consumption have been identified as the most relevant and impactful for investors.

Suppliers

The main concern of suppliers is the level of capitalization and governance of the Bank, highlighting solvency and regulatory compliance. Other high priority issues are product development and measures to improve the contribution to the environment, as well as the reduction of emissions or the promotion of a circular economy.

The issues with high relevance and high impact from a supplier perspective are as follows:

– Evaluations of sustainability in the supply chain.

– Adequate corporate governance and optimal risk management

– Corruption and bribery and money laundering.

SDG 12 – Responsible production and consumption has been identified as the most relevant and impactful in terms of supplier consideration, followed by SDG 16 – Peace, justice and strong institutions.

Financial agents

Financial agents prioritize customer protection and the development of a product portfolio. The issues with high relevance and high impact from a financial agent perspective are as follows:

- Evaluations of sustainability in the supply chain.
- Better results.

SDG 8 – Decent work and economic growth, SDG 12 – Responsible production and consumption and SDG 16 – Peace, justice and sound institutions have been identified as the most relevant and impactful in the opinion of financial agents.

Personal interviews with Bank executives

Management considers the following issues to be the most material within each block:

- Fight against climate change: the main initiatives are related to the need to make progress in the fight against climate change. Prioritization varies according to the partner and the criteria applied:
  - Response to stakeholders, prioritizing those aspects that customers, investors and supervisors request from the Bank, such as the decarbonization of the balance sheet through the setting of medium-term objectives and with a focus on financed emissions, then the field of energy efficiency, and finally circular economy issues.
  - Areas with greater influence, such as improving the energy efficiency of buildings, highlighting the measures adopted in buildings and in the area of recycling. Some directions point to the fact that an improvement in the area of decarbonization encompasses all other aspects.

  Another of the points of consensus between the management is to highlight all the actions undertaken by Unicaja in the fight against climate change, such as the improvement in energy efficiency. The Bank's reputation in this area is very relevant and it is necessary to highlight all the actions carried out, such as energy certifications.

- Finance and leadership: solvency, risk management and profitability are three corners of a triangle, and a balance between them is necessary.

- Products and services: the origin and main focus of the Bank's business lies in the financial management of customers with a clear social component, given the current customer base. The focus should be on covering financial needs and combining same with sustainable and respectful products to decarbonize the portfolio. Unicaja's commitment to generate a more aware and conscious society and customers is carried out by accompanying the latter towards sustainability objectives. With regard to customers, young people are the most aware and permeable to the inclusion of these sustainability criteria, making it necessary to adapt to the new customer profile.

- Investments and financing: in general terms, the search for profitability should be compatible with a sustainable strategy, and should not be mutually exclusive, favoring investment in more sustainable companies or those with lower levels of emissions. It is considered important that the Bank sets an example for its clients and that its own investments have these components, in addition to the decarbonization of its own portfolio, which has become a commitment for the Bank.

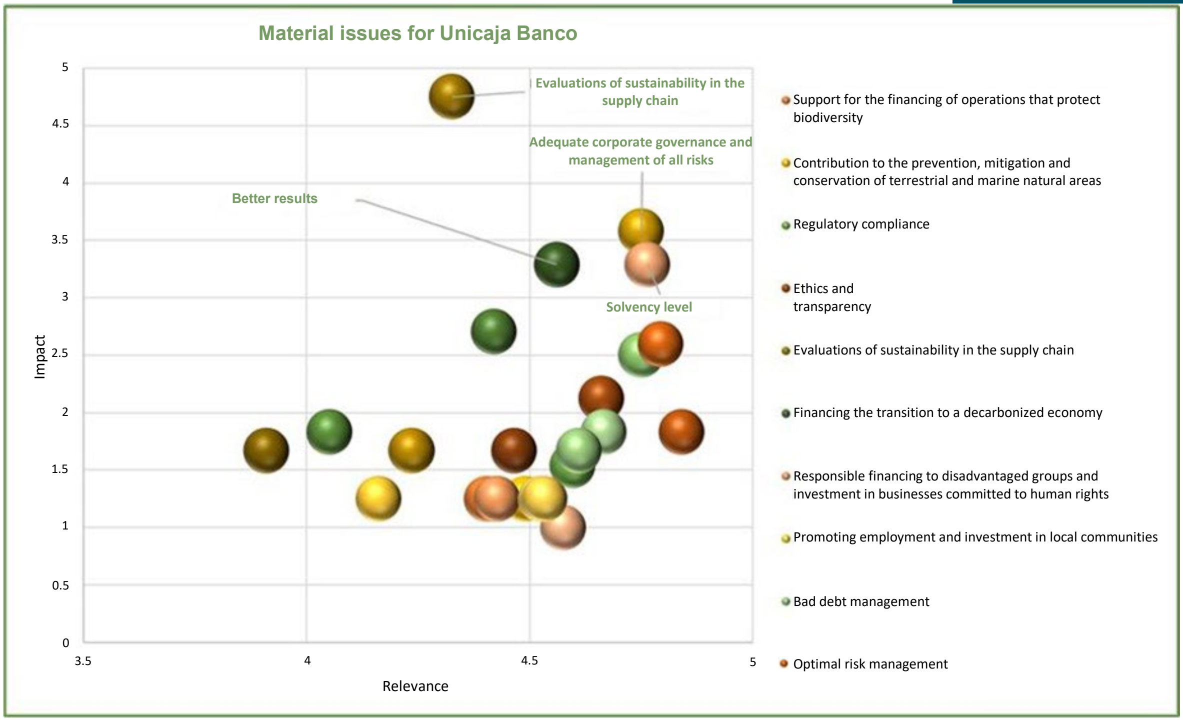
- Corporate governance and transparency: Unicaja has always been concerned with good corporate governance, and there is general agreement that the efforts traditionally made in matters such as the prevention of money laundering, corruption and bribery, or in the area of regulatory compliance, should be maintained.

- Society: the importance of two key stakeholders, customers and employees, is highlighted.

Consolidated impact materiality analysis

For the analysis of the Unicaja Group's consolidated material issues, the aggregation methodology has been used, i.e. an average of the relevance and impact of each of the stakeholder responses. As was the case with the individual analyses, in general all issues have been identified as being relevant or very relevant.

Below, we present the table of material issues of impact or materiality matrix resulting from the exercise carried out in Unicaja.

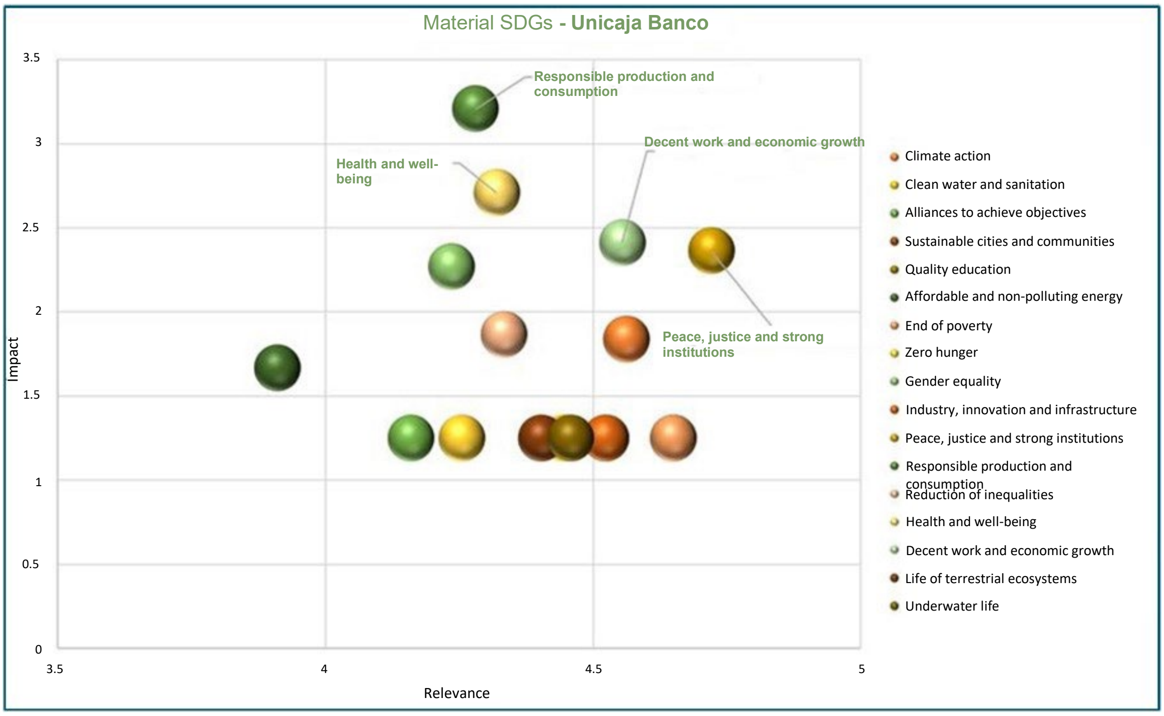


Graph 1. Material impact matters - Unicaja.

The issues with high relevance and high impact or material issues for the Bank are as follows:

- Evaluations of sustainability in the supply chain.
- Adequate corporate governance and management of all risks
- Level of solvency.
- Better results.

The same aggregation methodology was used for the analysis of Unicaja's consolidated material SDGs. The results obtained are presented below.



Graph 2. Impactful material SDGs - Unicaja.

In order of importance, SDG 12 – Responsible production and consumption, SDG 3 – Health and well-being, SDG 8 – Decent work and economic growth and SDG 16 – Peace, justice and strong institutions have been identified as the most relevant and impactful for the Bank.

As shown in the figure above, the most relevant SDGs are highlighted, among others, with their associated material issue, their impact and the GRI indicator to which this report should respond:

SDG	Material issues	Impact	GRI
Responsible production and consumption	Recycling and circular economy Evaluations of sustainability in the supply chain	High	• 2-6 Activities, value chain and other business relationships • 204-1 Proportion of spending on local suppliers • 308-1 New suppliers screened against environmental criteria • 308-2 Significant negative environmental impacts in the supply chain and actions taken • 414-1 New suppliers that have been evaluated using social criteria • 414-2 Negative social impacts in the supply chain and actions taken
Health and well-being	Talent attraction and retention	Medium-High	• 2-7 Employees • 2-8 Non-employee workers • 401-1 New hires and average employee turnover • 401-2 Welfare benefits for full-time employees that are not offered to temporary or part-time employees • 401-3 Maternity or paternity leave • 402-1 Minimum notice periods regarding operational changes • 403-1 Occupational safety and health management system • 403-2 Hazard identification, risk assessment and incident investigation • 403-3 Occupational health services • 403-4 Employee involvement, consultation and communication on occupational health and safety • 403-5 Occupational health and safety training for employees • 403-6 Employee health promotion • 403-7 Prevention and mitigation of the impact on the health and safety of employees directly related to commercial relations • 403-8 Coverage of occupational safety and health management system • 403-9 Work-related injuries • 403-10 Occupational diseases and illnesses • 404-3 Percentage of employees receiving regular performance and professional development reviews

SDG	Material issues	Impact	GRI
Decent work and economic growth	Solvency level Better results Optimal risk management Bad debt management Products and/or services that promote the financial health of customers Talent attraction and retention Promoting employment and investment in local communities	High High High High Medium-High Low	• 2-28 Membership of associations • 2-30 Collective bargaining agreements • 201-1 Direct economic value generated and distributed • 203-2 Significant indirect economic impacts • 207-1 Fiscal approach • 207-2 Fiscal governance, control and risk management • 413-1 Operations where development programs, impact assessments, and local community participation have been implemented • 413-2 Operations with significant potential or actual significant negative impacts on local communities • 416-1 Assessment of the safety and health impacts of products and services • FS6- Percentage of portfolio for lines of business by specific region, size (e.g. micro/SME/large) and by sector • FS15- Policies for the fair design and sale of financial products and services

SDG	Material issues	Impact	GRI
Peace, justice and strong institutions	Adequate corporate governance and management of all risks Senior management involvement in ESG issues Regulatory compliance Ethics and transparency Communication and grievance mechanisms within the organization Corruption and bribery and money laundering Customer protection and information security	Medium-High Medium Medium Medium-Low Medium-Low Medium-High Medium	• 2-1 Organizational details • 2-2 Entities included in the Sustainability Report presentation • 2-3 Reporting period, frequency and contact point • 2-4 Updating of information • 2-5 External verification • 2-9 Governance structure and composition • 2-10 Appointment and selection of the highest governance body • 2-11 Chairperson of the highest governance body • 2-12 Role of the highest governance body in overseeing impact management • 2-13 Delegation of responsibility for impact management • 2-14 Role of the highest governance body in sustainability reporting • 2-15 Conflicts of interest • 2-16 Communication of critical concerns 2-17 Collective knowledge of the highest governance body • 2-22 Sustainable Development Strategy Statement • 2-23 Commitments and policies • 2-24 Incorporation of commitments and policies • 2-26 Mechanisms for seeking advice and raising concerns • 2-27 Compliance with laws and regulations • 2-29 Approach to stakeholder engagement

SDG	Material issues	Impact	GRI
			• FS1- Policies with specific environmental and social components applied to the business lines • FS2- Procedures to evaluate and filter environmental and social risks in the business lines • FS3- Processes for monitoring implementation of and compliance with environmental and social requirements included in agreements or transactions • FS12- Voting policy(ies) applied to environmental or social issues for shares over which the reporting organization has voting rights or advises on voting • 201-4 Financial assistance received from governments • 205-1 Centers analyzed with respect to corruption-related risks • 205-2 Communication and training on anti-corruption matters • 205-3 Confirmed cases of corruption and actions taken • 206-1 Legal actions related to unfair competition and monopolistic practices and against free competition • 207-3 Stakeholder engagement and management of tax-related concerns • 207-4 Country-by-country reporting • 402-1 Minimum notice periods regarding operational changes • 411-1 Incidents and violations relating to the rights of indigenous peoples • 415-1 Contributions to political parties and/or political representatives • 416-2 Number of incidents of non-compliance with regulations concerning health and safety impacts of products and services • 417-2 Cases of non-compliance related to product and service information and labeling • 417-3 Incidents of non-compliance with marketing communications • 418-1 Substantiated claims relating to breaches of customer privacy and the loss of customer data

Table 3. SDG, material issues, impact and GRI

Unicaja

Presentation of the group

ORGANIZATION AND STRUCTURE (GRI 2.1, GRI 2.2, FS6)

Unicaja is the Group's parent company. Its head office is located at Avenida de Andalucía 10-12, Málaga. At December 31, 2023, Unicaja's capital stock amounts to 663,708,369.75 euros, divided into 2,654,833,479 shares with a par value of 0.25 euros each. The main shareholder of the Bank is Fundación Bancaria Unicaja, which owns 30.24% of the capital stock.

In order to carry out its activities, Unicaja has a set of subsidiaries, belonging to relevant sectors in its territories of operation, which make up its business group.

The Bank's corporate purpose is to carry out all kinds of activities, operations, acts, contracts and services inherent to the banking business, in general or directly and indirectly related or complementary thereto or its development, provided that their performance is permitted or not prohibited by the legislation in force.

The Bank's object includes the provision of investment services and other auxiliary services, as well as the performance of activities typical of insurance agents, as an exclusive or linked operator, the simultaneous exercise of both not being admissible.

The Bank is registered in the Mercantile Registry of Málaga and, as a credit institution, in the Special Registry of the Bank of Spain under number 2103. It also holds a license for the exercise of banking activities granted by the Ministry of Economy and Finance under Royal Decree 1245/1995.

CORPORATE STRUCTURE

Figura 1. Corporate Structure

The identification of the direct and indirect holders of significant shareholdings at the year-end date, including the directors who have a significant shareholding, can be found in the 2023 Annual Corporate Governance Report, accessible on the corporate website.

The companies that make up the Group, together with Unicaja, as of December 31, 2023, are as follows:

Company name	Activity
ADMINISTRADORA VALTENAS, S.L.U.	Representative company
ALQLUNIA DUERO, S.L. (in liquidation)	Real estate development
ANÁLISIS Y GESTIÓN DE LA INNOVACIÓN TECNOLÓGICA, S.L.	Real estate management and administration
ANALISTAS ECONÓMICOS DE ANDALUCÍA, S.L.U.	Study and analysis of economic activity
ANDALUZA DE TRAMITACIONES Y GESTIONES, S.A.U.	Management and settlement of documents and deeds
ARCO EXPLOTACIONES, S.L.	Cereal crops
ASTURIANA DE ADM. DE VALORES MOBILIARIO, S.L.U.	Representative company
BANCO EUROPEO DE FINANZAS, S.A.U.	Bank
BRIAREO GESTION, S.A.U.	Brokerage activities in securities and other assets
CAJA CASTILLA LA MANCHA INICIATIVAS INDUSTRIALES, S.L.	Holding company activities
CAMIN DE LA MESA, S.A.U.	Representative company
CAMPING ALTO GALLEGO, S.L.U.	Camping
CÁNOVAS EXPLOTACIONES, S.L.U.	Hotels and similar accommodations
CANTABRICA DE INVERSIONES DE CARTERA, S.L.	Holding company activities
CCM BROKERS 2007 CORREDURÍA DE SEGUROS, S.A. (in liquidation)	Insurance brokerage
CONCEJO EXPLOTACIONES, S.L.	Tourism sector
CORPORACION EMPRESARIAL CAJA EXTREMADURA, S.R.L.U.	Holding company activities
ERCÁVICA DESARROLLOS, S.L.U.	Real estate development
EXPLOTACIONES SANTA ISABEL, S.L.U.	Tourism sector
FACTORIA DE TRANSFORMACIÓN DE OPERACIONES Y SERVICIOS, S.L.	Business management consulting activities
FINCA LAS HUELGAS, S.A.	Agricultural support activities
GESTIÓN DE INMUEBLES ADQUIRIDOS, S.L.	Real estate development
GRAFTON INVESTMENTS, S.L.	Hotels and similar accommodations
HOTELES LAYOS, S.L.	Hotels and similar accommodations
INSTITUTO DE ECONOMÍA Y EMPRESA, S.L.	Other support activities for the company
LA ALGARA SOCIEDAD DE GESTIÓN, S.L.U.	Tourism sector
LIBERBANK CAPITAL, S.A.	Financial services
LIBERBANK CONTACT, S.L.U. (in liquidation)	Contact center activity

LIBERBANK IT, S.L. (Unipersonal)	IT consulting activities
LIBERBANK PENSIONES, S.G.F.P., S.A.U.	Pension fund management company
LIBERBANK SERVICIOS FINANCIEROS, S.A.	Holding company activities
NORTEÑA PATRIMONIAL, S.L.	Representative company
PARQUE INDUSTRIAL HUMILLADERO, S.L.	Industrial land development
PEÑA RUEDA, S.L.U.	Representative company
PICO CORTÉS, S.L.	Representative company
PICO MIRAVALLES, S.L.	Representative company
PLANES E INVERSIONES CLM, S.A. (company in liquidation)	Real estate holding company
POMADARA GESTIÓN, S.L.U.	Other support activities for the company
PROCESA RECUPERACIÓN DE ACTIVOS, S.A.	Legal activities
PROPCO BLUE 1, S.L.	Real estate development
PUNTIDA, S.L.	Holding company activities
SEGÓBRIGA DESARROLLOS, S.L.U.	Hotels and similar accommodations
SEGURANDALUS MEDIACIÓN CORREDURÍA DE SEGUROS, S.A.	Insurance brokerage
SIERRA DEL ACEBO, S.L.U.	Representative company
SOCIEDAD DE GESTIÓN SAN CARLOS, S.A.	Real estate development
TIATORDOS, S.A.U.	Representative company
U MARKET EBUSINESS, S.L.U.	Other support activities for the company
UNICAJA GESTIÓN DE ACTIVOS INMOBILIARIOS, S.A.U.	Real estate holding company
UNICARTERA GESTIÓN ACTIVOS, S.L.U.	Financial activity
UNICORP PATRIMONIO SOCIEDAD DE VALORES, S.A.U.	Asset management
UNIGEST, S.A., SGIIC	Collective investment institution manager
UNIMEDIACIÓN, S.L.	Banking-insurance operator
UNIÓN DEL DUERO COMPAÑÍA DE SEGUROS DE VIDA, S.A.	Insurance company
UNIWINDET, S.L.	Wind energy
VIACAVA-INCÓS DE ENERGÍA, S.A.U.	Hotels and similar accommodations
VIPROELCO, S.A. (in liquidation)	Real estate development

Other entities not mentioned above can be identified in Annexes 2 and 3 of the Unicaja Group's Consolidated Financial Statements.

Throughout 2023, the main changes in the Group were as follows: Liberbank Digital (liquidation and extinction); G.I.A., absorption of Mosacata, Midamarta y Urbe Cantabria, Unimediación, acquisition of the production units of CCM Brokers y Segurandalus.

MISSION, VISION AND VALUES

The Unicaja Group's social commitment is reflected in the performance of its activities, by maintaining its permanent responsibility and attention to the needs of its customers, shareholders and other stakeholders, as well as the economic, environmental and social needs of the territories in which it operates.

As defined in the Corporate Social Responsibility Policy of the Unicaja Group, the Group integrates CSR in the core of its business strategy, management instruments, in the marketing of financial products and services and in the development of its action plans, as reflected in its Mission, Vision, Values and Basic Principles, which mark the daily development of the activity of the Bank and the companies of its Group, as well as that of the medium- and long-term strategy.

Purpose

The purpose of the Group is as follows: "**To contribute financially to the development of a more just and inclusive society, supported by an efficient economic management that is fully respectful of the preservation of the planet**."

To this end, the Group is adapting to new social expectations to continue working with stakeholders to:

- Mitigate climate change and promote the decarbonization of the economy through sustainable financing
- Increase the financial well-being of our customers, the general well-being of communities and the progress of society
- Increase customer satisfaction through innovation and digitalization in the provision of services
- Promote the socioeconomic development of the geographical areas in which it operates, and that of the people with whom it interacts, such as, among others, customers and users, employees, shareholders and investors, and suppliers
- Promote good governance and transparency in stakeholder relations.

The Group is generally committed to sustainability and CSR, with the objective of achieving economic profitability from the perspective of business ethics, the integration of social and environmental criteria, and the creation of long-term value.

Mission

The Unicaja Group's CSR is based on a set of principles and actions aimed at contributing to the economic and social development of its sphere of activity, with full respect for the environment, considering the needs and expectations of the different stakeholders, with whom it wishes to maintain a constant flow of communication through the appropriate channels.

The promotion of these goals, criteria and behaviors, within itself and in society, is part of the objective of economically efficient management, suitable for generating profits, within a framework of sustainable development that accompanies progress and social justice, the fight against climate change and the protection of the environment.

The Unicaja Group manages its activity in a responsible and efficient manner, oriented towards the socioeconomic development of all the territories in which it operates, especially those of its origin, which are Andalusia, Asturias, Cantabria, Castilla-La Mancha, Castilla y León and Extremadura, with which it has long-standing ties.

In fulfilling its mission, the Company's permanent objectives are to satisfy the needs of its customers, shareholders and investors and to preserve the good image and reputation of the Bank, in a broad sense.

Vision

Unicaja and the other companies through which it carries out its financial activity aspire to consolidate their position as benchmark institutions in their respective fields of activity by offering a wide and diverse range of quality financial products and services, providing a highly professional and qualified service that is adapted to the demands and requirements of the different customer segments. From the perspective of efficient business management, they seek to obtain profits and harmonize all of the foregoing with the purposes of the different stakeholders and those of society in general.

Values

The fulfillment of the Group's mission is based on a set of values, among which the following merit special mention:

1. Prudence, solvency and stability in the management of resources entrusted by customers, shareholders and investors.
2. Transparency, integrity, ethical commitment and corporate responsibility.
3. Business efficiency and continuous improvement of the business management model.
4. The provision of quality services in face-to-face and online formats that meet the needs and expectations of the clientèle.

5. Commitment to training, research and innovation as the basis for sustaining environmental, social and economic development over time.
6. Respect for the environment, with particular attention to climate change.
7. Commitment to sustainable finance and to the development and distribution of sustainable financial products and services.
8. Satisfaction of the needs of all stakeholders.
9. Pride in belonging to the Group and its project among employees, who are one of the Company's main assets and serve as a direct link with customers, shareholders and investors, and equal treatment in identical situations.
10. The connection with the territory and the socioeconomic development of the geographical areas of action, through the formalization, among other manifestations, of alliances with the most representative social and economic agents.

BASIC QUANTITIES (GRI 201-1)

Economic-financial activity (consolidated)	12/31/2023	12/31/2022*
Income statement (millions of euros)		
Net interest margin	1,353.2	1,073.4
Gross margin	1,775.5	1,605.8
Profit (loss) from operating activities before write-downs	917.0	744.1
Profit or loss from operating activities	656.6	436.0
Income before tax	370.6	382.8
Consolidated profit (loss) for the year	266.5	277.6
Risk management		
NPL ratio (%)	3.1	3.5
NPL coverage ratio (%)	63.7	66.5

Added value. Distribution (consolidated)*	12/31/2023	12/31/2022*
Distribution (millions of euros)		
Overhead, depreciation, amortization and other operating expenses. (excluding	469.7	413.9
Of those who contribute to the Deposit Guarantee Fund and the Resolution Fund	130.9	111.8
Staff costs (excluding social security)	385.2	400.5
Social security, taxes, fees and public benefits	433.9	397.4
Losses on assets and allowances	546.4	361.2
Consolidated profit (loss) for the year	266.7	277.6
TOTAL	**2,101.8**	**1,850.6**

* Data restated under IFRS 17. Presented solely and exclusively for comparative purposes.

Complete information on the financial statements is available on the corporate website, in the “Economic and Financial Information” section

Significant information (consolidated)	12/31/2023	12/31/2022
Distribution network		
Offices	962	972
Automatic teller machines	2,374	2,469
Partner agents	3,157	3,192
Financial agents	401	419
Financial agencies	521	541
Bank cards issued	3,026,428	3,106,712
Dataphones and PoS terminals	31,468	31,733
Electronic banking		
Number of users	3,564,647	3,106,712
Number of Univía operations	2,993,001,133	2,697,680,441
Environmental issues		
Electricity consumption (MWh)	32,553	33,628
Paper consumption (Kg)*	256,046	291,260.35
Computer waste (Kg)*	227,869	54,256
Inventory GHG emissions, Scope 1 (equivalent tons of CO_2) **	2,621	1,086.38
Inventory GHG emissions, Scope 2 (equivalent tons of CO_2)	481	169.96
GHG emissions intensity (equivalent tons of CO_2 per employee)	0.36	0.16

Social and personnel issues		
Number of employees	7,523	7,853
Workforce distribution (men/women,% of total)	45.7/54.3	45.9/54.1
Average employee age (years)	48	47.3
Training hours	487,589.78	729,112.35
Absenteeism (hours)	620,032.85	718,933.29

Information relating to the fight against corruption and bribery		
Operations evaluated by the Criminal Risk Prevention Committee	426	635

Contributions		
Contribution to Foundations and NGOs (euros)	1,354,640	1,767,656

* Parent company data

** The data for obtaining the Scope 1 footprint measurement has been expanded (refrigerant gases are included for the first time).

Information about the Company

	UNICAJA GROUP 2023	UNICAJA GROUP 2022
Customers		
Number	3,963,243	4,161,260
NPS overall clientèle (%, measurement range between -100 and +100)	(10.07)	22.75
Average time for resolution of complaints and claims (days)	45.65	48.4
Suppliers		
Average term of payment to suppliers (days)	9.29	14.22
Total supplier turnover (millions of euros)	243.8	228.1
Suppliers with turnover below 1.5 million euros (% of total)	43.7	43.7
Tax information		
Total tax contribution (millions of euros) **	460.7	405.9

* In 2023 it has been established as a new corporate NPS measurement system.

** This year, the “ECB Tax” paid in 2023 has been included, and 2022 has been restated to include this item in the amount of 2,004,000 euros.

Unicaja

Corporate Governance

GOVERNING BODIES (GRI 2.9)

BOARD OF DIRECTORS AND SUPPORT COMMITTEES

12/31/2023

Composition of the board[1]	Position	Category	Shareholders	Date of first appointment	Gender:
Manuel Azuaga Moreno[2]	Non-executive chairman	Other external	-	12/01/2011	Male
Isidro Rubiales Gil [3]	CEO	Executive	-	09/29/2023	Male
Miguel González Moreno [4]	Vice-chairman	Proprietary director	Fundación Bancaria Unicaja	03/30/2023	Male
Rocío Fernández Funcia(5)	Coordinating director	Independent	-	07/10/2023	Female
Natalia Sánchez Romero(6)	Board secretary	Proprietary director	Fundación Bancaria Unicaja	03/30/2023	Female
María Luisa Arjonilla López	Board member	Independent	-	01/23/2020	Female
Nuria Aliño Pérez	Board member	Independent	-	07/20/2023	Female
Antonio Carrascosa Morales	Board member	Independent	-	07/10/2023	Male
Rafael Domínguez de la Maza	Board member	Proprietary director	Global Portfolio Investments, S.L.	03/31/2022	Male
Felipe Fernández Fernández	Board member	Proprietary director	Fundación Bancaria Caja de Ahorros de Asturias	March 31, 2021	Male
Inés Guzmán Arruez	Board member	Independent	-	07/20/2023	Female
Juan Antonio Izaguirre Ventosa	Board member	Proprietary director	Fundación Bancaria Unicaja	03/30/2023	Male
Carolina Martínez Caro	Board member	Independent	-	03/31/2022	Female
José Ramón Sánchez Serrano	Board member	Proprietary director	Fundación Bancaria Unicaja	03/30/2023	Male
Vicente Orti Gisbert	Non-director vice-secretary				

1. The Board of Directors is currently composed of 14 members and has one vacancy.
2. At its meeting held on September 29, 2023, the Board of Directors agreed that the Chairperson would become a non-executive role, with Manuel Azuaga Moreno's category being that of "Other external".
3. At the same September 29 meeting, the board agreed to appoint Isidro Rubiales Gil as Chief Executive Officer, replacing Manuel Menéndez Menéndez.
4. The Board of Directors, at its meeting held on April 21, 2023, agreed to appoint Miguel González Moreno as Vice Chairman, replacing Juan Fraile Cantón.
5. The Board of Directors, in its meeting held on September 29, 2023, agreed to appoint Rocío Fernández Funcia as Coordinating Board member in substitution of Carolina Martínez Caro.
6. The Board of Directors, at its meeting held on April 21, 2023, agreed to appoint Natalia Sánchez Romero as Secretary of the Board, replacing Teresa Sáez Ponte.

Information on the Board Support Committees

Following the incorporation of the proprietary directors appointed by the Fundación Bancaria Unicaja, at its meeting held on April 21, 2023, the Board of Directors agreed on the composition of the Audit and Regulatory Compliance, Risk, Appointment and Remuneration Committees, and also to suspend the activity of the Sustainability and Technology and Innovation Committees until the incorporation of the new independent directors.

On the occasion of the incorporation of Rocío Fernández Funcia, Antonio Carrascosa Morales and Inés Guzmán Arrue, the Board of Directors, at its meeting held on September 29, 2023, agreed to restructure all the Committees of the Board of Directors, with the particularity that Inés Guzmán Arrue would be a member of the Risk Committee until the incorporation of Nuria Aliño Pérez and the Sustainability Committee would be suspended until the incorporation of Nuria Aliño Pérez.

Once the aforementioned incorporation of Aliño took place, the Board agreed on a new composition of the Committees, effective as of December 31, 2023, which appears below:

The Regulatory Audit and Compliance Committee	
Chairwoman	Rocío Fernández Funcia
Board member	María Luisa Arjonilla López
Board member	Carolina Martínez Caro
Board member	José Ramón Sánchez Serrano
Secretary	Rafael Domínguez de la Maza

The Risk Committee	
Chairman	Antonio Carrascosa Morales
Board member	Nuria Aliño Pérez
Secretary	Juan Antonio Izaguirre Ventosa

Appointment committee	
Chairwoman	María Luisa Arjonilla López
Board member	Rocío Fernández Funcia
Secretary	José Ramón Sánchez Serrano

Redistribution committee	
Chairwoman	Carolina Martínez Caro
Board member	Antonio Carrascosa Morales
Secretary	Juan Antonio Izaguirre Ventosa

The Technology and Innovation Commission	
Chairwoman	Inés Guzmán Arruez
Board member	Carolina Martínez Caro
Secretary	Felipe Fernández Fernández

Sustainability Committee	
Chairwoman	Nuria Aliño Pérez
Board member	Inés Guzmán Arruez
Secretary	Natalia Sánchez Romero

The professional profile and a summary of the Curriculum Vitae of the Board members can be consulted on the corporate website.

GOVERNANCE STRUCTURE

The General Shareholders' Meeting is the highest decision-making body of Unicaja in matters within its competence. The General Shareholders' Meeting decides on matters attributed to it by law, by the bylaws or by the General Meeting Regulations and on any other matter submitted to its decision by the Board of Directors or by the shareholders in the cases provided for by law.

Unicaja's corporate website reflects corporate governance information, specifically in the section entitled Corporate Governance and Remuneration Policy. When the General Shareholders' Meeting is convened, direct access is provided to all the mandatory information, which remains accessible on the website for at least five years.

The Board of Directors is responsible for the management and representation of the Company under the terms established by law and in the bylaws. The Board of Directors has the broadest powers for the administration and management of the Company and, except in matters legally or statutorily reserved to the competence of the General Shareholders' Meeting, is the highest decision-making body of the Company.

The Board of Directors shall be composed of a minimum of eight members and a maximum of 15 members, and the General Shareholders' Meeting shall determine the specific number of its members.

As of December 31, 2023, the Board of Directors is composed of 14 members, with the following composition: (i) the non-executive Chairman who has the status of "Other External"; (ii) the Chief Executive Officer who is the only director with the category of executive director; (iii) six independent directors (complying with the provisions of recommendation 17 of the Good Governance Code of Listed Companies) and (iv) six proprietary directors, four nominated by Fundación Bancaria Unicaja, one by Fundación Bancaria Caja de Ahorros de Asturias and another by Global Portfolio Investments, S. L.

The Extraordinary General Shareholders' Meeting of November 14, 2023 adopted, *inter alia*, to maintain the number of members of the Board of Directors of the Company at fifteen, temporarily leaving the existing vacancy unfilled due to the resignation of a director, while the Company initiated a process to select a new independent director, expressly authorizing the Board of Directors to fill such vacancy by cooptation, to be submitted, if applicable, for ratification at the next General Shareholders' Meeting.

From among the independent directors, the Board of Directors appointed a Coordinating Director who is especially empowered, among other duties, to request the convening of the Board of Directors or the inclusion of new items on the agenda of an already convened Board meeting, or to chair the Board of Directors in the absence of the Chairperson and Vice-Chairperson.

The Directors are persons of recognized commercial and professional honorability, possess adequate knowledge and experience to perform their duties and are in a position to exercise good governance in the Bank, meeting, in addition to the conditions required by the law and the bylaws, those provided for in the Board Regulations and the regulations and the guidelines of the European Union institutions.

Appointment and selection of the highest governing body (GRI 2.10)

The procedures for the selection, appointment, re-election, evaluation and removal of directors are regulated, in addition to the applicable regulations, in the Company bylaws, the Regulations of the Board of Directors, the Policy for the Evaluation of the Suitability of the Board of Directors, the General Managers and similar and other key personnel for the development of the financial activity.

The internal regulations on the suitability of directors are completed with the Diversity Policy, the Policy for the Selection and Appointment of Directors, the Succession Policy, the Procedure for Evaluating the Functioning of the Board of Directors and its committees and of certain positions.

These procedures for the selection and appointment of new directors are also subject to the suitability assessment of the European Central Bank.

The Appointment Committee evaluates the skills, knowledge and experience required on the Board, supports the Board of Directors in defining the functions and aptitudes required of the candidates and evaluates the dedication required for performance.

The following procedure will be followed in the selection of candidates for directors:

– The Appointment Committee will take into account the balance of knowledge, capacity, diversity and experience of the Board of Directors and will draw up a description of the functions and skills required for a specific appointment, assessing the time dedication foreseen for the performance of its duties, all in accordance with the needs of the Bank's management bodies at any given time, and, in particular, taking into account the objective of representation for the least represented sex on the Board of Directors and the guidelines established on this matter in the Diversity Policy of Unicaja's Board of Directors, in order to guarantee the maintenance of said objective of 40% representation of female directors.

– The shareholders entitled to appoint directors may nominate the persons they deem appropriate to fill vacancies, be they executive or proprietary directors.

Any director can request that the Appointment Committee take into consideration potential candidates to fill vacancies on the Board of Directors if they consider them suitable. The Appointment Committee may resort to hiring external services ("headhunters") for the selection of potential candidates, when it deems it necessary or convenient and it will necessarily do so when it is a question of selecting an independent director.

The Board of Directors may proceed to co-opt the appointment of directors, where legal and statutory requirements are met.

The Appointment Committee may also identify and recommend candidates to fill vacant Board positions, with a view to its proposal to the Board of Directors or the General Shareholders' Meeting.

– Suitability assessment and appointment

Once the candidates have been identified, the following procedure will be followed for the appointment of board members:

– The Appointment Committee will initiate the suitability evaluation procedure, in accordance with the provisions of the Suitability Assessment Policy, and will issue the corresponding evaluation report and the corresponding appointment proposals in the case of independent directors.

– If the report is favorable, the Board of Directors, in view of the report or proposal, in the case of independent directors of the Appointment Committee, will analyze the candidates, as well as their respective dossiers.

– If the result of this analysis is favorable, the proposed appointment will be submitted to the competent supervisory authorities for approval. Exceptionally, in the event of vacancies that may have a negative impact on the day-to-day management of the Bank, the request for authorization from the supervisory authority may be made immediately after the appointment of the director, the effectiveness of which will be subject to a favorable assessment.

– Once the candidates have been favorably evaluated by the competent supervisory authority, the Board will either co-opt the appointment, in the event of a vacancy, or the proposal will be submitted to the General Meeting.

In accordance with the provisions of the Policy for the Evaluation of the Suitability of the members of the Board of Directors, General Managers and similar and other Key Personnel for the development of the financial activity, Board member candidates must meet the suitability requirements necessary for exercising their position. In particular, they should be of recognized commercial and professional repute, honesty and integrity, have adequate knowledge, experience and competence to perform their duties and be in a position to exercise good governance of the Company. The relationships and the incompatibility regime will also be taken into account.

The Board of Directors will also have members who, taken as a whole, have sufficient professional experience in the governance of credit institutions to ensure their effective capacity to make decisions independently for the benefit of the Company.

– Re-election

As set out in Article 17 of the bylaws, the directors will hold office for a term of three years and may be re-elected indefinitely for terms of the same duration, subject to a report from the Appointment Committee, which will evaluate the quality of the work and dedication to the position of the directors during the preceding term of office. Directors whose appointments were co-opted will hold office up to and including the date of the first General Shareholders' Meeting, without prejudice to the power of ratification or revocation held by the General Shareholders' Meeting. In the event of a vacancy occurring after the General Shareholders' Meeting has been convened and before it is held, the Board of Directors may appoint a director until the next General Shareholders' Meeting is held. Independent directors may not remain continuously in the Company for more than 12 years. In the event that they are reelected for their experience and contribution to the Board, they will be reelected in another category.

– Removal

Article 14 of the Regulations of the Board of Directors establishes that the directors will leave office when the term for which they were appointed has elapsed, or when so decided by the General Shareholders' Meeting in the use of the powers conferred by law and the bylaws. Likewise, the Board members shall place their position at the disposal of the Board of Directors and formalize, if the Board deems it appropriate, the corresponding resignation.

Chairperson of the highest governing body (GRI 2.11)

From among its members, the Board of Directors appoints the chairperson, who exercises the highest representation of the Company. After a report from the Appointment Committee, they are elected by the Board of Directors from among its members and in the exercise of their office they retain the powers corresponding to them by law.

In fiscal year 2023, the Bank changed from having an executive to a non-executive chairmanship, in compliance with the provision contained in the Unicaja-Liberbank Merger Joint Project in 2021, with the current Chairperson of the Board of Directors holding the category of “Other external”.

Conflicts of interest (GRI 2.15)

The mechanisms for detecting, determining and resolving possible conflicts of interest between the Bank and its Directors or executives are regulated in the bylaws, where the Board of Directors is entrusted with defining a corporate governance system that guarantees the sound and prudent management of the Company, including the appropriate distribution of functions in the organization and the prevention of conflicts of interest.

Article 15.3 of the Regulations of the Board of Directors establishes that Board members may not sit on more Boards of Directors than is possible under applicable banking regulations. In particular, Article 26 of Law 10/2014, of June 26, on the regulation, supervision and solvency of credit institutions, on the definition of incompatibilities and limitations, states that except in certain cases, they may not simultaneously hold more positions than those provided for in one of the following combinations: (i) one executive position together with two non-executive positions or (ii) four non-executive positions. Executive positions are understood to be, in all circumstances, those who perform management functions in the company, regardless of the legal relationship that attributes these functions to them. Specific provisions are also established in order to determine how the calculation of positions should be undertaken in the case of positions held within the group itself, or in commercial companies in which the company has a significant shareholding.

Incompatibilities are also provided for in Rule 34 of Bank of Spain Circular 2/2016 of February 2, 2016, as applicable to credit institutions, on supervision and solvency, which completes the adaptation of the Spanish legal system to Directive 2013/36/EU and Regulation (EU) No. 575/2013. At an international level, the European Central Bank’s Suitability Assessment Guidelines and the guidelines on the assessment of the suitability of members of the management body and key function holders (EBA/GL/2021/06) are also applicable to Credit Institutions.

The Board of Directors has developed the internal regulations for the prevention of conflicts of interest in its own Regulations of the Board of Directors, reserving for the exclusive knowledge of the Board the transactions that the Company carries out with directors, senior executives, significant shareholders or shareholders represented on the Board, or with persons related to it (related-party transactions), subject to a favorable report from the Audit and Regulatory Compliance Committee.

The Board 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 the 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 Company's corporate governance system. Specifically, the Company has a "Policy for the Identification and Management of Conflicts of Interest and Related-Party Transactions of Significant Shareholders, Directors, Senior Executives and other Related Parties" in order to establish procedures for the identification, communication, assessment and management of conflicts of interest, as well as to regulate authorization of the transactions that the Company carries out with the Company's Directors, Significant Shareholders and Senior Executives and with the persons associated therewith.

In compliance with the Capital Companies Act, the aforementioned policy establishes that the corporate bodies responsible for approving credit, guarantee or surety transactions to be granted to members of the Board of Directors and parties related to it will be the General Shareholders' Meeting or the Board of Directors, depending on the amount of the transaction, in both cases. This shall follow a report from the Audit and Regulatory Compliance Committee which, among other elements, will assess whether the transaction is fair and reasonable from the Company's point of view and will include the mentions required by Bank of Spain Circular 2/2016 for this type of transaction.

The Directors concerned may not participate in the preparation of this report by the Committee, if applicable, and must abstain from participating in the deliberation and voting on these transactions by the Board of Directors. In the event that the transaction needs to be approved by the General Shareholders' Meeting, the shareholder concerned will be deprived of the right to vote, except in cases where the proposed resolution has been approved by the Board of Directors without the majority of the independent directors voting against it.

Pursuant to the Capital Companies Act, this Policy also provides for a delegation for certain internal committees of the Bank for the granting of credit transactions to Directors and related parties, not exceeding an aggregate amount of 500,000 euros in the last year (an amount much lower than the limit of 0.5% of the Company's net turnover established by the Capital Companies Act). This shall require that such transactions are entered into under contracts whose terms and conditions are standardized, are applied en masse to a large number of customers, and are carried out at prices and rates generally established by the Bank. These transactions, although they do not require a prior report from the Audit and Regulatory Compliance Committee, must follow an internal procedure of periodic information and control by the aforementioned Committee, expressly established in the aforementioned policy approved by the Board of Directors.

Transactions that require authorization from the Bank of Spain may not be formalized until this authorization has been obtained. Those that do not require authorization should be reported to the Bank of Spain immediately after they are granted. Furthermore, the Bank will report to the competent authority, on a half-yearly basis, a list of the members of the Board of Directors and their related parties, general managers and similar parties to whom loans have been granted, with the detail established in Bank of Spain Circular 2/2016.

When the Ordinary General Shareholders' Meeting is announced, the Bank publishes the annual report of the Audit and Regulatory Compliance Committee containing the report on related-party transactions on its corporate website, ensuring compliance with Recommendation 6 of the Code of Good Governance of Listed Companies.

The Company does not have any individual or legal entity that exercises or may exercise control over it.

Communication of critical concerns (GRI 2.16)

Any possible critical concerns or worries that may be expressed by the directors within the Board of Directors, on any matter and, in particular, on the Company's corporate governance, are recorded in the minutes of the Board, which would also be the case if they were expressed within any of the Board's support committees. Likewise, although the chairmanship of the Board of Directors has become non-executive, the Board of Directors decided to maintain the position of coordinating director, who may, if necessary, echo the critical concerns or worries of the non-executive directors.

A summary of the activities carried out by the different Board Support Committees is included in section C.2.1. of the Annual Corporate Governance Report.

Collective knowledge of the highest governance body (GRI 2 -17)

The Bank has adequate internal procedures in place for the collective assessment of the Board. The Appointment Committee analyzes the overall composition of the Board of Directors to ensure that collectively they have sufficient knowledge, experience and skills at all times. For these purposes, account will be taken of the skills that the Council as a whole possesses, comparing the actual skills with those required to adequately understand the Company's activities, including the main risks thereof and ensure the Board of Directors' effective ability to make decisions independently and autonomously in the interest of the Company.

In order to carry out this evaluation of the general composition, the Appointment Committee takes as a reference the Competency Matrix, duly completed and updated as of the date of the evaluation. This matrix has been prepared taking into consideration (albeit appropriately suited to the nature, complexity and activities of the Company) the matrix set out in Annex I of the joint EBA/ESMA Guidelines on the assessment of the suitability of members of the management body and key function holders (EBA/GL/2021/06).

The competency matrix has three main objectives: (i) evaluate candidates upon joining the Board of Directors; (ii) evaluate the balance of knowledge, capacity, diversity and experience of the Board of Directors, which the Company carries out on an annual basis and (iii) identify areas of competence in which areas for improvement are observed, either through the incorporation of new profiles or for the identification of future training needs.

The Appointment Committee shall evaluate or re-evaluate the suitability of the Board of Directors as a whole for approval by the Board of Directors, in the following cases: (i) when there are relevant changes in the composition of the Board of Directors; (ii) each time a new evaluation of the individual suitability of a member of the Board of Directors is carried out and (iii) on an annual basis, as part of the continuous evaluation of the suitability carried out by the Company.

Among the measures adopted to increase the expertise in the management body in fiscal year 2023 in the area of sustainable development, and based on the results of the competency matrix, among others, in the search for candidates to fill the vacancies that have arisen, the Appointment Committee has incorporated a profile with specialized knowledge and experience in the area of sustainability, specifically.

Assessment of the performance of the highest governance body (GRI 2 -18)

In accordance with the provisions of Recommendation 36 of the Code of Good Governance of Listed Companies, Article 35 of the Board Regulations and the Procedure for Assessing the Operation of the Board of Directors of Unicaja Banco S.A. and its Committees, and of certain positions, the Board of Directors will have the support of an external consultant at least every three years.

The last fiscal year in which the Bank had the collaboration of an independent external consultant to carry out the performance assessment was fiscal year 2022, which was carried out with the support of Deloitte.

For the assessment of the 2023 fiscal year, the Appointment Committee was assisted by the internal services. The same procedure followed in fiscal year 2022 has been followed with the support of an external consultant.

The perimeter to be evaluated included, specifically, the Board of Directors as a whole and, individually, the position of executive chairperson, the chief executive officer, the secretary/deputy secretary of the board, the coordinating director and the individual contribution of each director. Furthermore, it has covered each of its support committees and individually the positions of Chairperson and Secretary of each Committee.

This evaluation was carried out by means of an open-ended questionnaire in each of its sections so that, if desired, comments could be made beyond the answers to each of the questions posed.

The following areas were evaluated:

- Quality and efficiency of the Board of Directors
- Diversity in the composition and competencies of the Board of Directors
- Functioning and composition of its committees
- Individualized analysis of each of the committees
- Performance of the chairperson, the chief executive officer, the coordinating director and the secretary of the board, as well as the chairs and secretaries of the committees.

Once the questionnaire was completed by the board members, the results were evaluated. Finally, the Appointment Committee prepared a report and a proposed action plan, which was submitted to the Board of Directors.

Following the results of the report, the Appointment Committee has prepared an action plan for fiscal year 2024, approved by the Board of Directors, aimed at: i) improving aspects related to board information, ii) optimizing the development of the meetings of the governing bodies and iii) holding extraordinary meetings to deal with specific matters that, due to their relevance, require it.

Remuneration policy (GRI 2.19, GRI 2.20)

The purpose of the Directors' Remuneration Policy is to establish, in full compliance with the scheme set forth in the bylaws and other applicable regulations, the regulatory reference framework for the remuneration that may be received by the members of the Unicaja Board of Directors, ensuring that this framework is compatible with (a) the Company's business strategy, (b) the economic and financial situation at any given time and (c) the best market practices used by comparable companies.

In this way, the policy is aimed at creating long-term value, aligning it with the interests of its shareholders and other employees, as well as with the Unicaja Group's own values.

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

Given that the Directors' Remuneration Policy, approved by the General Meeting of Unicaja in 2021, expired in 2023, it was necessary to submit a new proposal for the Remuneration Policy to the General Meeting for the years 2021, 2022 and 2023, prior to the end of the last year, which was subject to the previous policy.

As a result of the change in the Bank's governance model to a non-executive Chairpersonship, it was decided to submit the approval of the new Remuneration Policy to the Extraordinary General Meeting held on November 14, 2023, which ratified, among others, the appointment of the new Chief Executive Officer of the Bank. It was also proposed to the General Shareholders' Meeting that the new remuneration policy be applied as of the date of its approval. The new policy was approved by the General Shareholders' Meeting with a 98.68% favorable vote.

During the 2023 fiscal year, the Directors' Remuneration Policy was applied until November 14, 2023, with the new Directors' Remuneration Policy applied for the remaining period of the 2023 fiscal year.

Article 29 of the Company's bylaws establishes that the position of director will be remunerated and regulates the remuneration structure of Unicaja's directors, differentiating between the remuneration of directors for their functions as members of the Board of Directors ("directors in their capacity as such") and the remuneration for the performance of executive functions ("executive directors").

The main novelties introduced in the new remuneration policy will be discussed below under each of the corresponding headings.

Remuneration of directors in their capacity as such

Section 2 of Article 29.2 of the Company's bylaws establishes that the remuneration of the directors in their capacity as such will 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 total annual remuneration of all of the directors in their capacity as such must be approved by the General Shareholders' Meeting and will remain in force until such time as it is amended. The Board of Directors, subject to the limits and conditions established in the remuneration policy, is responsible for determining the distribution of such amount and establishing the remuneration of the different directors, taking into account for such purpose the functions and responsibilities attributed to each Director, the dedication of each of them, the membership of the different Board Support Committees, the attendance to their meetings and any other objective circumstances it may deem relevant.

With regard to the remuneration of the directors in their condition as such, the new remuneration policy has introduced certain modifications to the applicable scheme, seeking a greater approximation to the best market practices. In this regard, the following changes should be noted:

- The amount of fixed remuneration for the performance of the office of Director in their capacity as such has been increased, with a corresponding decrease in the amount of attendance fees, and

- Changes have been made to the remuneration for holding positions on the Board of Directors' Support Committees, whereby membership of such committees is now remunerated – previously, only the positions were remunerated – and different amounts have been established for membership of one or another committee, replacing the previous scheme in which the amounts were linear for all the support committees. Likewise, the amount of the per diems for attendance to the Committees has been reduced.

As a result of the adaptation of the remuneration system to the new governance model of the Company, with a non-executive chairpersonship and a single director with executive functions, the remuneration of the chairperson of the Board of Directors now consists of the remuneration derived from this position as a member of the Board of Directors, with an additional fixed remuneration for the functions and responsibilities inherent to the position of chairperson of an organic or representative nature, but in no case executive in nature.

As a consequence of the above, with the new Remuneration Policy approved on November 14, 2023 by the General Shareholders' Meeting, the annual limit of remuneration to the Board members in their condition as such is increased.

Thus, with the new Remuneration Policy, the chairperson of the board, due to their non-executive nature, does not receive variable remuneration –annual or multi-annual – or contributions to social welfare or savings systems, nor are they entitled to any compensation for termination or termination of their relationship.

Remuneration of executive directors

In addition to the remuneration that may correspond to them as members of the Board of Directors, the executive directors will be entitled to a remuneration corresponding to their executive functions, the components of which are as follows:

- Fixed remuneration, appropriate to the services and responsibilities assumed, and which constitutes a relevant part of the total remuneration package. The fixed compensation of executive directors mainly reflects the level of responsibility assumed and professional career. In determining the fixed remuneration, market information relating to comparable entities is taken into consideration.

- In addition, other social benefits or remuneration in kind that are typical in the sector and appropriate for the responsibility and position assumed are part of the fixed remuneration.

- Variable remuneration, correlated to the performance indicators of the director and the Company, and which may have an annual and/or multi-year horizon.

- Welfare component, including the appropriate welfare and insurance systems.

  A welfare component of the remuneration system applicable to executive directors implies that they may have a social welfare system, complementary to the ordinary system applicable to Unicaja's employees, or, depending on the organic or commercial nature of the relationship, a long-term insurance or savings system with a similar effect to that of the complementary social welfare systems.

  Whichever instrument is chosen, the commitment recognized for executive directors – if this option is indeed chosen – will be a defined contribution and will cover the contingencies of retirement, disability and death.

- Indemnities in the event of separation or any other form of termination of the legal relationship with the Company due to circumstances not attributable to the Director. The Company may recognize indemnities in favor of its executive Directors for the termination of their contractual relationship, including compensation for post-contractual non-competition.

The Board of Directors is responsible for determining the target variables or metrics for the calculation of the variable portion, assistance provisions and compensation or their calculation criteria, within the framework established in the remuneration policy in force from time to time.

A new feature, as regards the remuneration applicable to executive directors, with the new remuneration policy, is that certain adjustments have been made to the remuneration scheme applicable to the chief executive officer who, following the review of the governance model. This now assumes all executive functions, without prejudice to the continuity of the scheme applicable to the chief executive officer, as set forth in the policy. In this regard, the following changes should be noted:

- The amount set as a reference for variable compensation is increased, bringing it closer to market practice in terms of fixed vs. variable compensation mix. Specifically, the variable remuneration may reach up to one hundred percent of the fixed remuneration, in accordance with the provisions of Article 34.1.g of Law 10/2014.

- The objectives to which the long-term variable remuneration is linked are modified, so that they are no longer only connected to the fulfillment, during the defined cycle, of the objectives of the annual variable remuneration, but also establish the possibility of setting specific objectives for this component of the remuneration.

– Variable remuneration is linked to the achievement of sustainability objectives, providing for the inclusion of specific metrics aimed at effectively contributing to the achievement of the challenges and commitments assumed by the Unicaja Group in the ESG area.

In addition, total variable remuneration will be reduced or recovered when Unicaja obtains negative or lackluster financial results, taking into account both current remuneration and reductions in payments of previously accrued amounts, if any, through malus clauses (remuneration reduction) or clawback clauses (recovery of previously paid remuneration).

With respect to compensation, the new remuneration policy provides that in the event that the chief executive officer maintains a previous employment relationship with the Company, the suspension thereof will be agreed and no compensation will be recognized for the termination of the executive services contract entered into with the Company, without prejudice to the rights that may correspond to them in the event that the termination of the employment relationship is also agreed.

In addition, the new remuneration policy provides for the possibility that the Board of Directors may establish “Other remuneration components” in full compliance with the applicable regulations, and, when this may be necessary for the recruitment of new professionals, the Board of Directors, with the proposal of the remuneration committee, may agree to the use of the concepts of “retention bonuses”, “payments for abandonment of previous contracts” and “guaranteed variable remuneration”.

The remuneration committee ensures compliance with the Bank’s remuneration policy in force at any given time.

The Board of Directors annually prepares and approves an annual report director remuneration. The report is provided to the shareholders on the occasion of the call to the General Shareholders’ Meeting and is submitted to a consultative vote of the shareholders as a separate item on the agenda. This report is also available on Unicaja’s corporate website in the section “Corporate Governance and Remuneration Policy/ Information on remuneration”.

Unicaja 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 set of regulations is reflected, in particular, in the remuneration policy associated with risk management, which applies not only to directors, but also to senior executives, risk-taking employees, those exercising control functions and all employees receiving overall remuneration that includes them in the same remuneration scale as senior executives and risk-taking employees whose professional activities have a significant impact on Unicaja’s risk profile at group, parent company and subsidiary levels (the “Identified Group”).

Processes for determining remuneration (GRI 2.19, GRI 20)

The procedure for approving the remuneration policy includes the necessary measures to avoid or manage conflicts of interest. For this purpose, the proposal submitted to the Board of Directors was prepared by the remuneration committee, composed entirely of non-executive board members, the majority of its members being independent board members, and was adopted without modifications by the board of directors. Consequently, there is no conflict of interest situation of the executive board members with respect to the preparation of the policy proposal regarding their remuneration.

Moreover, it is the remuneration committee which, with the collaboration of internal services and, where appropriate, with the support of external advisors, prepares the decisions on the objectives, criteria and metrics to be met for the accrual of variable remuneration, and is responsible for verifying whether the circumstances for applying the reduction and recovery clauses are met. Within the Board of Directors, the director concerned, in accordance with the provisions of the Regulations of the Board of Directors on the duties of directors to avoid conflicts of interest, is obliged to abstain from attending and participating in deliberations and voting on resolutions or decisions that are related to their remuneration. In addition, it should be noted that it is the applicable legislation itself, by assigning the powers of proposal and approval of the directors' remuneration policy to the Board of Directors and the General Shareholders' Meeting respectively, that avoids possible conflicts of interest of the directors as a whole in the phase of approval of the policy.

The process of approving Unicaja's directors' remuneration policy for the 2021-2023 period began with a proposal submitted to the Board of Directors by the remuneration committee. For the preparation of this policy, the remuneration committee was assisted by the Company's internal services, which, in turn, received external advice and support from Uría Menéndez Abogados.

Likewise, the remuneration committee took into account the considerations of the audit and regulatory compliance committee and the risk committee in relation to the application of the remuneration policy within the scope of their respective competencies.

Lastly, on February 25, 2021, with the favorable report of the remuneration committee, the Board of Directors agreed to submit the directors' remuneration policy for the period 2021-2023 for approval by the General Shareholders' Meeting, which took place on March 31, 2021.

As mentioned above, as the directors' remuneration policy, approved by the General Shareholders' Meeting of Unicaja in 2021 for the years 2021, 2022 and 2023 expires in 2023, a new remuneration policy must be submitted to the General Shareholders' Meeting before the expiration of its term. The General Shareholders' Meeting may determine that the new policy will be applicable from the date of approval and during the following three years.

The process of approving the new remuneration policy for Unicaja's directors also began with a proposal from the remuneration committee, which was submitted to the Board of Directors. The committee was advised by the Company's internal services, as well as externally by Sagardoy Abogados. In addition, it used publicly available market information relating to the remuneration of the Boards of Directors of other Spanish financial institutions and companies belonging to the Ibex 35 Index, as well as the Annual Director Remuneration Report prepared by Spencer Stuart, the latest version of which was published in October 2022.

On October 6, 2023, with the favorable report of the remuneration committee, the Board of Directors agreed to submit this policy for approval by the Extraordinary General Shareholders' Meeting, which was held on November 14, with 98.68% of the votes cast in favor. Likewise, the approved policy contemplated its application from the moment of its approval and during the following three fiscal years, i.e. 2024, 2025 and 2026, thus adapting the remuneration scheme to the Company's new governance model from the moment of its approval.

Diversity (GRI 2.23, GRI 405-1)

Article 16.5 of Unicaja Banco's bylaws establishes the duty that the Board of Directors must ensure that the procedures for the selection of its members ensure diversity with respect to matters such as age, gender, disability, professional training and experience. It should also ensure that they do not suffer from implicit biases that could imply any discrimination and, in particular, that they facilitate the selection of female directors in a number that allows for a balanced presence of men and women.

The diversity policy, approved by the Board of Directors recasts and develops in a single text the diversity-related provisions of the bylaws, the board regulations and other policies in force at the Bank. This policy establishes a procedure to ensure that the selection procedure for board members promotes a diverse and balanced composition of the Board of Directors and its Committees, taking into account issues such as professional training and experience, age, gender, disability, independence and the measures to be adopted for its implementation, if applicable.

The Board Regulations give the appointment committee, among others, the function of evaluating the skills, diversity, balance of knowledge and experience required on the Board of Directors. For these purposes, it will determine the functions and aptitudes required of the candidates to fill each vacancy and evaluate the dedication necessary for the proper performance of their duties.

By defining quantitative and/or qualitative objectives in relation to the aspects of diversity considered for the purposes of this policy and their integration in the selection procedure for board members, Unicaja pursues an adequate level of diversity among the members of the Board of Directors in order to, among other issues:

- Include on the Board of Directors a number of persons of the underrepresented sex to achieve a balanced presence of women and men.
- Achieve a more diverse and balanced group with different points of view, experience and criteria, which favors the generation of independent opinions and maximum autonomy within the Board of Directors, reducing the risk of groupthink and enriching the analysis and debates of the board.

In the renewal processes of the Board of Directors, which occurred on the occasion of the departure of several directors during the 2023 fiscal year, the appointment committee took into consideration the necessary diversity in the composition of the board, especially in terms of gender, achieving the 40% of the least represented gender on the Board of Directors, which it had already achieved by the end of 2022.

The appointment committee reports on the implementation of the diversity policy in its annual activity report and reports on it in the Annual Corporate Governance Report.

As part of the annual review of the composition of the Board of Directors, compliance with the diversity objectives established from time to time is verified. In the event that these objectives are not met, particularly in relation to the underrepresented gender, the Company documents the reasons why they have not been met, and defines the measures to be adopted, with their respective deadlines, in order to ensure their achievement.

Following the Extraordinary General Meeting of 2023, at which several directors were ratified and appointed, the composition of the Board in terms of gender diversity is eight men, representing 57.14%, and six women, representing 42.85%. Unicaja makes clear its commitment to maintaining the representation of the underrepresented gender.

As of December 31, 2023, diversity by age group is as follows:

Unicaja	Under 30	%	Between 30 and 50	%	Over 50	%
Women	0	0	1	7.14	5	35.71
Men	0	0	1	7.14	7	50

MANAGEMENT TEAM

EXECUTIVE DIRECTORS, GENERAL MANAGERS AND SIMILAR [1]

EXECUTIVE DIRECTOR

1. CEO	Isidro Rubiales Gil

OTHER MEMBERS OF THE STEERING COMMITTEE

2. G. M. of Corporate Business[2]	Jesús Ruano Mochales
3. G.M. Finance (CFO)	Pablo González Martín
4. G.M. of Transformation	Severino J. Méndez Suárez
5. G.M. of the General Secretariat of Governing Bodies	Vicente Orti Gisbert
6. G.M. Of Credit Risk and ESG	Francisco J. Pérez Gavilán
7. G.M. People and Media	José María de la Vega Carnicero
8. G.M. Planning and Data	Agustín Lomba Sorrondegui
9. G.M. Of Risk Control and Relationship with Supervisors (CRO)	Cédric Blanchetière
10. Internal Audit	Jesús Navarro Martín
11. G.M. Non Core and Real Estate	Rosario Aracena Jimenez
12. G.M. of Retail Business	Vacancy
13. Manager of the CEO's Office and Strategy Department[3]	Manuel Guerrero Werner

[1] Group subject to suitability assessment.

[2] G.M.: General Manager.

[3]: Manager.

Financial activity 2023

ECONOMIC, FINANCIAL AND REGULATORY CONTEXT

The current context is marked by the continuity of restrictive monetary policy measures by the main central banks and high uncertainty in the face of the various sources of geopolitical instability, among which the conflicts in the Middle East and the conflict between Russia and Ukraine stand out. Geopolitical instability triggers greater economic uncertainty, which may end up negatively affecting consumption and investment decisions, and could also lead to instability in the financial markets and have a significant impact on the oil and gas energy markets.

In the Eurozone, the European Central Bank (ECB) estimates that GDP will increase at a rate of 0.8% in 2024 and that it will not be until 2025 that the growth rate of production will reach levels of 1.5% – in line with potential growth – supported, among other factors, by an increase in household disposable income in real terms, with a positive impact on private consumption, as well as by the recovery of activity in export markets.

Inflation has gradually declined, although in most economies it has remained above the target level set by the monetary authorities. This process is expected to continue in the coming months, provided that there are no episodes of tension in the international energy markets and that monetary policy measures unfold their full effects on the real economy.

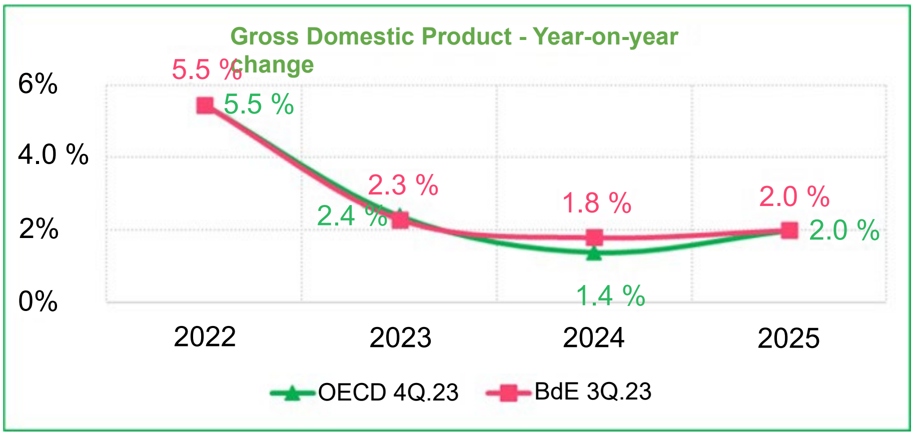
Based on macroeconomic developments and the outlook for the future, the ECB considers that policy rates, following an unprecedented monetary tightening, are at sufficiently restrictive levels for inflation to converge to its medium-term target levels.

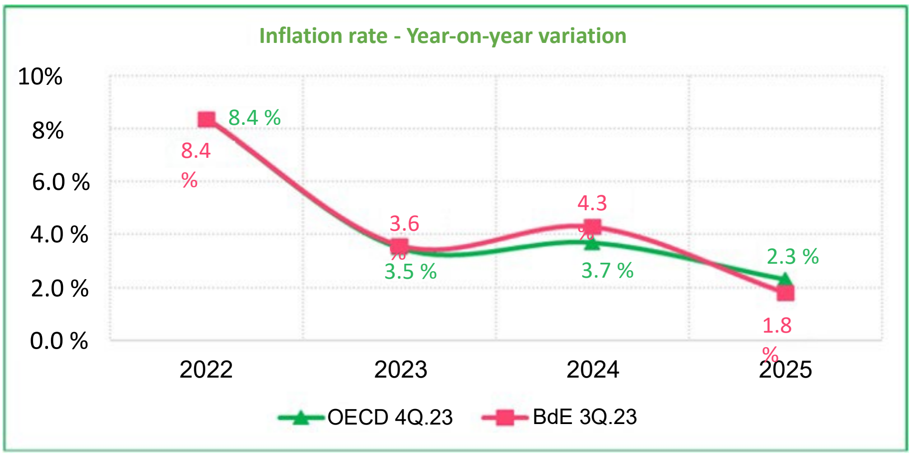
Despite the context of high interest rates and slower economic growth, which could lead to a higher risk of credit restructuring and payment difficulties for some customers, the volume of non-performing loans has remained the same unlike in the previous crisis.

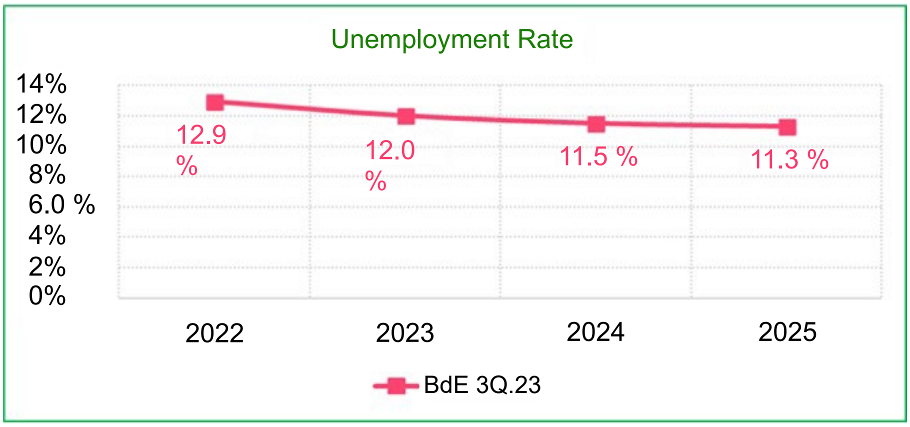
In the case of the Spanish economy, the latest updates of the macro scenario, such as those of the Bank of Spain, point to a slowdown in growth, not a recession, and a sustained improvement in unemployment rates. However, the level of uncertainty surrounding this central scenario is very high and subject to significant risks of different signs.

Under the central forecast scenarios, banks would maintain a favorable financial performance and, in particular, continue to be able to generate capital organically. The stress tests conducted by the European Banking Authority and the ECB show a high resilience of the Spanish and European banking sectors even in the face of very severe scenarios.

National macroeconomic forecasts



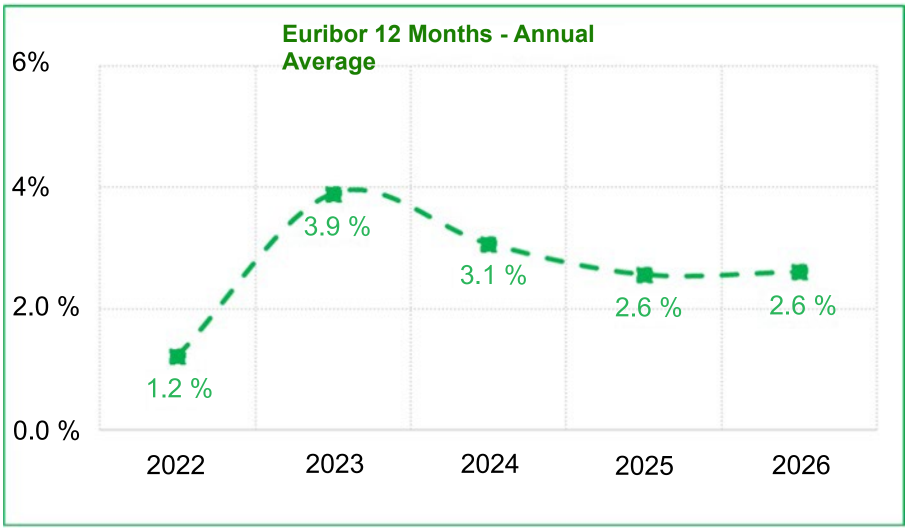




Sources:

Bank of Spain = Macroeconomic forecasts prepared by Bank of Spain published on September 19, 2023.

OECD = Macroeconomic forecasts - preliminary version - prepared by the OECD published on November 29, 2023.



Source: Bank of Spain (December 2023).

The environment also presents important challenges at both the social and sectoral levels:

– Accelerated cultural and behavioral changes, both by customers who adapt quickly to digital channels and by employees who are able to sustain high levels of productivity in part-time teleworking schemes.

– The increased concentration of the sector, which creates short-term opportunities to capture market share, albeit with a more demanding medium-term competitive situation.

– Acceleration in the process of reducing network cost structures by competitors.

– Increased sensitivity to sustainability and climate change by investors, customers and regulators, with the consequent pressure on financial institutions acting as catalysts for sustainable transition, as stated earlier.

MANAGEMENT MODEL

Strategic plan

The merger of Unicaja Banco and Liberbank took place in 2021. The merger made the following possible:

– The creation of a bank with a larger scale that allows it to bet on new business models, digitalization and talent attraction.

– Leadership in a relevant part of the region, and a remarkable commercial attractiveness.

– Becoming one of the most solvent banks in Spain, with a high liquidity position.

– Having a robust corporate governance model and a solid shareholder base.

With its Strategic Plan, Unicaja aims to become a more profitable, sustainable and digital bank, with a low risk profile and increasing shareholder remuneration. In this sense, the Bank pursues the following:

1. Accelerate commercial activity through greater specialization.

a) Consolidating the relationship with retail customers, improving digital capabilities and transactionality through the improvement of our relationship channels, and enhancing the Bank's competitive position in its payment services.

b) Residential mortgages are a vector for attracting customers.

c) Focusing on products with high value generation through the development of an advanced insurance banking model, with a focus on growth in non-linked products and the promotion of consumer credit through an advanced commercial system.

d) Advanced management of the savings of the Bank's customers through a more complete range of products and services, including a firm commitment to the distribution of sustainable ("green") savings assets/products, and a more specialized and personalized model based on the use of data and its analytics, and on differentiated value propositions for personal and private banking customers

2. **Improve its efficiency through operational excellence.**

    a) Redesigning its customer relationship model and enhancing digital capabilities at scale driven by an omnichannel model, enabling it to manage customer needs (“360 customer” approach), supported by advanced analytics.

    b) By opting for a more specialized and efficient office model that enhances remote management.

3. **Advanced risk management following a conservative and prudent approach.**

    a) Focusing management on low-risk portfolios, mortgages and consumer portfolios with existing customers and on pre-approved models.

    b) Accelerating asset transfers and maintaining a low cost of risk thanks to positive NPL coverage and a low portfolio risk profile (based on an above-average weight in the mortgage and public sector portfolios versus the corporate and consumer portfolios).

4. **Drive digital transformation.**

    a) Redesigning and optimizing processes with a customer-focused vision and centralizing processes to improve efficiency and obtain a transversal vision of them.

    b) Digitizing processes, improving digital transactionality and digital sales capabilities to reposition the Bank in the market.

    c) Reviewing the operating and organizational model derived from the process transformation.

5. **Commitment to sustainability.**

    a) Promoting sustainability proposals in all lines of business (financing and investment).

    b) Developing an advisory offer linked to Next Generation EU funds.

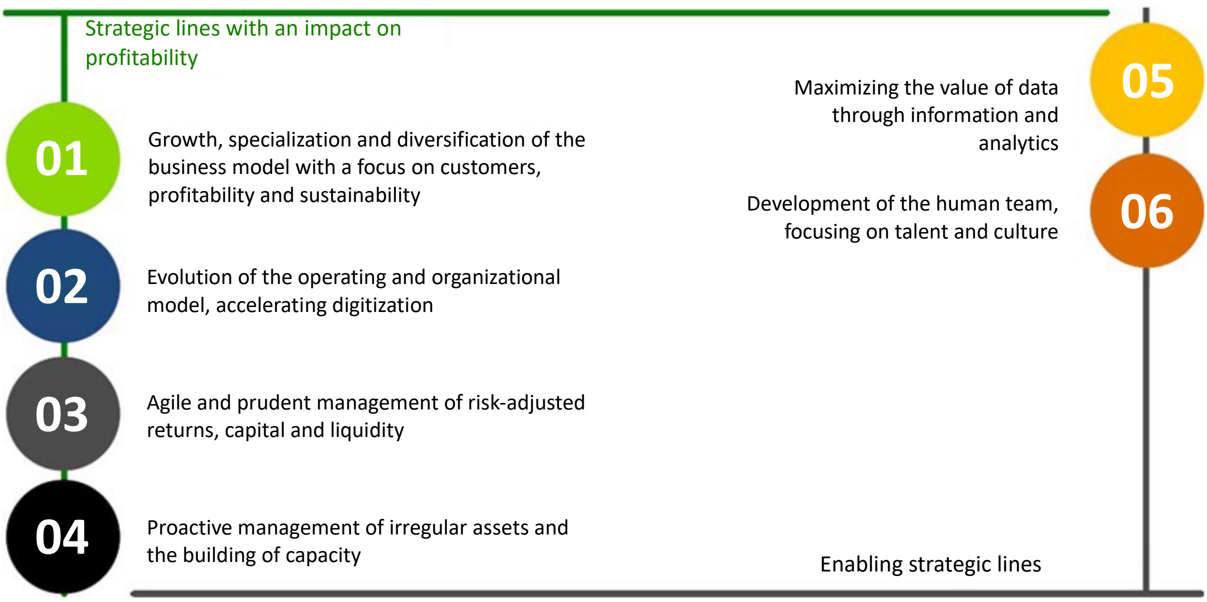
    The Bank has identified metrics for achieving sustainable objectives in line with its strategy, committed to an offer of products and services with a focus on increasing the transparency of financial activities and reducing its own carbon footprint as well as that of its credit and investment portfolios.

    c) Developing and executing the Sustainable Finance Action Plan, aligned with supervisory expectations on climate and environmental risk management.

Unicaja Group: a vision projected on four levels

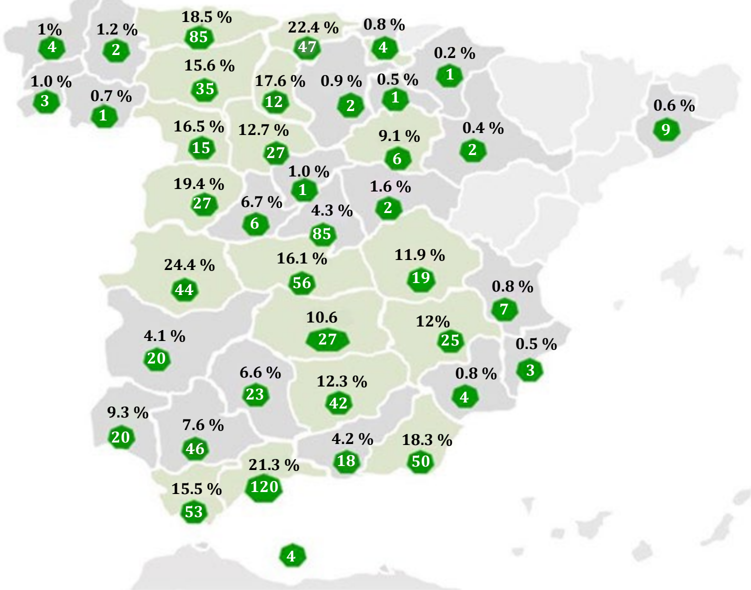
The Unicaja Group's current business model thus maintains a predominantly retail banking orientation as its main characteristic, aimed at individuals and SMEs, in which proximity to customers and the establishment of long-lasting relationships with them are key elements to optimizing the risk profile.

Unicaja: Six strategic lines focused on profitability



The capillarity of the Group’s commercial network makes it possible to develop this business model in which proximity to the customer is a fundamental aspect, both through the network of offices and the digital media available. Unicaja currently has an extensive branch network and a multi-channel activity that allows it to offer certain retail products that generate strong linkage, focusing its commercial strategy on attracting retail funds, based on the linkage of households and small- and medium-sized non-financial companies. In this area, the positioning in on-balance-sheet funds is noteworthy, in which the Bank has historically had one of the best market shares.

Offices in Spain and quota as of September 30, 2023



The Group is distinguished by its high degree of knowledge of the territories that constitute its scope of action, its bond and empathy with the local people and the business fabric of these territories, with a real interest in attending to the financial and social needs of their inhabitants and economic agents and the physical proximity provided by its branch network and agents.

Sustainable Finance (GRI 2.12)

Sustainability Policy The Sustainable Finance Action Plan

The consideration of sustainable growth has governed the development of the Group's business activity and its relationship with stakeholders for many years, as can be seen in the CSR Policy which makes this intention explicit, and, above all, through the Sustainability Policy, which is more oriented towards sustainable finance, based on the Group's values and stakeholder relations and expectations.

The values included in the CSR Policy explicitly include a commitment to sustainable finance and the development and distribution of sustainable financial products and services.

The Sustainability Policy was reviewed by the Board of Directors at its meeting of July 28, 2023. The purpose of this policy is to define the roles, responsibilities, general principles and specific management aspects on the basis of which sustainability issues, i.e. environmental, social and governance (ESG) factors, will be integrated into the Group's management policies or frameworks in all corporate areas, both business and risk, as well as in relation to its internal organization and other areas outside the organization.

This policy specifies the Group's positioning with respect to sustainable finance, particularly from the perspective of strategy and general objectives, corporate and business management and the design and marketing of financial products and services in accordance with ESG criteria. These meet the needs of customers and investors, allowing them to respond harmoniously to the commitment expressly undertaken by the Group to achieve the Paris Agreement, the Global Compact Principles, the 2030 Agenda and the SDGs and other initiatives to which the Bank has freely and voluntarily adhered, in response to its own strategic positioning, such as the Collective Commitment to Climate Action, signed at the COP25 in Madrid.

The policy contains a series of specific management aspects or principles, among which the following stand out:

- Consideration of the impacts of these risks in the formulation of the Group's business strategy, having policies for the approval and development of new products that take into account climate and environmental risks, as well as procedures and methodologies for the classification of sustainable activities and products.

- Incorporation of objectives related to climate and environmental risks in the Bank's global objectives.

- Promotion of alliances with both the private and public sectors to achieve the Bank's sustainable business objectives.

- Definition and assignment of functions in the Bank's organizational structure for the management and control of all aspects related to climate and environmental factors, with the human, technical and material resources necessary to meet the strategic objectives in terms of sustainability, including adequate staff training.

- Integration of environmental risks, including those derived from climate change, into the analysis and decision-making processes in credit and investment risk management, as well as in the financing of investment projects and asset management.

For more information, please consult the Sustainability Policy on the Bank's corporate website.

Unicaja has continued implementing the measures set forth in the Sustainable Finance Action Plan, approved in 2020, and revised in 2021, with which it promotes the integration of ESG criteria into its business model. This was a strategic decision for the Bank, approved by the Board of Directors. In 2023, the implementation of the measures included in the Plan was completed. A new sustainability strategy is expected to be approved in 2024, providing continuity to the Action Plan and reinforcing same at certain levels.

The purpose of this Action Plan is to organize the transition towards an entity model that integrates aspects related to sustainability, specifically in four areas: business models and strategies; governance; risk management (especially climate and environmental risks); and transparency in this area.

The Plan also includes the integration of risks associated with climate change and the environment into the financial institution's own management model, in addition to defining objectives and establishing metrics and indicators to facilitate strategic decision-making by the institution.

The following table shows a summary of the main aspects considered in the Sustainable Finance Action Plan, and their status at year-end 2023:

Scope of action	Description	Supervisory expectation*	Milestones by initiative
Business environment analysis and business strategy	Definition of global business objectives that integrate climate risks and definition of internal criteria for the classification (taxonomy) and marketing of ESG products	1, 2, 4	6
Government	Review of functions, structure and composition of governing bodies in relation to ESG risk management	3	3
Organizational structure	Analysis of the organizational structure (centers and committees) for climate risk management. Control and three lines of defense model	5	4
Data infrastructure and scorecards	Information requirements, data collection and construction of an "ESG Risk Scorecard" and development of ESG metrics	6	2
Management of credit risk	Review of policies and processes in the intake and risk monitoring phases for the integration of ESG factors. Exposure to physical and transitional risks	8	3
Liquidity, market and operational risk management	Review of policies, procedures and processes for market, liquidity and operational risks, including critical assets and Business Continuity Plan	9, 10, 12	4
Risk management integration	Materiality analysis, scenario analysis (baseline and adverse) and stress testing, risk appetite framework (RAF), integration into capital and liquidity assessment processes, and recovery plan	4, 7, 11	5
Disclosure of information	Review of information disclosure processes, in particular the Non-Financial Information Statement (EINF), including calculation of the carbon footprint (Scopes 1, 2 and 3, which includes the financed portfolio) and alignment with the European Union Environmental Taxonomy	13	1

*Section of the European Central Bank's Guide on climate and environment-related risks.

Among other measures, Unicaja seeks to promote the transition of its products to sustainability classification, in addition to contributing to the development and marketing of new financial products and services, both retail and wholesale, that promote sustainable consumption and investment.

The 2022-2024 Strategic Plan focuses on the commitment to sustainability in all lines of business. The new challenge of sustainability is assumed by the Group as an opportunity for development and improvement in its daily management, for which it works on a new range of products and services and on the reduction of its carbon footprint, while promoting a culture of sustainability, identification and climate risk management. The aim is to ensure that 75% of the funds meet ESG standards, developing a range of products in this line that include green mortgages, eco-sustainable agro-financing, energy rehabilitation loans, mobility master plans and eco green motor loans, sustainable investment, pension funds and electric car insurance.

The Group also took decisive steps in 2023 in this area of sustainable financial products and services, building on the offer of new sustainable financial products initiated in 2020, which will serve to achieve the aforementioned Strategic Plan pillar. The "ESG Products" section details the main products included in this new offering, which are gradually becoming more comprehensive in order to respond adequately to the expectations and preferences of our customers; this section also describes the internal classification system developed in 2022, which takes into account the European Union's Environmental Taxonomy.

Sustainability management structure

As regards the Group's internal governance for the management of sustainability-related issues, in general, the Bank created in 2021 a dual cross-cutting structure for the promotion of sustainability-related issues, with the ESG Business Department and the Sustainability and CSR Department. The Sustainability and CSR Committee, created in 2020, brought together, in addition to these, other Departments of the Bank with responsibilities in the management of ESG factors.

In the fourth quarter of 2023, an organizational change took place which, in relation to sustainability, has served to make a series of reinforcement adjustments in ESG management, affecting both Unicaja's committees and the various departments, based on two premises:

– firstly, the need to have a coordination and promotion area (the CEO's Office and Strategy Department/ESG Strategy Department) and

– secondly, the proposal to explicitly assign ESG functions to a significant part of the Bank's departments, with the purpose of gradually integrating same into the ordinary activity of each department, paying special attention, in view of the Bank's business model, to the credit risk admission and monitoring processes (Credit Risk and ESG Department/ESG Department).

In the new phase, the Bank has opted for direct management of sustainability-related aspects by the Steering Committee, which thus assumes the functions previously assigned to the Sustainability and CSR Committee. The Steering Committee is responsible for the general coordination of the Bank and the sharing and definition of the main lines of action, in accordance with the policies emanating from the governing bodies. In the ESG area, specifically, the Steering Committee:

– Proposes the corporate strategies and policies related to sustainability to the governing bodies, as well as the information to be disclosed to the market in this area.

– Oversees and supervises the degree of compliance with basic principles contemplated in corporate sustainability policies.

As mentioned above, there are two main Bank centers dedicated to sustainability management. These are the ESG Strategy Department and the ESG Department, which are part of the CEO's Office and Strategy Department and the Credit Risk and ESG Department respectively.

The ESG Strategy Department is responsible for promoting and coordinating the implementation of an ethical, environmental and socially responsible management model integrated into the Bank's strategy and processes, in accordance with applicable regulations, the guidelines of regulators and supervisors and market trends.

ESG Management:

- Designs the necessary actions to respond to stakeholders' expectations on sustainability, identifying and promoting the materialization of new business opportunities arising both from accompanying customers in the necessary investments for the transition to a more sustainable model, and from the development of ecosystems and a catalog of sustainable products.
- Ensures the integration of ESG risks in business management by identifying, measuring, managing and monitoring them.
- Defines, proposes and implements the policies, strategies and metrics in the area of credit risk, as well as the delegated attributions and powers.

ESG products

Directly and with the participation of other Group companies in both design and marketing, Unicaja has been developing numerous initiatives for the development and implementation of sustainable financial products in recent years. In implementing its business strategy, it has launched financial products that meet at least some of the environmental objectives of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on establishing a framework to facilitate sustainable investments, which establishes the following as environmental objectives: climate change mitigation and adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and recovery of biodiversity and ecosystems (which have been subject to regulatory development in 2023 for their effective management by companies).

For a better understanding and analysis of the current ESG products marketed by the Group, directly or indirectly, ESG financial products in the areas of financing and savings can be distinguished, as can other products that arise from agreements that Unicaja enters into with different suppliers, although, beforehand, the new internal classification system is set out.

Internal sustainable business classification system

In 2022, the Bank developed an internal sustainable business classification system, called the Internal Sustainable Business Taxonomy.

This system is used exclusively for the purpose of identifying and classifying the Bank's sustainable business, and complements and respects the basic principles of the European Union's Environmental Taxonomy, in the application of which the Bank is also making substantial progress, as can be seen in this same Statement of Non-Financial Information, as well as in that of 2022.

The internal system makes it possible to identify at source, classify, record, operate and, therefore, manage the sustainable business of the Bank's customers, which facilitates their measurement and the setting of business objectives.

Unicaja's classification model is based on a hierarchy of classification:

– Finalist products.

– Purpose of the operations.

– Customer activity.

In terms of products, classification is based on their original purpose (environmental, social or governance), with those products being included in the catalog of sustainable products if such purpose is aimed at achieving or promoting environmental or social characteristics, specifically, in the current phase of development of sustainability in the Group.

In the product catalog, financing products and savings and investment products are duly differentiated according to their position in the Bank's balance sheet.

With respect to the purposes of the transactions, the Bank uses the analytical purpose field of its information systems to identify the use of funds in asset transactions. Six strategic sustainable activity blocks are identified: green buildings, renewable energy, energy efficiency, clean transportation, natural resources and transition economy.

Finally, with regard to customer activity, the internal classification model is based on the identification of customers obliged to disclose information based on the European Union Environmental Taxonomy (larger customers) or on estimates or proxies for those not obliged to disclose information.

It is foreseeable that customers required to report sustainability indicators will increase in successive years, especially in application of the Corporate Sustainability Reporting Directive (Directive 2022/2464) as of fiscal year 2024. The model described above will therefore reflect this increased information as it is made public by the counterparties.

ESG product financing

Discount-rate Oxygen Mortgages. This is a mortgage product marketed through the commercial network. The product offers financing for homes with high energy efficiency (type A and B energy rating), offering a bonus in the financial conditions for these circumstances, with a minimum term of 10 years and a maximum of 30 years.

Individual Ecomobility Loan Fixed-rate personal guarantee loan with a maximum term of 8 years, for the purchase of "eco" vehicles: battery electric cars, extended range electric cars, plug-in hybrid electric cars with a range of 40 km, fuel cell vehicles, plug-in electric cars with a range of less than 40 km, non-plug-in hybrids and vehicles powered by natural gas or liquefied petroleum gas.

Regional mortgage agreement for young people. Social loans to support young people's access to housing, through the signing of agreements with the Autonomous Communities of Madrid, Castilla y León and Junta de Andalucía. The respective Autonomous Community guarantees the amount of financing that exceeds 80% of the reference value (the lower of either the appraised value and the purchase price).

Loans associated with the promotion and development of clean energy.

Energy rehabilitation loans for homeowners' associations and energy efficiency improvement: This is a loan to finance building renovation or rehabilitation works for homeowners' associations, with a maximum term of 10 years, with the possibility of a grace period of up to 6 months and the possibility of financing up to 100% of the cost of the work.

Its objective is to finance renovation or rehabilitation works of residential buildings that contribute to the improvement of energy efficiency or to the implementation of renewable energy sources of common use and that reduce the consumption of non-renewable primary energy (ENPR) of the building. The investment seeks to reduce the ecological footprint and energy consumption, improve the insulation of the building, install solar panels or undertake improvements in the thermal and lighting installations.

Home efficiency loan. Fixed-rate personal guarantee loan with a maximum term of 8 years, for financing home improvements aimed at improving energy efficiency. It includes the installation of photovoltaic panels for self-consumption, purchase of household appliances, insulation of facades, etc.

EDP photovoltaic installation loan. This is a personal loan for the installation of photovoltaic self-consumption with a term of up to ten years. In all cases, a 3-month grace period for principal and interest is included in the total term of the operation. Its objective is to encourage and promote the installation of photovoltaic systems for self-consumption by individuals, SMEs and the self-employed, both for private and business use.

ICO Residential Building Rehabilitation Line. The Bank has adhered in 2022 to the ICO Residential Building Rehabilitation line for the Financing of Residential Building Rehabilitation Works that meet the requirements established in the Agreement and in the Agreement of the Council of Ministers of July 11, 2022, and to which aid has been granted by the Autonomous Community – or the cities of Ceuta and Melilla – in which the building is located. Financing will be provided for refurbishment works carried out by individuals or homeowners' associations that contribute to improving energy efficiency.

Loans associated with the promotion of sustainability in agriculture.

Ecosustainability agricultural loan: This is a loan to finance sustainable investment projects in the agricultural and livestock sector. It is aimed at financing sustainable investment projects with a focus on energy efficiency in the agro-livestock sector, such as water efficiency projects, renewable energies, waste management, ecological agriculture and development of the rural environment.

Forestry aid loan. This is a loan to finance projects to expand and improve the quality of forest resources, such as the incorporation of tree species in areas with low vegetation. The maximum term is 24 months, canceled in advance upon receipt of payment of the subsidy granted.

Loan for the installation of drip irrigation systems. This is a loan to finance projects for the improvement of plantation irrigation. More efficient irrigation applied to plant roots reduces water consumption and improves efficiency. The loan finances up to 70% of the value of the investment to be made and is for up to six years.

“Ing” products.

Renting lease plan. This is a comprehensive electric vehicle rental service for a fixed monthly fee. The monthly rent ranges from 48 to 60 months.

It is aimed at customers who want to eliminate the hassle and worry of vehicle maintenance and the risks associated with ownership and who are committed to reducing their carbon footprint.

ESG savings/investment products

Investment funds: Collective Investment Institutions (CIIs) that invest the resources raised from the fund’s shares in investments that promote environmental or social characteristics.

Mixed sustainable Unifond fund. Direct and indirect investment (0%-100% through CIIs), 30%-75% of total exposure in equities, with no sector/capitalization predetermination. In addition to financial guidelines, Socially Responsible Investment (SRI) valuation criteria are applied. The majority of the portfolio complies with the ethical ideology. There is an ethics committee whose composition and functions are described in the prospectus.

Liberbank solidarity fund: Financial and SRI or ESG criteria are directly and indirectly applied through CIIs. It invests 70-100% of its assets in CIIs, most of which follow extra-financial or socially responsible investment criteria and are managed by prestigious ESG companies.

Liberbank multi manager investment fund. The fund’s management objective is to achieve long-term capital appreciation by investing in suitable asset classes on a global basis, using non-traditional or alternative strategies and techniques, using derivatives where appropriate. At least 51% of long positions are invested in companies with positive environmental and/or social characteristics with best governance practices.

Liberbank global macro investment fund. It invests mainly in sustainable securities, directly or through derivative financial instruments, without determining the percentage.

Liberbank mega trends fund. Global Fund. Its management objective is capital growth by investing in sustainable equities linked to the major global trends that will affect the world’s future. ESG financial and socially responsible investment criteria are applied, prioritizing environmental criteria without discarding governance criteria. Directly and indirectly through CIIs, it invests more than 70% of its assets in CIIs that promote or have ESG characteristics as their objective.

Liberbank European opportunities fund. Subordinated Fund. An ESG policy (environmental, social and corporate governance criteria) has been implemented and the investment process includes a consideration of sustainability risks, among other key criteria.

Liberbank income FI fund. Subordinated Fund. At least 51% of equity is invested in issues with positive environmental and/or social characteristics and best governance practices.

Liberbank global bond fund. Subordinated fund. At least 51% of assets are invested in issuers with positive environmental and/or social and best governance practices.

Unifond conservative, FI fund Global fund. In addition to financial criteria, the fund promotes environmental and social characteristics through investment in CIIs which, in turn, invest in companies/issuers whose ESG management follows high best practice standards.

Unifond moderate, FI fund Global fund. In addition to financial criteria, the fund promotes environmental and social characteristics through investment in CIIs which, in turn, invest in companies/issuers whose ESG management follows high best practice standards.

Unifond dynamic investment fund. Global fund. In addition to financial criteria, the fund promotes environmental and social characteristics through investment in CIIs which, in turn, invest in companies/issuers whose ESG management follows high best practice standards.

Unifond prudent management investment fund. Promotes environmental and social features aligned with the UN Sustainable Development Goals.

Pension funds: The fund's assets are invested in socially sustainable investments.

Uniplan sustainable future. This fund promotes environmental or social characteristics.

Agreements and arrangements

Motor insurance: The bank has an agreement with the insurance company Caser to include additional coverage for electric cars in the automobile policy, covering theft and/or theft of the recharge cable, battery and travel assistance in case of exhaustion and failure of the electric battery.

Clean energy distribution agreements: The aim here is to market Naturgy's energy services of electricity, gas and maintenance services, with the latter's commitment to supply clean energy.

Agreement with Smart City Cluster: Agreement that seeks to promote technology and innovation initiatives and projects, as well as sustainable finance, within the framework of the promotion of smart cities. This is an alliance of more than 150 companies and institutions for the development of smart cities and has a partnership with nearly 50 Spanish cities.

Reactívate financing line: Collaboration with Sociedad de Garantía Recíproca de Asturias (Asturgar SGR): to support SMEs and the self-employed in Asturias with the Reactívate financing program. The program consists of six lines that provide financing through loans guaranteed by the SGR guarantee and whose guarantee costs are subsidized by the Principality of Asturias Institute for Economic Development (IDEPA). Line of financing for SMEs and the self-employed in Asturias for various purposes, including the financing of sustainable projects.

Agreement with the Biodiversity Foundation: The Biodiversity Foundation is a public organization, whose objective is to protect and promote the care of biodiversity and natural heritage in Spain, under the Ministry for Ecological Transition and the Demographic Challenge, in charge of managing part of the aid from the Recovery, Transformation and Resilience Plan (Next Generation EU Funds). Under this agreement, Unicaja will offer economic guarantee operations for advancing aid granted by this organization and loans for complementary investments in subsidized projects. In turn, the Biodiversity Foundation undertakes to publicize the agreement, to inform the beneficiaries of the aid and, where appropriate, to put these beneficiaries in contact with Unicaja's commercial network.

Specific agreements for sustainable mobility:

Agreement with Ebroh Bikes. Here the aim is to market a folding urban electric bicycle, a mountain bike and four electric motorcycle models (with ranges from 60-80 km/hour) as part of our clear commitment to sustainable mobility.

Agreement with *Invicta Electric*. Its purpose is to market electric scooters, electric microcars, high autonomy electric bicycles and motorcycles to the Bank's customers, with special conditions depending on the product model chosen, such as: discounts, free insurance for the first year and free registration and/or shipping costs.

Agreement with *Next Electric Motors S.L.* An agreement has been signed with Next Electric Motors S.L. to promote the sale of electric motorcycles and mopeds under special conditions to the Bank's customers.

Installation of electric chargers. It offers our customers the installation of electric chargers, with or without financing, thus expanding the range of products associated with electric mobility. The agreement was been signed with EDP, with the latter assuming all supply logistics and costs.

Specific agreements for the improvement of energy efficiency:

Agreement for building rehabilitation with AgentiaR+. Collaboration agreement for the Bank to prescribe Agentia's services for building refurbishment to its customer portfolio, offering a "turnkey" service. This is a rehabilitation agent set up by TINSA.

Agreement for building rehabilitation with Acierta Asistencia. Collaboration agreement for the Bank to prescribe Acierta Asistencia's services for the rehabilitation of buildings to its customer portfolio, offering a "turnkey" service. This is a rehabilitation agent from the CASER Group.

BUSINESS MODEL, CHANNELS AND LINES OF ACTIVITY (GRI 2.6, GRI 203-1)

The highest management and supervisory body of the Bank, the Board of Directors sets Unicaja Group strategy, determining the business model, the capital strategy and objectives, the risk propensity, the risk policies and the Group's organizational and functional structure.

In the broad sense of the term, the main thrust of the Unicaja Group's activity is to support all of the economic sectors that operate in its sphere of action, whether in person or virtually, placing customers at the center of its commercial strategy with a broad, diversified and competitive portfolio of products and services that provide value to the customer. The financial strength of the Unicaja Group's typical banking business has enabled it to focus its attention on personalized customer management.

Unicaja's business model is mainly focused on areas of influence and, specifically, the Bank is the leader in six autonomous communities: Andalusia, Asturias, Cantabria, Castilla-La Mancha, Castilla y León and Extremadura, although it is also present in other regions such as Madrid, Ceuta and Melilla.

The Unicaja Group's current business model has as its main characteristic a predominantly retail banking orientation, aimed mainly at individuals and SMEs, in which proximity to customers and the establishment of long-lasting relationships with them are key elements. The Bank develops various strategies to achieve customer loyalty, offering all types of transactional services, payments, non-banking products and financing, particularly mortgages and primary residences.

The diffusion and flexibility of Unicaja's commercial network make it possible to develop this business model in which proximity to the customer is a fundamental aspect.

The Unicaja Group also develops a corporate banking activity aimed at companies which also combines the provision of transactional and payment services with medium and long-term financing. Within this corporate banking section, as a reference institution, its links with the territory allow it access to local and regional public administrations, to which it provides cash collection among other services, enabling it to broaden the scope of its resources. The rest of the companies are serviced through Corporate Banking.

References to the sustainable business model in particular can be found in the "Climate Risk Management" section.

Channels

Unicaja Group's commercial activity is structured through a multi-channel management system, centered around the branch network as the basic customer service unit and reinforced with other alternative channels. Adapting the existing capacity to the conditions of the current economic and financial environment, at the end of 2023, the Group had 962 offices, 961 in Spain, distributed in 39 provinces and in the Autonomous Cities of Ceuta and Melilla, and a representative office in Mexico.

At year-end, Unicaja had 521 financial agencies managed by 401 agents. In recent years, the Unicaja Group has made an effort to strengthen its network of financial agents, who provide service to the Bank's customers in rural areas. This model allows the Bank to be present and close to small municipalities and rural areas, providing face-to-face service and helping to avoid financial exclusion, while at the same time optimizing efficiency levels.

The Group's international presence is further enhanced through CECA's network of representative offices and foreign banking correspondents, leading international banks throughout the world (in the United States, United Kingdom, Germany, France, Switzerland, Belgium, the Netherlands, Luxembourg, Morocco etc.) and leaders in the financial sector in their respective countries, with whom collaboration agreements are in place.

As a complement to the branch network, as of the close of 2023, the Unicaja Group had 2,374 ATMs, 31,468 dataphones and point-of-sale terminals and 3.03 million credit/debit cards in operation.

By the close of 2023, the number of Internet banking users had reached 3.6 million users, with more than 2.993 billion transactions carried out through this channel.

The Junto a Ti ("Close to You") remote management service, as an omnichannel management model, seeks proximity to the customer and the personalization of services. This is a service that offers personalized remote assistance through specialized managers located in a remote center.

In 2023, Unicaja has incorporated the figure of the digitalization manager in the branches with the highest volume of customers, with a staff of 150 professionals to provide close and personalized support for customers to learn, simplify and streamline their financial transactions through the advantages offered by the use of other channels, such as the website, application, ATM or telephone. This service will allow Unicaja to promote the use of digital channels as a complement to its branch network.

On the other hand, in addition to the aforementioned channels, the Bank provides service through the traditional telephone service and digital channels (app, website). Unicaja continues to move towards a multi-channel model, taking advantage of all the benefits of new technologies and complemented by the service of its network of branches and ATMs to continue offering customers close, simple and quality service.

Commercial network. Unicaja Group	12/31/2023	12/31/2022
Distribution network	**Group**	**Group**
Offices	962	972
Automatic teller machines	2,374	2,469
Partner agents	3,157	3,192
Financial agents	401	419
Financial agencies	521	541
Bank cards issued	3,026,428	3,106,712
Dataphones and PoS terminals	31,468	31,733
Electronic banking		
Users	3,564,647	3,106,712
Univía operations	2,993,001,133	2,697,680,441
***Junto a Ti* ("Next to You") remote management**		
Customers	401,909	193,212
Managers	219	59

Business lines

The Bank’s Strategic Plan for the 2022-2024 period, focused on the customer and on its omnichannel service, establishes as its main lines of activity the financing of families for the acquisition of housing and consumption; the management of long-term savings; means of payment; insurance activity; and SME and self-employed business, with specialized attention to the agricultural business, given the importance of this sector in the territories where the Group has the greatest presence, as well as international business, for its capacity to stimulate the economy, generate employment and build a more resilient business fabric.

In all cases, the increase of digital capabilities is promoted, supporting the development of the business in an open banking model with leading partners in their segment, which are used as promoters and channels to achieve the set objectives, notably including Real Madrid and Play Station. This facilitates end-to-end, value-generating processes, with competitive advantages identifiable by the target public, which allow products to be contracted through remote channels. Remote assistance is another of the most valuable ongoing actions with the greatest capacity for improvement over the coming years.

In the business area, we have launched the NEXT simulator, a platform that allows our clients to find and process the grants and subsidies that the Next Generation European Funds make available to them. Special mention, due to its objective and capillarity, goes to the Kit Digital. This is a program aimed at the digitalization of SMEs and self-employed, which involves the Bank developing a complete commercial strategy, establishing a partnership with QdQ Media, a leading company in its sector for the processing and implementation of digital solutions.

Finally, it should be mentioned that the new challenge of sustainability is assumed by Unicaja as an opportunity for development and improvement in all lines of business, having expanded the range of sustainable products with the green mortgage, eco-sustainable agro financing, the eco-green motor loan, the energy rehabilitation loan for neighborhood communities, a mobility master plan, investment funds and sustainable pension plans.

Means of payment

The range of bank cards available through Unicaja currently covers the different forms of payment required by our customers. As for the technology supported by the cards, it should be noted that the basic cards (debit, credit and pre-paid) use both contactless and EMV chip-and-pin technology. Commercial payments via mobile devices have been available since 2018.

In 2023, Mastercard credit, debit and prepaid cards will be issued in 100% recycled PVC material, which is one of the best alternatives currently on the market to reduce the carbon footprint. Our new cards have the Mastercard certification seal, which guarantees that they are sustainable and made from recyclable plastics. This certification offered by Mastercard is the result of its membership in the “Green Payment Partnership”, created in 2018 by the European Commission to reduce first-use plastic in card manufacturing.

In 2023, the growth of cards as a means of payment in retail outlets continued to outpace cash. The number of credit cards has also shown a better evolution compared to debit cards, as they offer greater benefits and coverage. Since 2022, it has been possible for certain customers to contract a credit card via digital banking.

Bizum is consolidated as a payment method between individuals, favoring digitalization and becoming another widespread payment method in e-commerce. In 2023, the Bizum payment collection service was implemented in Unicaja’s e-commerce stores.

The point-of-sale terminal (PoS) is a basic strategic element. Unicaja offers both virtual and physical payment services. Since 2021 it has also offered new financing solutions at physical points of sale and virtual commerce, available for all cards that are part of the Plazox service providing buy-now-pay-later (BNPL) solutions to small- and medium-sized businesses.

Following the adaptation in 2020 of authentication processes for e-commerce purchase transactions in line with European regulations on payment services to make them more secure, Unicaja has continued to work on ways of identifying its customers through Strong Customer Authentication, using biometric identification and improving the customer experience in electronic payment.

Customer resources

Within the framework of the 2022-2024 Strategic Plan,Unicaja is committed to being a point of reference in the management of its customers' long-term savings, identifying their financial objectives and providing comprehensive, competitive, sustainable and quality solutions, whether its own or those of third parties.

In 2023 considerable progress continues to be made in the ESG transformation of the product range and various initiatives were launched to strengthen existing services, optimize their adaptation to customer needs and lay the foundations for the future launch of new services linked to the management of long-term savings.

Likewise, progress is being made to offer solutions that favor the customer's day-to-day life, establishing collaborations with companies such as Ikea or Naturgy, or providing advantages or discounts linked to the use of the Bank's cards.

Financing to individuals

The acquisition of housing is one of the priorities of our customers and for this reason we have expanded our product offering, adapting our portfolio to the new demands of the market, incorporating the Mixed and Oxygen mortgages. The latter is an expansion of our sustainable product range. Along these lines, agreements have been signed with the Autonomous Communities of Andalusia, Castilla y León and Madrid to provide financing for young people.

For consumer finance to individuals, in addition to the consumer finance offer designed to respond to the challenge of sustainability, in 2023 it is worth highlighting advances in the pre-concession of loans by Digital Banking, which allow a greater number of customers to obtain financing at any time through a very simple, transparent process.

In addition, financing for household economies has an offer designed to respond to environmental concerns, for example, with products aimed at promoting the acquisition of 0 and "eco" label cars, such as the ecomobility loan, and those aimed at home renovation and improvement applying ecological criteria, the efficient home loan (installation of solar energy panels, condensing boilers, thermal insulation windows, etc.) Through the finalist financing of products, such as those covered by agreements like Play Station or with solar panel manufacturers, customers have easier access to interesting offers.

Business banking

The existence of a solid business fabric is a necessary condition for a dynamic and competitive economy, capable of providing intelligent, sustainable and inclusive growth with more and better jobs and a greater degree of economic and social cohesion.

The Group is dedicated to encouraging and maintaining a sustained and inclusive commitment to companies, encouraging, promoting and coordinating the aid necessary for their consolidation.

It is important to highlight the additional effort made and the support given to companies during the COVID-19 pandemic period, making available to them specific lines of financing with ICO guarantee or CESCE coverage, lines that are currently being renewed under the aforementioned agreements. The Group continues to fulfill its mission: to stand by our customers in one of the most complex moments of the last decades with the intention of helping and facilitating the continuity of their productive activities, the main axis of Spain's economy.

Through our specialized products (confirming, foreign trade financing, etc.), which allow all types of operations and management, and with the support of specialized managers, we provide payment and collection solutions to our customers; we also provide the necessary financial support to companies, allowing them to finance their investment projects.

Personal and private banking

Personal and private banking manages the needs of customers in the personal banking and wealth segments in a personalized way, through a group of highly specialized centers and managers, which are able to offer customers solutions tailored to their income level. The Group strives to protect and grow its customers' assets, based on a long-term relationship built on trust and transparency. With this philosophy, we treat our customers in an exclusive, professional and close manner.

Corporate banking

This is the segment that manages the relationship with larger corporations and institutions in the Bank that require specialized solutions and differential value in management, contributing to the creation of value and enabling the progress of people and companies in an inclusive and sustainable manner.

It integrates three business areas, four territorial divisions, institutional business and real estate/developer business, as well as related product areas that provide services to clients, including syndicated operations and project finance (within the specialized financing area) and client treasury.

Its scope of action includes companies mainly at the national level, extending its management to national public institutions, as well as regional and local ones. It manages more than 600 business groups and has a differentiating offer of structured finance products and advice on asset financing.

Corporate Banking has a specialized team with extensive experience in the management of financial services, with a firm commitment to accompany customers in their development process and meet their needs, helping them to achieve their objectives and including responsible banking criteria that contribute to the progress of society.

The future focus is to continue transforming the business, in accordance with the 2022-2024 Strategic Plan, creating links with customers as "strategic partners" and strengthening value-added services, with an emphasis on ESG solutions and digital content.

International business

The development of international business through the Commercial Banking, Business Banking and Corporate Banking channels is one of the most important milestones for Unicaja in commercial terms.

At present, efforts are being redoubled in this line of business, increasing installed capacity with the consolidation of corporate centers and improving the productivity of portfolios. Furthermore, improvements and new developments are being implemented in the area of products and services specifically aimed at the internationalization of our customers. The foreign trade solutions portfolio, which will incorporate new services in the short term, facilitates companies' expansion projects and international sales and purchases:

- Granting them financing to boost their exports, anticipating the product and service manufacturing cycle, as well as the customer collection cycle - or to favor imports - financing payments for purchases made from suppliers abroad.
- Granting them guarantees and counter-guarantees, in all of their modalities, which allow them to bid for tenders abroad or to cover the maintenance period established in machinery sales contracts, as well as to guarantee the collection of loans from abroad.
- Facilitating management through existing payment and collection methods, by means of remittances and import and export documentary credits.
- Providing foreign exchange risk hedging of the customer's exposures in foreign currencies.

Insurance business

The activity in 2023 was marked by the merger of life insurance companies, with the integration of Liberbank Vida and CCM Vida into Unicorp Vida. This milestone has made it possible to standardize Unicaja's commercial offer and make the same Life and Pension Plan products available to all our customers. The entire Risk, Savings and Pension Plans business of both companies has also been transferred to Unicorp Vida's systems, which has allowed the closing of the service provision contracts with the initial suppliers within the established deadline.

Unimediación has operational and commercial support. The commercial structure is staffed by insurance sales technicians, who provide specialized, tailor-made service to the various business segments (agricultural, financial agents, private banking, large companies, SMEs and the self-employed and individuals).

Unicaja currently has a wide range of Life and Non-Life Insurance and Pension Plans that allow us to adapt to the protection, savings and social welfare needs of our customers.

As a continuation of the policies applied in previous years, a team of specialists has been created whose main function is to help our clients so that they can continue to keep their risks covered, both personal and patrimonial, by facilitating the payment in installments of their insurance policies at no additional cost, discounts on the renewal premium and adaptations to the policy in accordance with their current situation.

In order to ensure that Plan Uni Seguro, the backbone of the Bank's insurance marketing, adapts as much as possible to the needs of our customers, a series of changes has been introduced in the product, in addition to adding new advantages that allow us to give a differential treatment to our customers: discounts in the registration of new insurance policies and free services.

A version of the product has also been launched for the self-employed, SMEs and large companies. Both products help our customers, either in their domestic economy or in their professional or business environment, by financing their insurance premiums at no cost.

SMEs and the self-employed

Proximity and Specialization are the hallmarks in the day-to-day management of SMEs and the self-employed. In order to continue maintaining this commitment, Unicaja has promoted the implementation in all flagship stores of the Commercial Network of the figure of the Business and Entrepreneur manager, showing a clear vocation and commitment to this strategic segment of customers who especially value the personalized treatment of an expert manager who understands their activity.

During 2023, different actions have been designed focused on offering a differential service and adapting the commercial offer to cover, in a more specific way, the needs of each client, such as the insurance policy offer for SMEs and retailers with unique coverage depending on each sector.

Our support for access to credit and financing for both start-up and improvement projects contributes to the development of the business fabric, facilitates economic growth and supports employment in each territory.

Finally, it is worth mentioning the implementation of the Transaction Banking Strategy Project, focused on the comprehensive review of the value offer of the confirming and factoring tools with the aim of improving the customer experience and laying the foundations for a Business Plan with a multi-channel vision.

Agricultural business

The productive particularities of the agri-food sector business are deployed with an offer of specific products and services adapted to the needs of customers (farmers, livestock farmers and the agri-food industry as a whole).

Unicaja is highly committed to the promotion and development of environmentally friendly activities and is aware of the importance of the agricultural sector in its achievement and the consequent contribution to the attainment of certain United Nations Sustainable Development Goals.

During 2023, support has been maintained for financing investments in farms to improve energy efficiency and the modernization of irrigation systems that help reduce the environmental impact, the effects of climate change and the depopulation of rural areas, among other goals.

Likewise, efforts have been maintained in the dissemination and transfer of knowledge among the national agricultural community on the new European regulations governing the multi-year financial framework of the 2021-2027 Common Agricultural Policy, which began on January 1, 2023, with dissemination seminars. In addition, several agreements have been signed to favor financing among those affected by unexpected situations such as drought and other adverse weather phenomena, or the worsening of conditions in the primary sector as a result of the war in Ukraine.

Both because of its territorial presence in the main agricultural areas of the country and because of the essential nature of the agricultural sector, Unicaja maintains this business segment among its strategic lines of business.

Risk management

RISK MANAGEMENT

Risk management

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

– A system of governance and organization of the risk function based on the active involvement and supervision of the executive management, which approves the Bank's general policies and business strategies and lays down the overall risk management and control guidelines.

– A risk appetite framework (or "RAF") which is set up within the Group as a fundamental instrument in the implementation of its risk policy.

– A prudent risk exposure management model to which the Unicaja Group pays close attention so as to keep a prudent, balanced risk profile at all times in order to meet its solvency, profitability and appropriate liquidity objectives, which translates into a solid, consistent risk culture.

– A selection of suitable methodologies for the identification, measurement, management and control of risks, which undergo a continuous process of improvement and are in line with regulatory requirements. At the same time, the Group matches its equity requirements to the level of actual risks stemming from its banking activity.

– A supervisory model based on the three lines of defense model, something which is in line with the expectations of regulatory and supervisory authorities.

The Unicaja Group's risk management and control policies, methods and procedures are approved and periodically reviewed by its Board of Directors.

Based on the current regulatory framework, Unicaja's organizational structure includes the Risk Control and Supervisory Relations Department (CRO), which is functionally separate from the areas that generate exposures. One of the functions of this Department is to assume control of all the risks incurred by the Bank.

The organization of the Unicaja Group's executive management has a well-defined internal structure that supports this unit and enables it to implement all the decisions it makes.

Risk appetite framework

The Group's risk management and control is arranged via, among others, the Risk Appetite Framework (RAF), which is approved by the Bank's Board of Directors.

The Unicaja Group uses this RAF as an instrument for implementing its risk policy and as a key management and control tool that allows it to: formalize its risk appetite statement; specify its risk objectives in line with its corporate strategy, whereby it acts as a reference for guiding the activities that are carried out; formalize the risk supervision and monitoring mechanism so as to ensure compliance with its risk appetite; integrate all risk control and management processes into a common framework; and strengthen and disseminate its risk culture.

The development of this Framework as the Group's general risk policy is configured as a fundamental element in the management and control of the Bank, providing the Board of Directors and Senior Management with the integral framework that determines the risks that the Bank is willing to assume.

Therefore, the main aim of Unicaja's RAF is to establish a set of principles, procedures, controls and systems by means of which the Bank's risk appetite can be defined, communicated and monitored.

Risk propensity is considered to be the risk level or profile that Unicaja is willing to assume and maintain, both in terms of its type and amount and its tolerance level. It should be oriented towards achieving the objectives of the 2022-2024 Strategic Plan, in accordance with the lines of action established therein.

The main goal in managing the different risks is to achieve a risk profile that falls within the desired risk appetite level, which is defined on the basis of the established limits, those management measures that are considered most appropriate to achieve this being taken.

In addition, this Framework establishes different metrics for the quantification, control and monitoring of risks, which permit reacting to certain levels or situations. These metrics characterize the objective behavior of the Unicaja Group, are cross-functional to the organization, and make it possible to convey the risk-prone culture to all levels in the organization in a systematized and understandable way. In turn, they summarize the Group's objectives and limits, can be communicated, where appropriate, to its stakeholders and are homogeneous since they are applied throughout the organization.

The Group has a process for identifying material risks, in which methodologies for the quantification of all risks to which the Bank is exposed are used. Likewise, it defines a criterion for selecting those risks which are material and hence must be managed and controlled more proactively. This management and control involves, among other things, the allocation of capital within a Internal Capital Adequacy Assessment Process (ICAAP) or, in the case of the liquidity risk, the allocation of a liquidity management buffer, which is assessed within a Internal Liquidity Adequacy Assessment Process (ILAAP). The process of quantification and identification of material risks is carried out on a recurring basis, which allows the Bank to identify emerging risks at all times.

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

The Risk Control and Supervisory Relations Department (CRO) monitors compliance with the Risk Appetite Framework via the existing metrics for each type of risk. The follow-up on these metrics are reported to Senior Management and its governing bodies.

The Bank has integrated its Risk Appetite Framework into its strategy, its ICAAP and ILAAP, its corporate risk policies and its Recovery Plan, among others. The Bank ensures the observance of the established risk culture through the approval of the management framework, the development of strategies and policies and the monitoring of the limits established for managing each type of risk.

General risk governance framework (GRI 207-2)

The Bank's risk management and control model requires a robust and efficient organizational structure. This in turn requires the effective involvement of the Board of Directors and management and needs to be effectively structured throughout the organization.

The following is a list of the bodies that are directly involved in governance, their main functions and responsibilities as regards risk management and control being indicated, without prejudice to the other functions envisaged in the Law and in the Bank's bylaws and regulations and manuals, where applicable. See further details in this regard can be found in the "Risk Control Information" section of the Unicaja corporate website.

The Board of Directors

The risk management and control policies, methods and procedures are approved by the Bank's Board of Directors. Thus, with respect to this area, the main functions conferred on this body are as follows:

- Approving the risk control and management policy, including tax risks, as well as periodically monitoring all internal information and control systems.
- Approving the RAF and its subsequent modifications, at the Risk Committee's proposal.
- Taking the RAF into consideration in the day-to-day management of the Bank and, especially, in the making of strategic decisions.
- Being informed, at least on a quarterly basis, of the monitoring of the RAF by the Risk Committee, without prejudice to the information that it may request of the latter at any given time.
- Taking all relevant corrective measures when deemed appropriate.
- Specifically approving, where appropriate, the maintenance of situations that involve an exceedance of a limit.

The Risk Committee

The following are among its main functions:

- Advising the Board of Directors on the Bank's risk appetite—current and future—and its strategy in this area and helping it to monitor the implementation of this strategy.
- Ensuring that all risk control and management systems work properly and, in particular, that any significant risks that affect the Company are properly identified, managed, and quantified.
- Ensuring that all risk control and management systems properly mitigate the risks within the framework of the policy defined by the Board of Directors.
- Actively taking part in drawing up the Company's risk management policy, ensuring that it identifies at least the following:
  - The different types of financial and non-financial risks (including, among others: operational, technological, legal, social, environmental, political and reputational) that the Company faces, contingent liabilities and other off-balance sheet risks being counted among the financial and economic risks.
  - The level of risk that the Company considers acceptable.
  - The measures envisaged to mitigate the impact of the risks identified, should they materialize.
  - The information and internal control systems that will be used to control and manage the aforementioned risks, including all contingent liabilities and off-balance sheet risks.

The Regulatory Audit and Compliance Committee

This Committee assumes functions related to information and internal control systems, supervising, among others, the effectiveness of the internal control system for financial (SCIIF) and non-financial information (SCIINF).

Among these functions, in relation to financial and non-financial risks, the supervision of the risk control and management system as a whole, in coordination, as necessary, with the Risk Committee and the Sustainability Committee, stands out.

The Technology and Innovation Commission

Among the functions conferred on this Commission is the monitoring of the technological risk in general.

Sustainability Committee

Among the functions attributed to this Committee is the monitoring of the processes of identification, evaluation, control and management of risks in the area of sustainability.

Risk Control Model

The risk management and control model adopted by the Bank contemplates both financial and non-financial risks, among which the following should be mentioned:

Credit Risk and concentration and management of nonperforming loans

Credit risk is defined as the risk of incurring losses as a result of a default on payments due to the Company. This risk is inherent to its operation.
Unicaja has a Customer Credit Risk Policies, approved by the Board of Directors, which establishes the framework for properly controlling and managing the credit risks inherent to the Bank's credit investment.

This manual defines all mandatory risk policies and procedures, details the activities and tasks to be performed, delimits the responsibilities of the different areas involved in the transaction granting and monitoring processes, establishes the risk appetite decided by the Bank and its articulation through risk limits and types of transactions and documents in a structured and unified manner all general and specific aspects related to most of the credit investment transactions.

The Unicaja Group also has scoring and rating models integrated in its approval, monitoring and recovery processes. Estimates of PD (probability of default), LGD (loss given default) and EAD (exposure at default) are taken into account in different uses such as the granting of operations, the calculation of provisions or the classification of credit operations.

Additionally, it should be noted that in 2021 Unicaja received authorization from the European Central Bank to use internal models relating to the retail portfolio (not SMEs) to calculate its solvency ratios. At the end of 2023, approval was received to extend this authorization to the perimeter of exposures originated in Liberbank, S.A. prior to the integration.

Regarding the granting of credit transactions, Unicaja detailed policies, methods and procedures to ensure it grants loans and credit to consumers in a responsible manner.

Unicaja adapted its policies, processes and tools in order to better identify and measure credit risk in the context derived from the coronavirus pandemic (COVID-19).

Market risk

Market risk is defined as the possibility of a negative impact on the Bank's results due to the maintenance of portfolio positions as a result of adverse movements in the financial variables or risk factors that determine the value of such positions.

Even though market risk is assigned to trading positions for solvency purposes, the Unicaja Group has developed policies, processes and tools for managing the market risk corresponding to its entire portfolio of securities entered at a fair value for accounting purposes.

For the adequate management of market risk, the Bank has tools to measure, calculate and control market risks and the limits authorized by the Board of Directors, in particular "Value at Risk" (VaR) and operating limits for credit/counterparty risk that affect the Unicaja Group's operations in capital markets and serve as a means of diversification in order to avoid excessively concentrated exposures to market risk.

The Unicaja Group carries out the measurement and control function by establishing a scheme of delegations in financial market operations. The Group has detailed information on the different subrisks and has assigned limits within its Risk Appetite Framework that allow it to adequate monitor and, if necessary, mitigate such risks.

The ultimate responsibility for risk identification and control lies with the Governing Bodies of the Unicaja Group. Thus, the executive management is responsible for and actively participates in the entire risk management process (planning, approval, assessment and control of all risks inherent in the positions taken by the Bank in financial markets).

Liquidity Risk

Liquidity risk can be defined differently since it is not a monodimensional concept. Typically liquidity risk has three different meanings, which we will define hereinbelow as:

- The cost of undoing a position in a real or financial asset (this refers to the difficulties that may arise to undo or close a position in the market, at a given time, without producing an impact on the market price of the instruments or on the cost of the transaction (Market or Asset Liquidity).
- A mismatch between the degree of enforceability of liability operations and the degree of performance of asset operations (funding liquidity).
- A mismatch between the capabilities for growth of the investment activity arising from the impossibility of finding financing commensurate with the risk appetite to leverage asset growth strategies (strategic or structural liquidity).

The Bank establishes prudent policies and goals that contemplate not only normal market conditions but also contingency plans for stress or crisis situations, both its own and of the market.

The Unicaja Group has set limits to the liquidity risk to control its exposure thereto and maintain such exposure within authorized levels.

Generally speaking, liquidity is considered adequate if potentially liquid assets and funding capacity are greater than the needs arising from the business and the costs of refinancing in the markets. The greater this difference, the greater the available liquidity.

The Unicaja Group also practices a diversification policy in order to avoid excessively concentrated exposures to the structural liquidity risk. In its management of liabilities, it diversifies its sources of funding, ensuring that they are diversified by market, maturity and product, in order to steer away from difficulties at particular moments of crisis or of the markets.

Property risk

This is the risk associated with the loss of value of real estate assets held on the Bank’s balance sheet.

The Unicaja Group sets limits to the real estate risk relating to assets received in payment for debts in order to control this exposure and keep it within adequate levels.

It also has specific units to develop these strategies and coordinate the actions of the instrumental subsidiaries.

Operational risk

Operational risk is defined as the risk of suffering losses due to the unsuitability or failure of company procedures, people or systems or to external events, including the legal risk.

Unicaja assumes the following operational risk typologies, according to Regulation (EU) 575/2013, in order to maintain a uniform and parameterized risk management, in accordance with the standards defined in the New Basel Capital Accord:

- Internal fraud.
- External fraud.
- Employment and occupational health and safety practices.
- Customers, products and business practices.
- Damage to tangible physical assets.
- Interruption of the activity and system failures.
- Process execution, delivery and management.

The emergence in recent years of new potential risks for financial institutions is driving the transition towards an operational risk management model in Unicaja that contemplates an expanded taxonomy that addresses new emerging or potential risks, thus incorporating a greater number of risk typologies and which are listed below: people (human resources), internal fraud, external fraud, conduct, transactional processes, technology, physical asset security, information security (including cybersecurity), business continuity; regulatory compliance, financial crime, legal; suppliers/third parties, financial and tax reporting and data and approach management.

Reputational risk

Reputational risk is defined as the probability of incurring losses in value as a consequence of a deterioration in the perception that its main*stakeholders* have of its corporate reputation.

The Unicaja Group has traditionally been very demanding as regards aspects relating to reputational risk management.

Customer satisfaction and the good image of the Bank are permanent goals of all its employees and of the Company's highest levels of governance and management.

This constant effort to maintain and reinforce it good image is rooted in its global culture and is embodied in, among other concrete manifestations:

– The Bank's strategic objectives.

– The Code of Ethics, Corporate Social Responsibility Policy, Sustainability Policy, Environmental, Energy and Climate Change Policy and the Criminal Risk Prevention Program approved by the Board of Directors.

– The actions of the three lines of defense.

– Compliance with the general regulatory framework and, in particular, with Financial Instruments Directive (MiFID) markets and financial service user protection regulations.

– The process of continuously training employees in all areas in which they work, including, specifically, training in ethical aspects, as established in the Code of Ethics.

Business and strategic risk

This is defined as the risk of incurring losses due to erroneous strategic decisions derived from an incorrect analysis of the market in which it operates, either due to a lack of knowledge of the market or the inability to achieve its objectives, any of which could threaten the viability and sustainability of the Company's business model.

Risks related to environmental, social and governance factors

Environmental, social and governance (ESG) factors may have a significant short-, medium- and long-term impact on the Bank's financial and non-financial risks, as any of these factors may have a material adverse impact on the Group's financial position, business and operating results.

Climate-related and environmental risks (environmental ESG factor) are risks arising from the Bank's exposure to counterparties that might potentially contribute to or be adversely affected by environmental factors, including factors resulting from climate change and other types of environmental degradation. These risks are generally considered to comprise two main risk factors affecting economic activities, which in turn have an impact on the financial system. These are:

- Physical risk, which refers to the financial impact of a changing climate, including more frequent extreme weather events and gradual changes in climate, as well as environmental degradation, such as air, water and land pollution, loss of biodiversity and deforestation.
- Physical risk is in turn classified as:
  - "Severe", where it arises from extreme events, such as droughts, floods and storms.
  - "Chronic", where it derives from progressive changes, such as rising temperatures, sea level rise, land use change, habitat destruction and resource scarcity.

  For example, his can directly cause damage to goods or a decrease in productivity, and can also indirectly lead to further incidents, such as the disruption of supply chains.
- The transition risk refers to the Bank's financial losses that might arise directly or indirectly from the process of adapting to a lower carbon and more environmentally sustainable economy.[2] This may be triggered, for example, by a relatively abrupt adoption of environmental policies, technological advances or changes in the market climate and consumer preferences.

Physical and transition risks can also trigger further damages arising directly or indirectly from legal claims (liability risk) and a loss of reputation if the public, counterparties or investors associate the Bank or its customers—particularly corporate or institutional clients—with adverse environmental effects (reputational risk).

Accordingly, physical and transition risks are factors of the existing risk, in particular the credit risk, the operational risk, the market risk and the liquidity risk, as well as the risks outside Pillar 1, such as the migration risk, the credit spread risk in the investment portfolio, the real estate risk and the strategic risk.

In order to properly manage ESG risks (which encompasses climate-related and environmental risks), the Bank has launched a series of initiatives, including an Action Plan on Sustainable Financing - approved in June 2020 and revised in April and November 2021 - which culminated in 2023, whose purpose is to measure in depth the impact of such risks on its financial structure and to enable it to act efficiently in this area in the medium and long term.

[2] The European Union aims to achieve a neutral balance of greenhouse gas emissions by 2050 (see, e.g. the "European Green Pact", published by the European Commission in December 2019). This purpose has materialized in a binding normative text, the "European Climate Law:" Regulation (EU) 2021/1119 of the European Parliament and of the Council of June 30, 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) 401/2009 and (EU) 2018/1999. As far as Spain is concerned, Law 7/2021, of May 20, on climate change and energy transition, which affects, among other aspects, transparency and disclosure of information by financial institutions, in general, and by banks, in particular, is worth highlighting.

In 2023, the Bank has continued to incorporate climate and environmental factors into risk decision-making, with a special focus on the risk admission process in the corporate segment.

Climate risk management (GRI 201-2)

Business model

nicaja considers environmental and social issues, as well as the governance of institutions, to be one of the most important challenges for society, people and the global economy.

Supranational actions carried out by organizations such as the United Nations or the Intergovernmental Panel on Climate Change have led to important global agreements, such as the Paris Agreement, with the aim of combating climate change by promoting a transition to an economy low in carbon emissions and other polluting gases.

In line with this institutional consensus, Unicaja considers it essential to accompany and support its customers and the economy and society as a whole in this important transition, establishing a management model aimed at favoring business options aligned with sustainability objectives, as well as a risk management model aimed at adequately measuring and managing climate, social and governance risks, through continuous improvement of information and management decision-making aligned with the objectives of decarbonizing the economy.

In order to meet these objectives, Unicaja incorporated sustainability as one of the main axes of its 2022-2024 Strategic Plan, developing a Sustainable Finance Plan, the execution of which was completed in 2023, that establishes a roadmap for the establishment of policies, processes and metrics for the management, measurement and control of climate and environmental risks, including the consideration of these risks in key risk management processes such as capital assessment, conducting resilience exercises, including metrics related to these risks in the risk appetite framework, and the consideration of climate and environmental risks in corporate objectives and corporate remuneration policies.

From the corporate governance point of view, Unicaja has established a Sustainability Committee within the Board of Directors whose main function is to supervise the Company’s practices related to sustainability in relation to the strategy, the policies established and the commitments acquired. Periodic information systems have also been established that include the presentation to this Committee of different reports on climate risks, including information on physical and transition risks, in line with the development of metrics and information detailed in this Statement.

An in-depth review (in 2022 and 2023) of all of the Bank's internal bodies (Committees or Departments) has been carried out in relation to the functions attributed in terms of technological infrastructure and resources, information systems, management and control of climate and environmental risks.

From the point of view of the business model, the information systems established allow identifying the economic sectors most exposed to physical and transition risks, guiding business decisions. Unicaja has developed a methodology for measuring the carbon footprint of its investment portfolios, which makes it possible to identify those sectors with the highest emissions, which has resulted in the establishment of policies to reduce exposure and emission reduction targets in certain sectors, which are referred to later in this section.

Likewise, Unicaja has developed a methodology for the incorporation of climate and environmental risks in the analysis processes for investment decisions, both for physical risk and transition risk, in order to favor those operations consistent with the global objectives of ecological transition. These processes involve interaction with customers in order to obtain information and assess their sustainability strategy.

In this context, product portfolios have also been reviewed, with the aim of establishing options that favor sustainability, as well as procedures to assist customers in these options, particularly in relation to access to public aid for the ecological transition of individuals and companies.

Another important focus of development is the analysis of the alignment of corporate investment portfolios with the European Union's Environmental Taxonomy, gathering information on projects aligned with climate change mitigation and adaptation objectives, complying with disclosure requirements in this area, as well as integrating the regulations into internal management processes.

Climate risk management principles and strategy

Climate change is one of the greatest challenges facing humanity. Thus, the need to achieve a substantial and sustained reduction in greenhouse gas emissions over time as the only way of limiting the impact of climate change has been expressed in different scientific circles.

Consequently, political, regulatory and supervisory authorities are putting increasing pressure on financial companies to align their strategies, policies and management systems with the objectives of promoting low-emission industries in accordance with the different multinational agreements, mainly the Paris Agreement.

Following the adoption of the Paris Agreement on climate change and the UN 2030 Agenda for Sustainable Development in 2015, governments are taking steps to move towards low-carbon economies. At a European level, the European Green Pact sets the goal of making Europe the first climate-neutral continent by 2050, which is legally binding from 2021 (Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving neutrality ("European Climate Legislation")). The financial sector is expected to play a key role in this regard, as set out in the Commission's 2018 Action Plan for Financing Sustainable Growth, revised in 2021.

The transition to a low-carbon economy brings risks and opportunities for the economy and for financial companies, while the physical damage caused by climate change and environmental degradation can significantly affect the real economy and the financial system. The European Central Bank (ECB) has therefore identified climate-related risks as a key factor for the Eurozone banking system. The ECB believes that companies should adopt a strategic, forward-looking and comprehensive approach to climate-related and environmental risks.

In line with this social and regulatory concern, Unicaja's Strategic Plan for the years 2022-2024 establishes sustainability as one of the basic pillars for business development and risk management. Thus, Unicaja established a Sustainable Finance Action Plan that includes different initiatives for short and medium-term improvement in both areas, business and risk management, in order to achieve maximum alignment with best practices in this area, considering the supervisory expectations set out in the ECB Guide on Climate-related and Environmental Risks (2020) and developing various key aspects set out by the TCFD (Task force on Climate-rRelated Financial Disclosure) in its recommendations for climate risk management, such as governance, strategy, metrics and disclosure. For more details on Unicaja's Sustainable Finance Action Plan, see the "Sustainable finance" section.

The most relevant milestones achieved include the development of a procedure and methodology for classifying activities and products, the creation of a Sustainability Committee within the Board of Directors with support functions, the definition of functions for different organizational areas and internal committees, the allocation of technical and human resources, as well as the definition of a training plan, and the construction of scorecards on business and ESG risks, including risk metrics, the approval by the Board of Directors of policies for the integration of sustainability factors in the management of credit, market, liquidity and operational risks, as well as the review of methodologies for the assessment of climate risk (transition and physical) in credit risk processes. Lastly, the information disclosed in this Statement of Non-Financial Information has also been reviewed, which includes a relevant milestone such as the estimation of the carbon footprint of the financed portfolio and the beginning of the path towards its decarbonization.

It is worth mentioning other noteworthy milestones in progress that are the incorporation of climate and environmental risks in the annual capital and liquidity assessment processes, as well as in the risk appetite framework, including the definition of scenarios and the performance of climate resistance tests (stress test).

As a manifestation of the Group's commitment to reducing greenhouse gas emissions, in December 2019 the Company adhered, as expected, to the Collective Commitment for Climate Action, promoted by the United Nations Climate Change Conference (COP 25). This commitment involves the publication in early 2023 of the carbon footprint of the Company, in all its Scopes, 1, 2 and 3, including the carbon footprint generated by the portfolios financed by the Company (information covered in this report), as well as decarbonization targets for its portfolios aligned with the Paris Agreement, targets that are published independently below.

The development of these analytical and strategic approaches determines the orientation of the Organization's activity towards investment objectives aligned with the European Union's Environmental Taxonomy Regulation, such as the following:

– Climate change mitigation: stabilizing greenhouse gas emissions, avoiding or reducing them, pursuant to the aims of the Paris Agreement.

- Adaptation to climate change: reducing adverse climate impacts or the risks of such impact.
- Transition to a circular economy: extending the life cycle of products, reusing and recycling waste.
- Sustainable use and protection of water and marine resources: reducing and optimizing the use of water resources.
- Pollution prevention and control: reducing all forms of pollution that could adversely affect ecosystems or human health.
- Protection and restoration of biodiversity and ecosystems: protecting, conserving or restoring ecosystem conditions.

Climate risk governance

In 2022 the Board of Directors established, as a support body, a Sustainability Committee, which began its activity in 2023, chaired by an independent director, with the basic mission of supervising that the Company's practices related to sustainability are in line with the strategy, the policies established and the commitments acquired. This committee is comprised of two independent directors and one proprietary director, and its functions are as follows:

- Overseeing that the Company's practices related to sustainability are in line with the strategy, the policies established, and the commitments acquired.
- Informing the Sustainability Policies to be submitted to the Board of Directors for approval, in order to promote the inclusion of the corporate culture and fulfill the mission of promoting the social interest, taking into account the different stakeholders.
- Ensuring the integrity of the content of sustainability reports, as well as compliance with applicable regulations and international reference standards. Regarding the non-financial information contained in the annual management report, evaluating its content prior to its review and report by the Audit and Regulatory Compliance Committee, for its subsequent formulation by the Board of Directors.
- Monitoring the processes of identification, evaluation, control and management of risks in the area of sustainability.
- Evaluating the periodic sustainability reports submitted by the responsible areas of the Company.
- Being aware of the writings, reports or communications from supervisory bodies related to sustainability and issuing the corresponding reports and/or proposals, as the case may be.
- Advising the Board of Directors in decision-making on sustainability matters, as well as providing such assistance as may be required, within the framework of their respective competencies, by the Audit and Regulatory Compliance Committee and by the Risk Committee, and acting in coordination with both Committees.

– Making proposals to the Board of Directors on sustainability matters.

During fiscal year 2023, Unicaja's Board of Directors addressed the following issues related to climate and environmental risk, among other areas:

– The setting of decarbonization targets for part of the loan portfolio (Fossil Fuels (Oil & Gas), Energy and the Residential Mortgage Portfolio), setting 2030 as an intermediate reference year.

– The first Green Bond Allocation and Impact Report for fiscal year 2022, which can be accessed on the corporate website.

– In order to continue advancing in sustainable development, the approval of the policy of exclusions to financing for environmental and social risks, with the commitment not to finance those activities that may be contrary to the Bank's sustainability principles.

In the first session of 2024, adherence to the United Nations Environment Program Finance Initiative's Principles for Responsible Banking was approved.

Green Bond Issues

In 2022 the Bank made its first two green bond issues, for a combined amount of 1 billion euros and in 2023 it made an additional issue of 300 million euros, the amount outstanding at December 31, 2023 being 1 billion euros. The first allocation and impact report for 2022 was issued in 2023 and can be found on the Bank's corporate website.

For a bond to be considered green, its characteristics must be aligned with the Green Bond Principles (GBP) issued by the International Capital Market Association (ICMA), which promote the integrity of the green bond market through a set of guidelines recommending transparency, disclosure and reporting. In accordance with ICMA principles, green bond issuance must be conducted under a Green Bond Framework (GBF). The GBF was approved by the Sustainability and Corporate Social Responsibility Committee in May 2022 (expected to be revised in 2024), and establishes the possibility of issuing green bonds to finance and/or refinance exclusively, in part or in full, new and/or existing projects or assets that meet the eligibility criteria (eligible assets) to be considered environmentally sustainable and that are aligned with the four main components of this framework. The framework is available on Unicaja's corporate website, in the section "Investors and shareholders".

Unicaja's GBF is aligned with the Green Bond Principles published by ICMA, in 2021, and contemplates the main components of the GBP, as well as its recommendations for external review:

- Use of funds.
- Project evaluation and selection process.
- Fund management.
- Reports.
- External review.

The framework provides for its updating and modification (section "Modifications to this framework"). Both the current GBF and its subsequent updates will be published on Unicaja's website.

The framework reflects (i) Unicaja's intention to regularly follow the European Commission's evolving new standards on sustainable finance in order to reflect best market practices and regulations related to the Green Bond Standard and the EU Environmental Taxonomy Directive,

(ii) their alignment, to the extent possible, with the main European sustainability objectives and with the eligibility criteria for the use of funds (e.g. the technical selection criteria of the EU Environmental Taxonomy have been applied to select eligible green assets or projects). With a view to future issues, the Bank has assessed Regulation (EU) 2023/2631 of the European Parliament and of the Council of 22 November 2023 on European green bonds and optional disclosure for bonds marketed as environmentally sustainable bonds and for sustainability-linked bonds, and is monitoring the use that may be made of this new standard by issuers in the coming months.

In accordance with this GBF, funds raised by any Green Bonds issued under this framework will be used exclusively to finance and/or refinance, in whole or in part, new and/or existing assets, loans, investments or projects that meet the eligibility criteria described below. The date on which these assets are originated or formalized may not be less than three years prior to the date of issuance of the Green Bond.

Category of eligible asset or project	Eligibility criteria	Environmental objective (EU Taxonomy)	SDG

Renewable energies	◦ Loans to finance assets that support the generation of electricity from the following technologies: solar, wind, hydroelectric, geothermal, hydrogen and bioenergy, including the acquisition, construction, operation and the maintenance or repowering of facilities. ◦ Loans to finance the development, construction, equipment, operation and maintenance of new or additional renewable energy transmission and distribution networks. The GBF establishes a series of technical selection criteria aligned with the Taxonomy approved by the EU for this type of assets.	Climate change mitigation	7 AFFORDABLE AND NON-POLLUTING ENERGY 13 CLIMATE ACTION
Green buildings	◦ Loans that promote the acquisition, development and construction of buildings and renovation projects in existing buildings with the objective of improving their energy efficiency. ◦ Residential: loans or mortgages to finance the acquisition of homes built before December 31, 2020 with an Energy Efficiency Certificate (EEC) rated A and/or belonging to the top 15% of the most efficient buildings in a given area. ◦ Loans or mortgages to finance the acquisition, developments and/or construction of homes built after December 31, 2020 with a primary energy demand (PED) at least 10% below the threshold set for Nearly Zero-Energy Buildings (NZEB) requirements in the national measures implementing Directive 2010/31/EU of the European Parliament and of the Council. Energy performance is certified by an Energy Performance Certificate (EPC). ◦ Loans or investments for rehabilitated (residential) buildings with an energy efficiency improvement of at least 30%.	Climate change mitigation Adaptation to climate change	7 AFFORDABLE AND NON-POLLUTING ENERGY 11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION

Likewise, the following types of assets are specifically excluded from financing through these green bonds:

Ineligible assets or projects (exclusion criteria)	• Exploration, research and exploitation of fossil fuels • Alcohol, weapons, tobacco, gambling and mining industries

Operational carbon footprint (GRI 11.1)

This section of the Statement specifically reports on the carbon emissions of the credit, fixed income and equity portfolio. Details of corporate emissions, which partly relate to the Group (Scope 1 and 2 emissions), and partly only to those of the parent company (Scope 3 emissions, according to the categories identified), can be found in the "Commitment to the environment" section of this report.

Climate risk management (GRI 2.13, GRI 2.14, GRI 2.24, GRI 3.3, GRI 11.1)

Risks associated with climate change are classified into physical risks and transition risks. Physical risks are related to the effects that climate change may have on the physical environment, including extreme events such as droughts, river floods or fires, and other medium-term events such as desertification or rising sea levels that may lead to coastal flooding. These events may result in losses in the value of physical assets owned by the entities or that serve as collateral for credit operations, and may also have an impact on the solvency and payment capacity of customers.

Transition risks relate to the effects on companies of ongoing regulatory changes and the technological adaptations they must make to adapt to a low-emission economy. These changes in the environmental, regulatory and economic environment may modify the business environment, viability and solvency of companies, with a consequent impact on the risk profile of financial institutions.

a) ESG risk management policies

As a starting point for climate risk management, the Board of Directors of Unicaja approved in 2022 a series of policies aimed at establishing the basic principles, responsibilities and management and reporting systems for the consideration of sustainability factors (including climate risk) in the management of the different types of traditional financial risks: credit, market, liquidity and operational.

In relation to credit risk, given its importance, a specific policy has been defined for the integration of sustainability factors in its management, with particular emphasis on the procedures to be implemented to consider climate risk (and other sustainability factors) in the global processes of granting and monitoring credit risk, both in the assessment of the borrower's exposure to physical and transition risks, and in the consideration of the physical risks associated with real estate collateral.

To this end, a series of methodological processes have been developed with the following characteristics:

- First, a series of "ESG due diligence" questionnaires are defined for incorporation in the credit admission process, in order to know and assess the sustainability risk profile of customers.
- An internationally recognized methodology has been used (SASB methodology, Sustainability Accounting Standards Board) to define these questionnaires and the subsequent risk assessment process. This methodology establishes specific standards or questionnaires for 77 industries identified in the Sustainable Industry Classification System® (SICS®), according to a fundamental view of their business model, their resource intensity and sustainability impacts, and their potential for sustainability innovation. Of these, the Bank identified 72 sectors that are mapped to the CNAE codes commonly used in Spain.

– In line with this methodology, these questionnaires are adapted through specific questions to the characteristics of each sector and the consideration of their environmental, social and governance risks. Depending on the sector of activity of the borrower, this methodology assigns a total ESG score and a disaggregated score for the environmental, social and governance sections, a score that is weighted according to the customer's declared or estimated carbon footprint.

– Finally, these questionnaires and assessments are incorporated into the Company's administrative and technological processes, and the information generated is integrated into corporate databases and reporting systems for monitoring purposes.

The policy also introduces the need to monitor the exposure of the loan portfolio to transition risk and of the portfolio of collateral, foreclosed assets and real estate for own use to physical risk. The policy introduces a reporting system that specifies the information to be reported, how often it is to be reported and the decision-making bodies to which it is addressed. The methodology for calculating and analyzing this exposure is detailed in the following sections of the report.

In 2023 the Group has executed the process of collecting information from those borrowers considered to have a higher exposure to transition risk due to the sector in which they operate. This information is necessary in order to be able to apply the aforementioned methodology for assessing and measuring the ESG risk of these borrowers. Once these questionnaires has been completed, they are incorporated on a recurring basis in the credit risk admission and monitoring processes. The degree of implementation of this methodology will be reported in subsequent years, although references to it can also be found in the Information of Prudential Relevance.

A policy has also been developed aimed at integrating sustainability factors in the management of market, liquidity and operational risks, the most relevant characteristics of which are as follows:

– Assessment of the materiality of the risks in the different sources of financing, including the possibility of establishing a strategy for the issuance of financial instruments, as well as incorporating ESG criteria in the investment policy in liquid assets.

– Definition of specific methodologies for each type of risk. As pertains to market risk, the definition of stress testing procedures is considered basic, considering specific climate risk scenarios based on the Network for the Greening of the Financial System (NGFS), including scenarios of orderly transition, disorderly transition and hot house world, with a lower progressive compliance in each case with the emission reduction agreements and a consequent increase in financial impacts.

– Definition of the main operational impacts as those derived from physical damage to tangible assets and those derived from inadequate commercial practices in the business area due to greenwashing or in commercial advisory activities.

– Definition of specific metrics for each type of risk to enable their integration into the organization's scorecards.

b) Materiality assessment of climate risk and other ESG factors.

As stated in the European Central Bank's Guide on climate-related and environmental risks, "the Company is expected to implement a regular process to identify all material risks and include them in a comprehensive internal risk inventory".

Along these lines, in the preparation of the ICAAP and ILAAP, one of the key procedures is the identification of material risks. The Group includes ESG risks in its materiality analysis.

The Bank considers that these climate risks can materialize in the different risks considered in a transversal manner, as a risk factor that subsequently materializes in the different types of traditional risks, such as credit, real estate, market, liquidity, operational, reputational and strategic risks.

To assess materiality, the Bank has different risk transmission channel matrices for each of the traditional risks, for which recently published publications and supervisory guides have been taken into consideration. These matrices specify the risks affected, the climate risk drivers, the arguments and narratives of each one of them, as well as the parameters that could be affected. Likewise, the different time horizons, segments and sectors that are the most affected are defined. With the analysis of the channels and their temporal effects, different metrics are proposed to determine the possible materiality of the risks and, in the event that they are material, to estimate the quantitative impact of this materiality.

The Bank considers credit risk to be the main risk in terms of magnitude and impact. In order to analyze this risk from an ESG risk perspective, the Bank has analyses of different scenarios derived mainly from the Fit-55 package and specifically in the ECB's Occasional Paper Series, "The Road to Paris: stress testing the transition towards a net-zero economy" as well as those published by the NGFS. Through them, the Bank can estimate the possible unexpected loss derived from increases in the statistical parameters of PD and LGD for the most relevant sectors and segments, including the corresponding capital allocation in its ICAAP process.

c) Risk metrics

In order to be able to establish objectives and metrics for monitoring climate and environmental risks, the Group continues to apply methodologies for measuring transition risks and physical risks.

The following table shows the main risk indicators or metrics established.

Main risk metrics

Type of risk and metrics	Basis of measurement	Observations
Transition risk		
Contribution of interest and commissions from borrowers (companies) operating in particularly emission-intensive sectors	as a % of the total corporate loan portfolio	Data refer to the 22 NACE sectors identified as GHG intensive by the ECB in the sectorial climate stress exercise conducted in 2022, and by the EBA in the Pillar III climate risk disclosure templates
Intensity of financed issues of all portfolios	Tn CO2-eq	
Intensity of financed emissions from particularly emissions-intensive sectors	Tn CO2-eq	
Intensity of financed emissions of TOP15 borrowers in particularly emissions-intensive sectors	Tn CO2-eq	
Energy certifications (efficiency) A and B in the mortgage collateral portfolio	%	
Physical risk		
Global indicator of acute risks	%	% of total appraised value portfolio (collateral and foreclosed) or net book value (real estate for own use) of properties with a very high or high risk level depending on their geographic location, with high sensitivity to some acute (water stress, river flooding or forest fire) or chronic (desertification or coastal flooding) physical risk.
Global physical risk indicator	%	
Carbon footprint		
Corporate carbon footprint (Scopes 1, 2, and 3)	Tn CO2-eq	
Carbon footprint of the financed portfolio	Tn CO2-eq	

The methodological approaches applied for the measurement of transition risks and physical risks are described below.

d) Transition risk

Transition risks relate to the effects on companies or people of ongoing regulatory changes and the technological adaptations they must make to adapt to a low-emission economy. These changes in the environmental, regulatory and economic environment may modify the business environment, viability and solvency of companies or people, with a consequent impact on the risk profile of financial institutions.

In order to develop metrics for measuring and monitoring transition risk, a methodology has been developed to estimate the emissions intensity of the companies financed, based on the information on greenhouse gas emissions disclosed by the different companies. In this regard, a distinction must be made between those companies that publish information on their emissions and those that do not publish information, and for which an estimate is made by adapting the calculation methodology provided by PCAF (Partnership for Carbon Accounting Financials). The methodology is a benchmark in the financial sector, is based on collaboration, and aims to establish a harmonized and robust approach for the measurement of financed emissions that facilitates the establishment of reduction targets. This methodology is applied through emission factors provided by PCAF, which are regularly updated. In 2023 these factors have been updated, which has led to a significant increase in estimated emissions.

These emissions are divided into three types, areas or scopes:

- Scope 1 relates to direct greenhouse gas emissions produced by the burning of fuels by the emitter (furnaces, personal or controlled vehicles) and chemical production emissions.
- Scope 2 relates to indirect greenhouse gas emissions generated by the electricity consumed and purchased by the emitter. These are indirect emissions as they occur at the facility where the electricity is generated.
- Scope 3 covers indirect emissions that arise from the emitter's activity but are owned and controlled by an agent outside the emitter. Examples of Scope 3 activities are the extraction and production of purchased materials, the transportation of purchased fuels or the use of sold products and services.

Once the emissions of the financed companies have been obtained through the scopes, they are weighted according to the companies' turnover, in order to obtain a metric of the emissions intensity of each company and each sector, which allows guiding strategic or sectorial investment decisions. In a subsequent step, the issuance intensities obtained are weighted by the risk volume of each counterparty in relation to the total investment volume of the Bank.

Thus, with the data available as of December 31, 2023, the emissions intensity of the portfolio of companies financed by Unicaja is 213 TnCO_2-eq per €M of turnover (203 TnCO_2-eq per €M of turnover as of December 31, 2022).

In accordance with the stress test methodology developed by the ECB, two additional analyses are performed based on this global data:

– On the one hand, the analysis focuses on those economic sectors considered, according to the ECB methodology, to be particularly affected by transition risk, or emissions-intensive, subject to the materiality thresholds defined in this same ECB methodology. Based on this analysis, the emissions intensity of the portfolio of companies financed by Unicaja in these sectors is 272 TnCO2-eq per €M of turnover (248 TnCO2-eq per €M of turnover as of December 31, 2022).

– On the other hand, within these sectors, the analysis also focuses on the 15 most relevant counterparties by risk volume, subject to the materiality thresholds defined in this same ECB methodology. Based on this analysis, the emissions intensity of the portfolio of companies financed by Unicaja in these offsets is 329 TnCO2-eq per €M of turnover (284 TnCO2-eq per €M of turnover as of December 31, 2022).

The main data obtained are summarized below:

MAIN TRANSITION RISK METRICS	2023	2022
Emission intensity of the corporate lending portfolio	213 $TnCO_2Eq$./M€	203 $TnCO_2Eq$./M€
Emission intensity of the corporate lending portfolio in emission-intensive sectors	272 $TnCO_2Eq$./M€	248 $TnCO_2Eq$./M€
Emission intensity of the 15 largest exposures in emission-intensive sectors	329 $TnCO_2Eq$./M€	284 $TnCO_2Eq$./M€

The increase in the above metrics is mainly explained by the update of the emission factors provided by *PCAF* for the calculation of estimated emissions. Had the above factors not been updated, the metrics would have shown the following data:

MAIN TRANSITION RISK METRICS	2023	2022
Emission intensity of the corporate lending portfolio	176 tn CO2-eq/M€	203 tn CO2-eq/M€
Emission intensity of the corporate lending portfolio in emission-intensive sectors	223 tn CO2-eq/M€	248 tn CO2-eq/M€
Emission intensity of the 15 largest exposures in emission-intensive sectors	275 tn CO2-eq/M€	284 tn CO2-eq/M€

With all of these data, the Bank has the necessary information to guide strategic and industry investment and divestment decisions.

With respect to the mortgage portfolio of individuals, the transition risk is measured mainly based on the information provided by the Energy Efficiency Certificate (EEC) of the financed homes. Accordingly, 87% of the homes financed by the Bank have either an EEC or an estimate thereof, obtained through a model developed by a specialized third party while 3.81% of this group of homes have the highest energy efficiency rating (A or B). This percentage rises to 9.32% for homes financed during 2023.

DISTRIBUTION OF RISK IN THE INDIVIDUAL MORTGAGE PORTFOLIO BY (EEC)

EEC	A	B	C	D	T	F	G	N/A
2022 mortgage portfolio	1.36 %	1.85 %	2.42 %	11.26 %	55.83 %	7.05 %	7.45 %	12.78 %
2023 mortgage portfolio	1.66 %	2.15 %	2.64 %	11.29 %	54.79 %	7.04 %	7.43 %	13.01 %
New production 2022	3.24 %	3.71 %	3.69 %	12.19 %	54.40 %	6.69 %	6.03 %	10.04 %
New production 2023	4.17 %	5.15 %	4.48 %	10.83 %	46.62 %	6.42 %	7.11 %	15.22 %

e) Physical risk

Physical risks are related to the effects that climate change may have on the physical environment, including extreme events such as droughts, river floods or fires, and other medium-term events such as desertification or rising sea levels that may lead to coastal flooding. These events may result in losses in the value of physical assets owned by the entities or that serve as collateral for credit operations, and may also have an impact on the solvency and payment capacity of customers.

For the measurement of physical risk, a methodology has been developed based on the evaluation of the exposure, according to their geographic location, real estate collateral, real estate for own use and foreclosed assets to adverse environmental events (low-no risk, medium-low, medium-high, high or very high) for each type of risk for which there is public information with sufficient granularity.

The methodology has been defined based on the analysis of the geolocation of the properties and their relationship with the physical risk maps offered by the Global Facility for Disaster Reduction and Recovery of the World Bank Group on its Think Hazard platform*,* by the World Resources Institute on its Aqueduct platform. In addition, the methodology is based on information from by the National Forest Fire Information Coordination Center (CCINIF), attached to the Forest Fire Defense Area (ADCIF), under the Ministry of Ecological Transition and Demographic Challenge, based on the annual information provided by the Autonomous Communities.

The typology of climatic events considered is based on the identification of the climatological phenomena analyzed in various studies carried out by the ECB, combined with the study conducted by the *World Resources Institute*, which also analyzes two particularly relevant risks for the Spanish geography, such as water stress and desertification. Thus, the events were ranked as follows:

– Acute events: They are those originated by extreme weather events whose frequency and intensity would increase due to global warming. Its effects manifest themselves to a greater extent in the short term:

  - Water stress or drought episodes: It measures the relationship between freshwater demand (total withdrawals) and available quantity (available surface and groundwater reserves). Therefore, there will be water stress events when there is a deficit in the available quantity of water reserves with respect to consumption or extraction.
  - River flooding: Measures the percentage of the population expected to be affected by a river flood in the average year, taking into account existing flood protection standards. Higher values indicate that a greater proportion of the population is expected to be affected by river flooding on average.
  - Forest fire: Measures the probability of forest fires occurring in a given locality. Higher values are indicative of a higher probability of forest fires.
  - Urban flooding: Measures the probability of potentially damaging and deadly urban floods occurring in the next 10 years in a given province. Higher values are indicative of a higher probability of urban flooding.
  - Landslides: Measures the probability of landslides occurring in a given province as a function of rainfall patterns, terrain slopes, geology, soil and land cover. Higher values are indicative of a greater likelihood of landslides.

– Chronic events: These are those resulting from a medium- and long-term change in climate behavior, especially due to a general increase in temperatures, the effects of which are manifested in the medium- or long term:

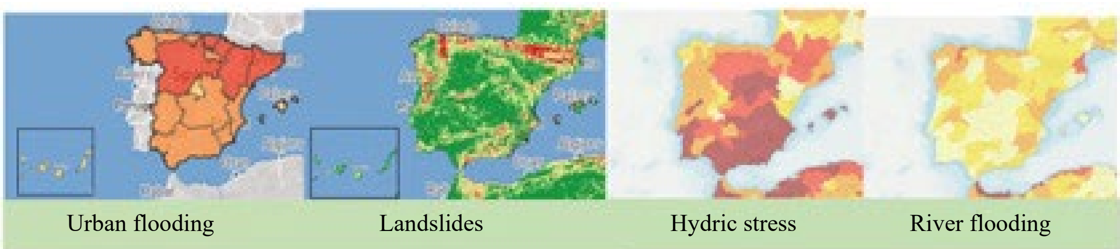
  - Desertification: indicates where chronic droughts are likely to occur and the vulnerability of people and assets to adverse effects. Higher values indicate a greater risk of drought.

  - Coastal flooding or sea level rise: measures the percentage of the population expected to be affected by coastal flooding in the average year, taking into account existing flood protection standards. Higher values indicate that a greater proportion of the population is expected to be affected by coastal flooding on average.

Since the analysis of exposure, by geographic location, only takes into account the different impact of physical risks due to the geolocation of the property, it is necessary to complement this analysis with the degree of sensitivity of physical risks between property types. Several studies, such as the one conducted by MSCI Research in its report “Climate risk in private real estate portfolios: *What’s the exposure?”,* show that different physical risk events do not affect all properties equally, as it will depend on their typology.

Therefore, once the exposure has been obtained, by geographical location, for the different types of acute and chronic physical risks, a qualitative analysis is made of the sensitivity of each property to each of these risks, considering the type of property: housing, rural property, development, land, and properties linked to economic activities.

In the images below we can see the risk maps established by the aforementioned organizations and used by the Bank to measure its exposure to the acute and chronic physical risks contemplated in its methodology:



Once all of the properties have been located and the corresponding exposure values have been assigned, based on their geographical location, for each type of risk or event, an analysis of the sensitivity to these events of the different types of properties is also performed, considering their functional characteristics.

The results of the analysis are similar for all portfolios, i.e. collateral, foreclosed assets and real estate for own use. By way of example, and in order to facilitate the presentation, the following tables show the results of the analysis performed for the collateral portfolio, since it is the most material, both in terms of number of assets and their appraisal value. The resulting percentages show the percentage of appraised value of the properties out of the total portfolio that present a geographic location with very high or high exposure in relation to each of the physical risk events analyzed, classified by the sensitivity to such risks considering the type of property.

URBAN FLOODING							
	High sensitivity		**Medium sensitivity**		**Low sensitivity**		
	Appraised assessment	%	Appraised assessment	%	Appraised assessment	**%**	**TOTAL**
Very high exposure	0	*0%*	0	*0%*	0	*0%*	**0**
High Exposure	326	*0.4 %*	0	*0%*	0	*0%*	**326**
Medium-high exposure	1,581	*2%*	2	*0%*	12	*0%*	**1,596**
Medium-low exposure	38,417	*48.2 %*	172	*0.2 %*	697	*0.9 %*	**39,286**
Low - No Exp.	37,049	*46.5 %*	263	*0.3 %*	1,069	*1.3 %*	**38,381**
Not available	56	*0.1 %*	0	*0%*	1	*0%*	**57**
TOTAL	**77,430**	***97.2 %***	**438**	***0.5 %***	**1,779**	***2.2 %***	**79,647**

URBAN FLOODING							
	High sensitivity		Medium sensitivity		Low sensitivity		
	No. of real estate	%	No. of real estate	%	No. of real estate	%	TOTAL
Very high exposure	0	0%	0	0%	0	0%	0
High Exposure	1,982	0.4 %	1	0%	0	0%	1,983
Medium-high exposure	11,478	2.2 %	13	0%	184	0%	11,675
Medium-low exposure	287,063	54.5 %	1,245	0.2 %	3,428	0.7 %	291,736
Low - No Exp.	216,678	41.1 %	825	0.2 %	4,108	0.8 %	221,611
Not available	6	0%	0	0%	1	0%	7
TOTAL	517,207	98.1 %	2,084	0.4 %	7,721	1.5 %	527,012

COASTAL FLOODING							
	High sensitivity		Medium sensitivity		Low sensitivity		
	Appraised assessment	%	Appraised assessment	%	Appraised assessment	%	TOTAL
Very high exposure	0	0%	0	0%	0	0%	0
High Exposure	0	0%	0	0%	0	0%	0
Medium-high exposure	179	0.2 %	0	0%	0	0%	179
Medium-low exposure	23,437	29.4 %	225	0.3 %	0	0%	23,662
Low - No Exp.	55,537	69.7 %	213	0.3 %	0	0%	55,749
Not available	57	0.1 %	0	0%	0	0%	57
TOTAL	79,209	99.5 %	438	0.5 %	0	0%	79,647

COASTAL FLOODING	High sensitivity		Medium sensitivity		Low sensitivity		TOTAL
	No. of real estate	%	No. of real estate	%	No. of real estate	%	
Very high exposure	0	0%	0	0%	0	0%	0
High Exposure	0	0%	0	0%	0	0%	0
Medium-high exposure	1,266	0.2 %	2	0%	0	0%	1,268
Medium-low exposure	149,497	28.4 %	666	0.1 %	0	0%	150,163
Low - No Exp.	374,158	71%	1,416	0.3 %	0	0%	375,574
Not available	7	0%	0	0%	0	0%	7
TOTAL	524,928	99.6 %	2,084	0.4 %	0	0%	527,012

DESERTIFICATION	High sensitivity		Medium sensitivity		Low sensitivity		TOTAL
	Appraised assessment	%	Appraised assessment	%	Appraised assessment	%	
Very high exposure	0	0%	0	0%	0	0%	0
High Exposure	1,726	2.2 %	0	0%	62,474	78.4 %	64,200
Medium-high exposure	48	0.1 %	0	0%	12,079	15.2 %	12,127
Medium-low exposure	4	0%	0	0%	3,119	3.9 %	3,123
Low - No Exp.	0	0%	0	0%	0	0%	0
Not available	1	0%	0	0%	196	0.2 %	197
TOTAL	1,779	2.2 %	0	0%	77,868	97.8 %	79,647

DESERTIFICATION	High sensitivity		Medium sensitivity		Low sensitivity		TOTAL
	No. of real estate	%	No. of real estate	%	No. of real estate	%	
Very high exposure	0	0%	0	0%	0	0%	0
High Exposure	7,354	1.4 %	0	0%	413,489	78.5 %	420,843
Medium-high exposure	301	0.1 %	0	0%	80,386	15.3 %	80,687
Medium-low exposure	64	0%	0	0%	24,580	4.7 %	24,644
Low - No Exp.	0	0%	0	0%	0	0%	0
Not available	2	0%	0	0%	836	0.2 %	838
TOTAL	7,721	1.5 %	0	0%	519,291	98.5 %	527,012

LANDSLIDES							
	High sensitivity		Medium sensitivity		Low sensitivity		
	Appraised assessment	%	Appraised assessment	%	Appraised assessment	%	TOTAL
Very high exposure	0	0%	0	0%	0	0%	0
High Exposure	7	0%	4,683	5.9 %	0	0%	4,690
Medium-high exposure	862	1.1 %	30,097	37.8 %	0	0%	30,959
Medium-low exposure	746	0.9 %	36,513	45.8 %	0	0%	37,259
Low - No Exp.	163	0.2 %	6,519	8.2 %	0	0%	6,682
Not available	1	0%	56	0.1 %	0	0%	57
TOTAL	1,779	2.2 %	77,868	97.8 %	0	0%	79,647

LANDSLIDES							
	High sensitivity		Medium sensitivity		Low sensitivity		
	No. of real estate	%	No. of real estate	%	No. of real estate	%	TOTAL
Very high exposure	0	0%	0	0%	0	0%	0
High Exposure	84	0%	36,093	6.8 %	0	0%	36,177
Medium-high exposure	3,350	0.6 %	196,855	37.4 %	0	0%	200,205
Medium-low exposure	3,270	0.6 %	234,059	44.4 %	0	0%	237,329
Low - No Exp.	1,016	0.2 %	52,278	9.9 %	0	0%	53,294
Not available	1	0%	6	0%	0	0%	7
TOTAL	7,721	1.5 %	519,291	98.5 %	0	0%	527,012

As a result of the analysis performed, properties with a very high or high level of exposure to acute or chronic physical risk events represent a very low percentage of the overall value of the various mortgage and real estate asset portfolios, depending on their geographic location, and whose sensitivity to this type of event is high.

f) CO_2 footprint of the financed portfolio.

An essential part of Unicaja's strategic commitment to the environment is the reduction of its carbon footprint. In order to meet this strategic objective, it is necessary to integrate methodologies into climate risk management that allow for scientific alignment with the Paris Agreement, which establishes that the increase in the planet's global temperature must be kept below 1.5ºC by 2050. To this end, Unicaja is working on the adoption of methodologies for setting decarbonization targets in line with the Paris Agreement, such as SBTi (Science Based Targets) or PACTA (Paris Agreement Capital Transition Assessment).

The determining factor in meeting these objectives is the reduction of greenhouse gas concentrations, for which an adequate measurement of the carbon footprint of the investments financed by the Bank must first be carried out. This will make it possible to identify the portfolios and sectors in which emissions are concentrated, in order to subsequently define priorities for decarbonization.

The calculation of financed emissions for the portfolios as a whole is performed at the asset level, following the calculation methodology developed by the three banking associations (AEB, CECA, UNACC) which, in turn, is aligned with PCAF.

The PCAF methodology is initially based on the classification of the Bank's assets and investments into a series of portfolios and sectors.

- For the loan portfolio, a distinction is made between the sub-portfolios of corporate loans, mortgage loans, loans for the acquisition of motor vehicles, project finance and loans to public administrations.
- For the fixed-income portfolio, a distinction is made between the corporate bond and sovereign debt subportfolios.
- For the equity portfolio, a distinction is made between the sub-portfolios of holdings in listed and unlisted companies and project finance.

In turn, once these portfolios have been defined, the investments are classified by sector of activity in order to identify those activities that contribute most to climate change. Finally, once the emissions attributable to each borrower have been obtained through different metrics, according to the information disclosed by the borrowers or through the databases provided by *PCAF*, and considering the quality of the available data*(score*), it is necessary to define the proportion of such emissions that is assigned to loans or investments, according to a concept called attribution factor.

According to this methodology, the final result obtained, as of December 31, 2023, for the credit, fixed-income and equity portfolios that finance the private sector amounts to 5.8 million tn of CO_2 equivalent: (5.9 million tn of CO_2 equivalent in 2022)

Private sector financing	Financed emissions (tn CO2-eq)	%	Of which: Scope 3 (tn CO2-eq)	%	Score
Credit portfolio	**5,309,875**	**90.8 %**	**2,665,325**	**95.1 %**	**3.1**
Corporate loans	4,099,164	70.1 %	2,570,376	91.8 %	3
Project finance	246,613	4.2 %	94,949	3.4 %	4.1
Mortgage loans	946,236	16.2 %	0	0%	3.2
Motor vehicle loans	17,862	0.3 %	0	0%	4
Fixed Income Portfolio	**342,178**	**5.9 %**	**33,527**	**1.2 %**	**2.1**
Corporate bonds	342,178	5.9 %	33,527	1.2 %	2.1
Equity portfolio	**194,673**	**3.3 %**	**102,416**	**3.7 %**	**4.3**
Holdings in listed/unlisted companies	194,673	3.3 %	102,416	3.7 %	4.3
Total	**5,846,727**	**100%**	**2,801,268**	**100%**	**3.2**

In addition, emissions generated by financing to public administrations, through loans or the acquisition of sovereign debt, amount to 4.5 million tn of CO_2 equivalent (4.5 million tn of CO_2 equivalent in 2022).

Public sector financing	Financed emissions (tn CO2-eq)	%	Score
Loans to Public Administrations	1,268,931	27.9%	4.9
Sovereign Debt	3,273,961	72.1%	1.1
Total	**4,542,892**	**100%**	**1.7**

The detail of financing to the productive sector, including corporate loans, project finance, corporate bonds and participations in listed and unlisted companies, is shown below, with emissions amounting to 4.8 million tn of CO_2 equivalent (4.5 million tn of CO_2 equivalent in 2022).

Financing of productive sectors	Financed emissions (tn CO2-eq)	%	Scope 1 and 2 (tn CO2-eq)	%	Scope 3 (tn CO2-eq)	%	Score
Steel	248,943	5.1 %	60,448	2.9 %	188,495	6.7%	1.9
Agriculture	603,755	12.4 %	398,627	19.2 %	205,128	7.3%	3.8
Aluminum	17,641	0.4 %	2,802	0.1 %	14,839	0.5%	4
Aviation	52,428	1.1 %	36,222	1.7 %	16,206	0.6%	3.7
Coal	14,587	0.3 %	11,217	0.5 %	3,370	0.1%	4
Cement	14,724	0.3 %	8,086	0.4 %	6,638	0.2%	3.6
Fossil fuels	813,681	16.7 %	100,909	4.8 %	712,772	25.4%	1.8
Energy	1,565,462	32.1 %	1,144,630	55%	420,832	15%	1.9
Maritime transportation	54,069	1.1 %	44,408	2.1 %	9,661	0.3%	4
Other sectors	1,497,339	30.7 %	274,012	13.2 %	1,223,327	43.7%	3.4
Total emissions	**4,882,629**	**100%**	**2,081,361**	**100%**	**2,801,268**	**100%**	**3.2**

Finally, the following table shows the emissions generated by the portfolio of mortgage loans granted to both individuals and companies in the real estate sector, with a total amount of 0.9 million tn of CO_2 equivalent (1.39 million tn of CO_2 equivalent in 2022).

Mortgage loans	Financed emissions (tn CO2-eq)	%	Score
Residential	**915,686**	**96.8 %**	**3.1**
Multifamily Housing	795,443	84.1 %	3.1
Individual Housing	120,243	12.7 %	3.2
Commercial	**30,550**	**3.2 %**	**3.8**
Offices	3,319	0.4 %	3.7
Shopping center	4,253	0.4 %	3.8
Shopping center (Warehouse)	10,731	1.1 %	3.8
Hotel	219	0%	3.5
Hot industrial warehouse	12,028	1.3 %	4
Total	**946,236**	**100%**	**3.2**

Based on these results, the carbon footprint of the total financed portfolios amounts to 10.4 million tn CO_2 equivalent, of which 5.8 million tn CO_2 equivalent correspond to financing to the private sector and 4.5 million tn CO_2 equivalent to financing to the public sector.

Within the loan portfolio, the mortgage portfolio, which includes individual mortgages and real estate mortgage financing, generates 16.2% of the total carbon footprint of the financed portfolios, to the private sector. The individual mortgage portfolio generates 15.7% of the total of these emissions.

As for the corporate portfolio (including credit, fixed income and equity portfolios), its carbon footprint is 83.5% of the total, with the Energy and Fossil Fuels sectors standing out with 26.8% and 13.9% respectively.

g) Decarbonization targets

Based on the analysis of emissions from the different portfolios and sectors, in April 2023 the Board of Directors of the Bank approved the establishment of intermediate decarbonization targets for those sectors that are more intensive in Greenhouse Gas emissions and have a greater contribution to its carbon footprint: Fossil Fuels (“Oil & Gas”), Energy and residential mortgage portfolio

These targets imply a reduction in emissions intensity of 28% for the residential mortgage portfolio and 62% and 28% for the Energy and Fossil Fuels sectors respectively.

Sector / Portfolio	Reference scenario	Scope of emissions	Metrics	Base year 2022	Target 2030	% decarbonization
Oil & Gas	IAE Net Zero 2050	1 + 2 + 3	tCO2eq./M€	3,013	2,169	-28 %
Energy	IAE Net Zero 2050	1 + 2	KgCO2eq./MWh	115	44	-62 %
Residential mortgage portfolio	IAE Net Zero 2050	1 + 2	KgCO2eq./m^2	54	39	-28 %

In order to establish these objectives, the application of carbon footprint calculation methodologies has been combined with the use of reference climate scenarios for the decarbonization of the different sectors, considering the expected evolution of the portfolios and the Bank's business strategy, as well as the intermediate decarbonization objectives set by the different counterparties.

The objectives were established exclusively for the loan portfolio, taking 2022 as the base year. In the three sectors, the 1.5ºC or "Net Zero by 2050" scenario has been considered, this being the most ambitious and accepted by the sector, complying with the requirements of sectoral initiatives such as the NZBA ("Net Zero Banking Alliance").

Once the objectives were established, Unicaja monitored the commitments made every six months. To this end, we have proceeded to:

- Calculate the issuance intensity of the three target portfolios, considering their composition as of December 31, 2023.
- Compare the result obtained with the intensity figure foreseen on December 31, 2023 in the baseline scenario used for target setting.

The results obtained were as follows:

Sector / Portfolio	Metrics	Base year 2022	Target 2030	% decarbonization	Target 12/2023	Intensity 12/2023
Oil & Gas	tCO2eq./M€	3,013	2,169	-28 %	2,978	2,638
Energy	KgCO2eq./MWh	115	44	-62 %	95	113
Residential mortgage portfolio	KgCO2eq./m^2	54	39	-28 %	52	38

The increase in intensity in the Energy sector is due to a double effect:

i. reduction of risk in significant customers (where we have intensity information) with low intensity at the expense of increased risk in significant customers with worse intensity and

ii. increase in intensity in the rest of the customers due to the update of the energy emission factor used to measure their intensities: emission factor of marketing companies without GoO provided by MITECO, which has gone from 259 $KgCO_2eq/MWh$ in 2022 to 273 $KgCO_2eq/MWh$ in 2023.

The drop in emissions intensity in the residential mortgage portfolio is due to the updating during 2023 of the emission factors, either the PCAF factors, used in the case that the housing area was available, or the energy emission factors for the different countries (the EEA), in the case that the housing area was not available.

The Bank has defined these objectives as a first step in its strategy to promote the decarbonization of the most emission-intensive sectors included in its loan portfolio. In doing so, it has taken into account the information currently available, the methodologies commonly applied by the sector, its business strategy and the emission intensities and reduction targets of its main counterparties.

Therefore, these targets may be subject to possible modifications based on new market information, changes in the decarbonization targets published by the counterparties or the development of methodological improvements.

h) Taxonomy of sustainable investments

In addition to the above, it should be noted that the Group discloses information related to the exposure (eligibility) of the portfolio for environmental purposes “mitigation and adaptation to climate change” as of fiscal year 2021. In fiscal year 2023, we report the alignment of these two environmental goals, and the eligibility of the goals of sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and recovery of biodiversity and ecosystems.

This information, with respect to fiscal year 2023, can be found, accompanied by the appropriate explanations, in the section “Indicators of Article 8 of the European Union (EU) Environmental Taxonomy Regulation”.

Exercising corporate social responsibility

SOCIAL RESPONSIBILITY MODEL AND AREAS OF APPLICATION (GRI 2.12, GRI 2.13, GRI 2.14, GRI 2.23, GRI 2.25, GRI 2.28, GRI 3.3)

The CSR Policy, the latest version of which was approved by the Board of Directors in January 2023, aims to establish the basic principles of action in CSR matters that contribute to the sustainable creation of value for the stakeholders with whom it carries out its activities, through effective management and a culture of responsible and transparent banking.

This policy, together with the Sustainability Policy and the Environmental, Energy and Climate Change Policy, establishes a general framework for the management of environmental, social and corporate governance (ESCG) aspects, the alignment of the Group's strategy and the reduction of negative impacts by continuously increasing positive ones, while at the same time attending to its commitment to the Global Compact Principles, the 2030 Agenda and the United Nations Sustainable Development Goals (SDGs).

The role of Unicaja's Board of Directors, as set forth in its Regulations, includes ensuring compliance with "those additional principles of social responsibility that it has voluntarily accepted", as well as approving the CSR policy pursuant to the provisions of the Capital Companies Act. At a minimum, the policy will identify corporate strategy related to sustainability, environment and social issues, in line with board rules.

The CSR Policy applies to Unicaja, as well as to the investee companies over which effective control is exercised. With respect to investee companies in which such control is not exercised, efforts will be made to align their CSR policies with those of the Unicaja Group whenever possible. Through their corresponding governing bodies, Group entities are responsible for preparing and approving their own internal regulations that allow the application of the provisions contained in Group Policy, with the adaptations that, if necessary, are essential to make them compatible and in compliance with regulatory and normative requirements or the expectations of their supervisors, as the case may be.

Basic principles of action and support instruments

The Unicaja Group, which is fully committed to sustainable development, strengthens its position of reference in its sphere of action with aims that contribute to economic, social and environmental development, considering the needs of all its stakeholders, especially its customers, shareholders and investors.

Within the framework of compliance with the Ten Principles of the United Nations Global Compact, the 2030 Agenda and the 17 SDGs, the CSR Policy is based on the following principles:

1. To promote best practices in all areas of operation as a means of continuous improvement.
2. To identify and prudently manage all risks (financial and non-financial) pursuant to the mechanisms set forth in the Unicaja Group's Risk Appetite Framework and other internal policies and manuals.
3. To maintain a constant flow of communication with all stakeholders in order to incorporate social and environmental expectations into the Group's business values.
4. To promote and foster sustainable development.
5. To promote socially responsible actions that have an impact on the satisfaction of customers, other stakeholders and on the Group's good image and reputation.

Unicaja's Board of Directors is the highest body responsible for CSR Policy. Therefore, it is responsible for setting the guidelines that guide its management. Following the latest revision of this Policy, the "business purpose" has been expressly incorporated with the following scope:

"To contribute financially to the development of a more just and inclusive society, supported by an efficient economic management that is fully respectful of the preservation of the planet."

The Sustainability Policy, revised in the same fiscal year 2023, conditioned by the challenges associated with the fight against climate change, the transition to a low-carbon economy and the environmental degradation of the planet, with its social consequences, establishes the principles aimed at complying with regulations and responding to supervisory expectations, with an impact on strategy and overall objectives, on corporate, business and risk management, and on the design and marketing of products and services, while seeking to take advantage of all opportunities linked to the sustainable transition and the aspiration of climate neutrality.

Unicaja has strengthened its governance in the area of Sustainability and CSR with the creation by the Board of Directors of a Committee to support the Board, the Sustainability Committee. This Committee is responsible, among other matters, for submitting proposals on sustainability matters, as well as supervising that the Company's practices related to sustainability are in line with the strategy, the policies established and the commitments acquired.

Following the revision of Unicaja's structure at the end of 2023, the tasks previously assumed by the Sustainability and CSR Committee have become the responsibility of the Steering and Transformation Committees.

CSR Master Plan (GRI 2.24, GRI 3.3)

In June 2022, Unicaja's Board of Directors approved the CSR Master Plan, as anticipated in previous statements. To this end, the CSR Master Plan establishes a set of management guidelines and a series of initiatives for the appropriate progress in the integration of environmental, social and governance criteria in the Group's activities.

To this end, the main objectives of the CSR Master Plan are as follows:

1. Establish, for the period 2022-2024, Unicaja's CSR strategic lines, reinforcing, to the extent possible, the work in this field within the Group.
2. Point out socially and environmentally responsible actions aligned with the Bank's strategy.
3. Move towards a business model that maximizes the creation of long-term shared value for all stakeholders (shareholders and investors, customers and users, staff, suppliers, territories, society, environment), responding satisfactorily to their needs and expectations.
4. Promote the integration of CSR into the Group's strategy as an element of competitiveness.

The following table summarizes the strategic lines, classified by subject and stakeholder, the general objectives of the CSR Master Plan and the SDGs to which it contributes:

STRATEGIC LINES	OBJECTIVES	SDG
Corporate governance	Develop best governance practices that ensure a relationship framework based on transparency and trust.	

Customers and users	Maintain relationships in line with customers' preferences and needs, by adapting the range of products and services offered with the aim of creating value both for this stakeholder group and for the environment in which Unicaja operates, aspiring to achieve lasting commercial relationships based on trust.	
Workforce	Develop a favorable framework of relations so that Unicaja's project is a success shared by all, promoting, among others, the principles of ongoing dialog, equal treatment and opportunities, conciliation and diversity.	
Company	Recognition of Unicaja as a driver of social, environmental and economic development of the territory, encouraging active listening, incorporating social expectations, and generating trust and a good image.	

Shareholders and investors	Deepen the relationship with shareholders, investors and analysts, providing updated and transparent information on the Company, going beyond that established by the legal framework whenever possible.	
Environment	Minimize the negative impact and reduce the associated costs through a more efficient consumption of resources and a correct environmental and energy management in all processes, while favoring the positive impacts derived from the development of the Bank's activity. Adopt measures to address climate change, biodiversity loss and environmental degradation.	
Suppliers	Promote responsible management in the supply chain with respect for labor legislation and human rights, as well as socially and environmentally responsible actions by this stakeholder throughout the entire value chain, which drive economic development in the Bank's area of operation.	

Table 1. Strategic lines of the CSR Master Plan and related SDGs. The material SDGs for the Unicaja Group are highlighted in greater size.

As a result of these objectives, a series of key actions were identified, which are currently in the development phase, including the following:

- The treatment by the Board of Directors of the socially and environmentally responsible actions of the Bank, which contribute to the generation of long-term value.
- Identification and integration of the socially and environmentally responsible policies and practices of the companies that are part of the Group.
- Promotion of the financial and technological inclusion of vulnerable groups, with special consideration for rural areas and “senior clients”.
- Development of systematic relationship and dialog actions with stakeholders, allowing for the preparation of a CSR materiality analysis, based on the principle of “double materiality”, and its regular updating.
- Encouragement of the promotion of health and healthy lifestyles that have a positive impact on the well-being of the workforce.
- Approval of a “Human Rights Policy”, applicable to the entire value chain.

In order to ensure the achievement of the CSR Master Plan, the programmed actions and their implementation process are adequately monitored, controlled and assessed, as are the results obtained and possible deviations from the objectives set.

STRATEGIC LINES	COMMITMENTS	MEASURES
Human Rights and 2030 Agenda	**Respect** in the development of relations with its employees, customers, shareholders and investors and suppliers, as well as with society as a whole, human rights, as an ideal shared by all peoples and nations of the planet, in accordance with the International Bill of Human Rights, the Global Compact, the 2030 Agenda and other principles contained in documents originating from the United Nations, the OECD and the ILO. **Promote** Strategic Alliances for the achievement of the SDGs.	Prepare a draft Human Rights Policy. Global Compact, CIFAL Málaga and OECA. Develop Financial Education Seminars within the framework of the Edufinet Project promoted together with the Unicaja Foundation.

Customers and users	**Provide** customers with clear and truthful information on the financial products and services offered. **Exercise** responsible commercial advertising: loyal, truthful, honest and legal (avoid manipulation of information). **Offer** multichannel proposals to customers. - both actual and potential channels - based on the provision of a professional, personalized and high-quality service. **Continue** with best practices in information security, cybersecurity, protection and confidentiality of personal data. **Develop** a periodic follow-up of customer satisfaction. **Implement** quality and accessibility management systems aligned with the strategic objective of customer focus.	Expand the catalog of sustainable financial products. Adhere to Autocontrol, Association for Commercial Self-Regulation and Good Advertising Practices, issuance of press releases and various internal and external communications. Products and services offered. 2023-2024 Technology Plan. Cybersecurity and technological risk plan. Corporate NPS (Net Promoter System) methodology; "Unicaja Escucha" Voice Program; Sector comparisons such as the "Benchmarking Report on Customer Satisfaction of Financial Institutions" (Stiga). Quality System certified based on ISO9001:2015; Information privacy and data protection management system in accordance with ISO/IEC27701:2019; Certified by AENOR in accordance with UNE71502 and ISO/IEC 27001; Management System by AENOR, in accordance with ISO 45001:2018; Integration of the UNE-EN ISO Systems 14001:2015 and 50001:2018, under development.
Workforce	**Interpret** and apply labor standards in accordance with the most advanced international standards approved by the United Nations and the European Union in this area, as well as those of the OECD and the ILO. **Apply** the principles of equal treatment, equal opportunities, non-discrimination and respect for diversity, establishing different protocols to protect the dignity of workers. **Prioritize** the management of human capital, in a safe, sustainable and healthy environment, in an environment that promotes and improves the capacity for teamwork. **Promote** professional development through training and career plans for the workforce, as well as the reconciliation of work and family life. **Attract and retain** talent. **Promote** dialog and direct internal communication with employees.	HR Policy Equality Policy; Diversity Policy. HR Policy Occupational Risk Prevention Policy. HR Policy Training and career plans. HR Policy (talent management); talent attraction and retention plan; career development systems and plans. HR Policy Communication Policy Internal; Labor/Social Relations Plan.

Diversity and Inclusion	**Follow** a Human Resources management strategy that guarantees a favorable framework for labor relations based on equal opportunities and non-discrimination. **Count on** professionals with varied profiles, within the framework of the established decision-making processes and procedures, in the conviction that this contributes to creating differential approaches and greater value for the Group.	Equality Policy Labor Relations Policy Diversity Policy HR Policy Recruitment and Hiring policy
Corporate and internal governance	**Develop** good practices that ensure a relationship framework based on transparency and trust. **Ensure** that the selection procedures for the members of the Board and the Support Committees ensure diversity with respect to issues such as age, gender, disability and professional training and experience, and do not suffer from implicit biases that could imply any discrimination and, in particular, that they facilitate the selection of female directors so as to achieve a balanced presence of women and men.	Corporate Governance Policy, Remuneration Policy Associated Risk Management, Board of Directors Diversity Policy, Policy for the Selection and Appointment of Directors, Succession Policy, Policy for the Identification and Management of Conflicts of Interest and Related-Party Transactions of Significant Shareholders, Directors, Senior Directors and other related parties, Policy for the Evaluation of the Suitability of the Members of the Board of Directors, General Managers and Similar and other Key Personnel for the Development of the Financial Activity (Addendum for the update of the evaluation of the suitability of the Collective Subject to the Policy), Procedure for the Evaluation of the Collective Suitability of the Board of Directors, Training Policy of the Board of Directors, Procedure for Evaluating the Functioning of the Board of Directors and its Committees, and of certain positions, Internal Rules of Conduct in the Securities Market, Code of Ethics. Diversity Policy. Policy for the Selection and Appointment of Board members.
Shareholders and investors	**Ensure** the transparency of the information provided to shareholders and investors and to the markets in general. **Protect** the legitimate interests of shareholders and investors. **Preserve** transparency and the equal treatment of all shareholders in the same position. **Ensure** compliance with the provisions of the applicable regulations on market abuse.	Policy on communication and contact with shareholders, institutional investors and proxy advisors. Internal Regulations of Conduct in the framework of the Stock Market

Social issues	**Strengthen** relationships of trust by supporting the various public administrations and social organizations of reference. **Contribute** to economic, social and environmental development in its field of action. **Promote** the development of the agricultural sector and rural areas. **Promote** lines of support for social housing and social policy for housing, and the development of lines of financing and support for families in this area. **Provide** an adequate response to mortgage debtors on the threshold of exclusion or in a situation of special social vulnerability. **Promote** social, digital and financial inclusion, also encouraging practices to promote financial training and culture among the population, especially in rural areas or in favor of groups at risk of exclusion, such as the elderly or the disabled. **Support** companies and entrepreneurs, adding to the offer of financial products and services, including the granting of microcredits, the channeling of aid granted by Public Administrations **Provide** financial collaboration for the development of initiatives aimed at promoting self-employment, the financing of business projects and entrepreneurial business projects, through microcredits and the actions undertaken based on the agreements signed for the promotion of the social economy.	Collaborations with foundations and non-profit organizations, partnership or sponsorship actions. Financing to productive sectors (corporate, project finance, corporate bonds and participations in listed and unlisted companies), collaborations with foundations and non-profit organizations, partnership or sponsorship actions. Financing of investments in farms to improve energy efficiency and modernization of irrigation, Sectoral Protocol for Rural Areas (2022). Lines of financing and support for families, including those related to social housing (renegotiation of financial conditions, debt restructuring and refinancing, dation in payment and social renting), Adherence to the FSV Agreement (471 housing units), Adherence to the Codes of Best Practices, Other social renting. Edufinet Project; Sectoral Protocol for the Elderly and the Disabled (2022). Channeling of aid granted by Public Administrations. Financing for SMEs and the self-employed. Microloans.

Environment	**Define and promote** specific actions that demonstrate the Group's commitment to the environment and energy savings, as well as its position on climate change. **Promote** the financing of projects that contribute to improving energy efficiency and achieving greater long-term environmental sustainability, in addition to integrating environmental risks into the risk analysis of financing and investment project financing. **Promote** a responsible attitude towards the environment among the workforce and society in general	ISO Management Systems Integration Plan 14001:2015 and 50001:2018; Measurement of Greenhouse Gas (GHG) emissions generated as a result of the company's activities, based on the GHG Protocol, and reduction plan (under development); Agreements with organizations in the area of Sustainable Finance / New products or services. Management of the Integrated Management System (under development). Internal and external communications; Definition of a supplier approval procedure that incorporates clauses with environmental and social commitment.
Suppliers	**Establish** transparent, objective and impartial processes with suppliers, promoting competition and equal opportunities. Properly **manage** the delegation of the provision of services to third parties, including Unicaja Group companies, both at the time of prior analysis and approval of the delegation and in its subsequent formalization, development and monitoring. **Ensure** that suppliers are respectful of current labor and environmental legislation, as well as human rights throughout the value chain, establishing a procedure to classify the main suppliers according to social, environmental and ethical criteria. Scrupulously **comply** with payment deadlines, as well as the conditions contractually agreed with suppliers. **Count on** local suppliers in the field of the Group's activity whenever possible.	Definition of a supplier approval procedure that incorporates environmental and social commitment clauses (under development). Outsourcing Policy; Supplier management procedure involving key areas. Definition of a supplier approval procedure that incorporates environmental and social commitment clauses (under development). Average period of payment to suppliers Support for local suppliers

Fiscal responsibility	**Include** fiscal responsibility as part of CSR, and develop a fiscal strategy. **Manage** tax matters in accordance with principles of integrity, transparency and prudence. **Adopt** all best practices that allow for an adequate prevention and reduction of tax and reputational risks, so as to generate greater legal and economic security for the Group and for society. **Contribute** economically and socially to the development of the communities in which the Group is present through the payment of taxes and collaboration in the collection of third-party taxes generated by the development of its economic activity.	Unicaja's Tax Strategy. Principles of action of the tax strategy. Code of Good Tax Practices Solidarity company that contributes 0.7% of its total corporate income tax liability to social action programs.
Prevention of corruption and other illegal conduct	**Maintain** the commitment to establish a culture of regulatory compliance that develops honest and integrated professional conduct, ensuring a relationship framework based on transparency and trust, as established, among other policies, in the Code of Ethics. **Maintain** a whistleblowing channel available to all Unicaja employees, managers and administrators, as well as third parties outside the organization that do not fall under the aforesaid categories. **Reject** practices of economic crime, fraud and violation of consumer rights. **Fight** against corruption, extortion and bribery, in all their forms, in accordance with the principles of the United Nations in this area and the highest international standards of compliance in this regard. **Condemn** the possible commission of any kind of illegal act within the Bank, particularly in the criminal sphere, where no hypothetical commissions of such acts being able to be justified on the basis of obtaining a benefit for the company.	Code of Ethics; Policy for the prevention and management of conflicts of interest of Unicaja Group employees; Prevention of criminal risk and reaction to non-compliance; Prevention of corruption and bribery of the Unicaja Group; Internal Rules of Conduct in the Securities Market: Money laundering prevention regulations and associated procedures. Management of the whistleblowing channel; Communications and training on the subject Criminal Risk Prevention School. Policy for the Prevention of Corruption and Bribery of the Unicaja Group; Management of the certification of the UNE 19601 standard for Criminal Compliance Management Systems. Operations assessed for corruption risks Anti-money laundering measures. Whistleblowing channel and its management.

Relationship with stakeholders

The Group develops a responsible and sustainable business model, one of the essential elements of which is the involvement of stakeholders and the creation of shared value for all of them.

The Group takes into consideration aspects related to CSR in its dealings with the various stakeholders.

Table: Stakeholders and responsible practices

People	Territories	Company	Environment
Customers **Employees** **Shares and investors** **Suppliers**	Public Administration Bodies Reference social organizations Businesspeople and entrepreneurs Agricultural sector/Rural areas	Education Financial education Social and financial inclusion Social housing Social economy Vulnerable groups Fiscal responsibility	Energy efficiency Environmental protection The fight against climate change

The assumption of these commitments requires the provision of different elements for an open and institutionalized dialog with the various stakeholders. The Group continuously reviews the identification and selection of stakeholders and the processes necessary to keep this two-way dialog active. To make this effective, the Group uses two types of channels: those developed to detect stakeholder needs and those used to communicate the actions carried out in response to those needs. All these actions are of a continuous nature and comprise the networks of attention to the needs and their expectations.

The identification of stakeholder needs offers opportunities to strengthen current and future ties with society. By efficiently and systematically developing the processes for capturing and analyzing the expectations expressed, the Unicaja Group ensures the maintenance of a balanced management model and the establishment and consolidation of a business and social development model that will continue over time.

These processes, defined within the various annual and multi-annual planning systems, take the form of a series of channels, forums and specific spaces for internal and external participation which transcend the dialog between stakeholders by simultaneously contributing to understanding the needs of society through interaction with other public and private organizations. As an example of the above, we use commercial and corporate websites to report certain communication mechanisms (telephone and via email) with customers and users of financial services, investors and analysts, among others, reinforced since 2018 with contact through social media.

Communication channels

The Group publishes economic-financial, non-financial and corporate information through the following means, among others:

– CNMV website

All privileged or relevant information that has to be disclosed pursuant to applicable regulations is made public through the CNMV website (www.cnmv.es) in order to ensure that the market is kept informed.

– The Bank's corporate website

The Unicaja corporate website is the medium through which the Bank channels all useful information for institutional investors, shareholders and other stakeholders. The information disseminated through this website can be consulted at any time, at least during the period required by law.

The Bank presents quarterly results and other relevant notifications to the market through a streaming channel and the continuous transmission of data through its corporate website, allowing access to shareholders, investors, analysts and any other interested parties. This is another means of keeping abreast of the Bank's progress and is also available on a deferred basis through the corporate website. In the case of live presentations, Unicaja provides the means for participants to send their questions to the speakers or Company representatives.

– Other channels

Information regarding Unicaja's activity, strategy and evolution is not only passed on to investors and shareholders directly through the aforementioned channels, but also indirectly through information published in the printed or digital press and on social media, etc.

- Media

Unicaja Banco maintains a fluid, continuous and transparent dialog with the media, especially with those specializing in economic-business matters and with the relevant local and regional media in the areas of greatest presence and activity, which show a special interest in updated information on the Group. Unicaja promotes the dissemination of information on its activities by sending press releases or holding press conferences or other types of meetings with journalists and the media, in all cases in compliance with market abuse control regulations.

- Social media

Unicaja's official social media channels provide it with a direct means of communication and dissemination of its values, brand image and activities. They also provide an additional channel for customer and stakeholder service. The Bank's official profiles on Twitter, Facebook, Instagram, LinkedIn and YouTube allow it to maintain a fluid dialog with the community present in the social environment, in addition to disseminating information of interest on the activities undertaken. Although the Group does not use social media to simultaneously communicate inside information as a complementary or additional channel to CNMV and corporate websites, if at any time it decided to use them, it would do so in compliance with the criteria and requirements established by CNMV.

The Group therefore ensures that there is an ongoing dialog with stakeholders, establishing relevant channels with the aim of creating economic value associated with the commitment to these groups.

UNICAJA GROUP AND ITS COMMITMENT TO SUSTAINABLE DEVELOPMENT GOALS (SDGS) (GRI 203-2)

The United Nations Sustainable Development Goals (SDGs) were established as a challenge for all social and economic actors worldwide to contribute to a more sustainable future in all its aspects, to end poverty, protect the planet and ensure that people enjoy peace and prosperity.

The United Nations Development Program (UNDP) calls on governments, the private sector, civil society and citizens alike to ensure a better planet for future generations. Through its activities and in line with the social responsibility model it has implemented, the Unicaja Group contributes directly to the achievement of SDGs. One of the greatest contributions to their achievement is the establishment of alliances and spaces for dialog with other organizations in order to achieve more effective and visible results.

Tenth anniversary of Unicaja's adherence to the UN Global Compact

In July 2023, Unicaja celebrated the tenth anniversary of its adherence to the United Nations (UN) Global Compact. Ten years during which the Bank has been working to integrate the ten universal principles on issues such as human rights, labor standards and the environment into its strategy, culture and action plan. In addition, it has reinforced its commitment to the achievement of the Sustainable Development Goals (SDGs) and the Paris Agreement, demonstrating its involvement in balanced and sustainable economic development, and communicating this to its various stakeholders.

Unicaja became a signatory to the Global Compact in July 2013, and in April 2017, as a member of the Spanish Global Compact Network. This adherence means supporting the actions promoted by the United Nations Organization to achieve its goals and objectives, including the SDGs.

As a renewal and reinforcement of all this, in 2020 Unicaja became a signatory to the "Declaration of business leaders for renewed international cooperation", promoted at the global level by the United Nations Global Compact, on the 75th anniversary of the creation of the UN and the 20th anniversary of the Global Compact. This declaration sought to unite companies in favor of international cooperation based on respect for human rights and sustainable development, as well as ethical leadership and good governance. The Declaration also supports the targets of Sustainable Development Goal 16: Peace, Justice and Strong Institutions.

UNITAR-CIFAL

Unicaja, in the exercise of its Corporate Social Responsibility and in its interest in the dissemination of the Sustainable Development Goals (SDGs), has supported the UNITAR- CIFAL center in Málaga in 2023. The mission of UNITAR (United Nations Institute for Training and Research) is to develop the individual, institutional and organizational capacities of countries and other UN stakeholders through high quality learning solutions and related knowledge products, and to improve decision-making and support action at the country level for the global challenges we face. CIFAL's training activity has a great impact on society. In addition, thanks to Unicaja's support, for the first time, financial inclusion has been addressed within the general objectives of social inclusion.

Business Observatory for the Achievement of the 2030 Agenda (OECA)

These links with the United Nations and the 2030 Agenda continue to be strengthened with the support provided by Unicaja to the Business Observatory for the Achievement of the 2030 Agenda (OECA), under the Agreement formalized in 2019.

The Business Observatory, which is part of the SDG Specialist Commission set up by the CEA, aims to be an economic, business and social observatory, whose role is to coordinate actions for the fulfillment of these principles by the private sector. One of the main purposes of the OECA is to lead the implementation of the 2030 Agenda in companies, to promote general welfare and contribute to the generation of wealth and employment.

INTERNISA

In 2022, a collaboration protocol was signed between the Andalusian Federation of Municipalities and Provinces (FAMP), the Unicaja Foundation, Unicaja and Edufinet for the delivery of training actions within the framework of the INTERNISA project, financed within the European Neighborhood Instrument Cross-Border Cooperation of the Mediterranean Sea Basin Program, which is better known by its acronym ENI CBC MED.

The project, in force throughout 2023, aims to bridge the digital divide that exists among women, adjusting the relationship between labor supply and demand for this group, thereby reducing female unemployment in these countries, while providing innovative employment services in the regions where the project is being developed. In this way, the project will address the dual challenge to the prosperity of these countries that suffer from low levels of women's participation in the labor market, as well as low levels of digitalization of their economies.

The collaboration foreseen in this Protocol has been materialized through face-to-face training actions in Andalusian municipalities, whose general content consists of offering training and capacity building activities, as well as knowledge transfer in the field of digitalization in the financial sector, especially aimed at young unemployed women. These physical development points are designed for people who do not have access to the Internet, and therefore cannot access online services and resources, as well as to provide a point of information about the project and its activities.

Unicaja and Correos sign a protocol to expand financial services in the rural world

Unicaja and Correos have signed a collaboration protocol in April 2023 to expand access to the Bank's financial services in rural Spain. This bilateral agreement is part of the collaboration agreement signed by Correos with the Spanish Confederation of Savings Banks (CECA) and other professional associations in the financial sector (AEB and UNACC) to facilitate cash withdrawals and improve access to basic financial services in rural areas throughout Spain.

The objective of the agreement is that all citizens, regardless of their age and place of residence, have access to cash with as little travel as possible. To this end, the collaboration protocol contemplates that Unicaja's customers can access Correos Cash services, which allows cash withdrawals and deposits at all Correos customer service points, and money to be delivered to their homes by rural letter carriers. Unicaja is working on the necessary developments for the effectiveness of the service.

In this way, Correos offers Unicaja its network of 2,389 branches and its nearly 6,000 rural letter carriers, which facilitates the provision of basic financial services to Unicaja customers in all Spanish municipalities, with special attention to those located in rural Spain, as well as to the elderly and the disabled.

Adherence to the sectorial strategic protocol to reinforce the social and sustainable commitment of the banking sector

Following Unicaja's adherence, in March 2022, to the strategic protocol promoted by the sector to reinforce the social and sustainable commitment of the banking sector, especially with regard to the elderly and the disabled, in addition to the measures that the Bank has been habitually implementing in this area, another series of initiatives have been implemented to promote financial inclusion.

Of particular note is Unicaja's financial and digital education program, which has benefited 18,632 people in 2023 (3,000 seniors in 2022). The sessions are carried out by the Bank itself, in collaboration with the Edufinet Project, which the financial institution promotes together with the Unicaja Foundation.

Additionally, with the elderly and less digitized groups in mind, Unicaja stresses that the financial digitization process should be inclusive, emphasizing the motto of the universal values of the Sustainable Development Goals (SDGs), “Leave no one behind”, with the Bank focusing on financial and digital inclusion. To this end, the figure of the digitalization manager has been incorporated into the offices of the commercial network with the largest volume of customers. More than 150 professionals who play a key role in the digital transformation of society in general and banking in particular.

The Bank collaborates with Save the Children, UNHCR and UNICEF

Unicaja traditionally collaborates with these three organizations of reference in the third sector. During 2023, the objective was to respond to the humanitarian crisis triggered by the earthquakes that affected southern Turkey, northern Syria, Morocco and the floods in Libya with devastating consequences for the population of the most affected territories, focusing on vulnerable children and women. Tools have been made available to the different stakeholders, especially the Bank’s customers and employees, to collaborate with these entities, such as the possibility of making commission-free transfers to the aforementioned NGOs.

Aligned with these organizations, Unicaja’s priorities are the protection of children affected by the war conflict, humanitarian assistance in the displacement of people fleeing Ukraine, and support to provide refugees with long-term solutions for their temporary integration when they are displaced from their country.

Follow-up of the commitments made at COP25 in Madrid in December 2019

On the occasion of the United Nations Climate Change Conference (COP25) held in December 2019 in Madrid, together with more than twenty Spanish financial institutions, Unicaja Banco signed a collective climate action agreement promoted by the Spanish Banking Association (AEB) and the Spanish Confederation of Savings Banks (CECA) by which it undertook, among other measures, to reduce the carbon footprint of its credit portfolio within a specific period of time in a way that can be measured using internationally approved criteria and in line with the objectives set out in the 2015 Paris Agreement. The Unicaja Group thus joined the Collective Commitment to Climate Action promoted by UNEP FI (United Nations Environment Program Finance Initiative).

This adherence implied, among other matters, on the one hand, the calculation and disclosure of the Bank's carbon footprint in all its scopes (1, 2 and 3), including that generated by all its financed portfolios, and, on the other hand, the establishment of decarbonization objectives for said portfolios aligned with the aforementioned Agreement. This commitment was fulfilled with the disclosure in the Consolidated Statement of Non-Financial Information for 2022 of information on the Bank's carbon footprint in all of its scopes, including category 15 of scope 3, referring to financed portfolios.

The carbon emissions measurement data associated with the credit, fixed income and equity portfolios, in compliance with the commitment, are updated in this Statement (section “Climate risk management”). The decarbonization targets for certain segments of the loan portfolio were set by the Board of Directors in April 2023, and have been monitored regularly since then. More information on this subject can be found in this report (also in the “Climate Risk Management” section).

Agreement with the Biodiversity Foundation

Biodiversity, its protection, conservation, recovery and study of the consequences of its loss, is one of the frameworks on which the European Union's Environmental Taxonomy is based.

Unicaja is committed to creating, promoting and sustaining the so-called "green economy", one of the priority axes of its 2022-2024 Strategic Plan.

Within this line of action and in its interest in promoting sustainable development, Unicaja has signed a collaboration agreement with the Biodiversity Foundation, part of the Ministry for Ecological Transition and the Demographic Challenge (MITECO). Since its signing, initiatives are being promoted to promote transformation at all levels: economic, cultural and social, within the framework of the Spanish Government's Recovery, Transformation and Resilience Plan. This agreement allows, among other actions, the early collection of aid from European Next Generation funds and other subsidies, as well as offering complementary financing to develop projects related to the bioeconomy, biodiversity research or the renaturalization of urban environments.

Unicaja Banco will offer financial guarantees to the recipients of these grants, allowing them to receive them in advance through the Biodiversity Foundation.

Unicaja and Fundación Real Madrid collaborate in labor reinsertion and various socio-sports projects

Unicaja has launched the Real Madrid Foundation Solidarity Investment Fund, a socially responsible investment fund that will contribute financially to one of the Real Madrid Foundation's social projects called "Emprendeporte", which is aimed at facilitating the socio-labor reintegration of the long-term unemployed.

With this Solidarity Investment Fund, among others of similar characteristics included in its offer, Unicaja aims to give greater impetus to its socially responsible investment strategies, as part of the actions it carries out in the area of sustainable finance and CSR.

Unicaja has been the official bank of Real Madrid since 2021 and has been collaborating since 2012 with the Real Madrid Foundation in the achievement of some of these projects for the integration of socially disadvantaged groups through sports, both in social and sports schools and through programs in penitentiary centers.

Unicaja collaborates in the sustainability of various socio-sport projects for the integration of socially disadvantaged groups through soccer, and has promoted a circuit of solidarity races throughout the country during the 2023 fiscal year in order to support the social integration projects carried out by this foundation. These projects benefit more than 65,000 people in 80 countries, providing support through education in sports values, teamwork, respect for others, and raising awareness of the importance of health and proper nutrition.

Unicaja promotes sustainable economy in Extremadura

In 2022, Unicaja joined "Extremadura is the Future", a public-private collaboration alliance, promoted by the Social Council of the University of Extremadura (UEx), whose objective is to promote opportunities that boost the development and economic and social growth of the region. In this sense, the financial institution has collaborated especially in programs that promote sustainable economy.

After joining this alliance, Unicaja participated in the Sustainable Economy Observatory, a meeting point between the academic world, the financial sector and the business world, to develop actions and solutions towards a sustainable development model in Extremadura. These actions notably include the creation of a Sustainable Finance Forum, coordinated by the University of Extremadura, to promote research and knowledge transfer in finance applied to social care and sustainability.

Agreement with the Smart City Cluster to promote technology, innovation and sustainable finance projects within the framework of green and smart cities

Following the signing of a collaboration agreement with Smart City Cluster in 2021 to promote technology and innovation initiatives and projects, as well as sustainable finance, within the framework of the promotion of smart cities, Unicaja formally joined the Cluster as a partner in 2022, which since then has served to reinforce the financial institution's interest in contributing to the development of actions aimed at fostering the growth of the business fabric, facilitating economic momentum and supporting innovation, research and training, as well as sustainability and the promotion of initiatives related to smart cities.

Partnership with the ADECCO Foundation to work together to ensure the integration of women at risk of social exclusion in the labor market

Unicaja has once again joined the initiative promoted by the Adecco Foundation to raise awareness and promote the social and labor inclusion of women who are victims of gender violence. Their equal participation in the labor market, along with that of other people with difficulties in accessing employment, is precisely one of the main focuses of the work that this foundation has been carrying out for more than two decades.

In this regard, the financial institution, within the framework of the celebration of the International Day for the Elimination of Violence against Women, has renewed its collaboration agreement with the Adecco Foundation to support, among other training and support actions for female victims, the publication of the 11th Report on Gender Violence and Employment, which is prepared every year by this institution.

The objective of this report is, once again, to bring visibility to the social and labor reality of these women and to highlight the value of employment as a key factor for the normalization of their lives, as it has a direct impact on their economic independence, self-esteem, sense of purpose and network of contacts.

In addition to highlighting the difficulties that victims of this social evil usually face in entering the labor market, this study by the Adecco Foundation also aims to serve as a starting point for the development of proposals and initiatives to promote their inclusion in the labor market, as well as to eradicate the stereotypes that continue to hinder their access to companies and that often constitute a major barrier for them when it comes to finding employment and rebuilding their lives.

Another of the objectives pursued with its dissemination is to stimulate companies and public administrations to contribute to accelerate and normalize the presence of these women in the labor environment, as well as to collaborate in the promotion of measures and actions that favor their employability.

Unicaja's support for this initiative is part of its Equality Plan, as well as its Corporate Social Responsibility (CSR) policy, and is in response to its commitment to diversity and equality, as well as to the achievement of the United Nations Sustainable Development Goals (SDGs), with special attention to gender equality (SDG 5), decent work and economic growth (SDG 8) and the reduction of inequalities (SDG 10).

The sustainability and CSR microsite

During 2023, the microsite, available on Unicaja's Intranet, was kept updated to address all issues related to sustainability and CSR. Specifically, it contains a separate section for SDGs, with the aim of disseminating them among all personnel, thus increasing the Bank's awareness thereof and providing the entire workforce with an opportunity to actively participate in volunteer action that helps to achieve these goals.

Through the microsite, the Global Compact's most important training pills are made known to the entire workforce. In 2023, the material on "Training on the 2030 Agenda and the 17 United Nations Sustainable Development Goals (SDGs)" was published.

COMMITMENT TO PEOPLE

CUSTOMERS AND USERS (GRI 3.3)

The Unicaja Group's offer to its current and potential customers continues to be based on the principles of offering a personalized quality service. It seeks the best possible experience, supported by the provision of solutions tailored to their preferences and needs through a wide range of products, services and channels, establishing long-term relationships of trust and commitment that create shared value.

Customer experience

The improvement of customer experience and service quality – associated with both the products and services offered and with each of the customer relationship processes and the internal activities that also have an impact on customer experience – are key elements for the sustainability of the companies. For this reason, Unicaja monitors the customer's voice in order to optimize their experience and enhance their level of satisfaction and commitment to the Bank. The Unicaja Banco Group thus seeks the continuous reasonable coverage of customers' expectations, adjusting the range of products and services to their needs and preferences.

The Customer Experience model implemented at Unicaja is based on the NPS (Net Promoter System) methodology as a corporate system for customer experience management (with the Net Promoter Score as the main metric) and on the progressive deployment of a listening process through a program for capturing the voice of customers in a systematic, automated manner and at critical moments, which guarantees a complete diagnosis of the customer's experience with the Bank from all angles.

From this "360º approach", the results of continuous measurements support a process of operationalization of the voice of the customer, with a system that helps to act tactically and strategically on the levers that improve the customer experience, increasing the number of promoters and minimizing the number of detractors.

The model has been developed gradually, as it is a process of cultural change and integration of tools, creation of action protocols, among other aspects. The speed of deployment was interrupted by the pandemic and the operational integration process, and work continues on deploying parts of the designed model.

The application of this model makes it possible to identify customers' perception of the Bank at a global level, with the different services and channels with which it interacts, and the relative importance and contribution to satisfaction that they attach to each of the factors analyzed. This knowledge of the customer experience is obtained from customer experience studies, using satisfaction surveys as the main tool, with a combined system of measurements and tools to capture the relevant information, at the necessary times, according to the objective of each measurement. All the information is analyzed, in an aggregate and granular manner, and complemented and contrasted with each other (global vision), in order to carry out diagnoses and action plans, following a methodological framework that seeks a positive economic impact through customer experience management.

One of the measurements with the greatest scope from a "relational" management framework are the surveys directed at customers to determine, at the branch level, the likelihood of a customer's recommendation (NPS), both regarding the Group and about their branch, based on the aforementioned model. This system allows, and consequently facilitates, direct action with them based on their positioning (Promoters, Neutrals and Detractors). A significant part of the detractor customer group becomes part of the Bank's commercial activity in order to manage dissatisfaction based on established protocols.

This model has been put on hold following the operational integration and will be reactivated in 2024. The results of these measurements and their management can be also tracked through specific scorecards for monitoring, analysis and action from a less tactical and more strategic point of view, allowing improvements in service quality and value proposition. In 2023, given the best market practices and the changes in the use/availability of channels towards which the Bank is moving, telephone surveys conducted by an external provider (Stiga S.L.) have been established as a new corporate NPS measurement system, based on a stratified sampling of customers, guaranteeing the representativeness and significance of the results. This change of system has led to a break in the data series, with the Corporate NPS 2023 figure being -10.07% (the measurement range being theoretically between -100 and +100).

This indicator is systematically monitored as a corporate objective, as well as by the Risk Control and Investor Relations Department, due to its consideration from the perspective of the risk propensity framework.

The number of actions carried out by Unicaja in relation to customer consultations (external and internal) for the measurement of NPS parameters and other satisfaction variables is shown below:

Stakeholders	Line of action		Description	Number of actions	Number of beneficiaries
Customers	Responsible practices	External Customer Inquiry	Preparation of periodic surveys (through some channels) aimed at measuring the degree of customer satisfaction	2023: 239,074 2022: 161,528	Total number of responses from external customers
Employees	Responsible practices	Internal Customer Inquiry	Preparation of annual surveys to measure the quality of the services provided by the different Group units and to research product/service improvements	2023: 17,289 2022: 7,845	Total number of employee responses

In 2023, as part of the *Unicaja Escucha* (“Unicaja Listens”) Voice Program, the focus continued to be on transactional interaction with customers, for different processes and channels and for different segments. This listening process allows obtaining information about the customer experience immediately after the interaction, issuing predefined alerts and creating dashboards to track the information. It should be noted that in 2023 the systematic measurement of the ATM Channel, Digitization Managers Service and Telephone Answering Service - Post-call has been extended.

On the other hand, sectorial comparisons have also been incorporated, such as the “Benchmarking Report on Customer Satisfaction of Financial Institutions” (Stiga) in order to complete the scope of internal measurements with information on market positioning.

The Voice of the Customer is an essential source of information for the operationalization of results (useful application and conversion into concrete actions), both for the people in our business network and for those responsible for processes and products. It also serves to gather the opinion of customers and employees before making relevant changes to processes, products, services or channels of the Bank, so that once the changes have been made, the impact of the improvements on the perception of the customer and/or employee can be identified. In this regard, Customer Experience is part of the work group for the development of activities related to the design phase of new products.

In turn, in 2023, specific measurements were carried out, mostly within the framework of the 2022-2024 Strategic Plan projects. Special monitoring of vulnerable groups (such as the elderly) is relevant, obtaining information stratified by age and carrying out specific analyses for this group. In addition, this monitoring is complemented by measurements of the Digitization Managers service from a triple perspective: that of the client, that of the branch and that of the manager.

Unicaja pays special attention to the Internal Customer experience. The methods for diagnosing the external customer experience are transferred to the internal supplier-internal customer relationship in an adapted manner. In 2022, the decision was made to put this measurement on hold until the organizational changes in internal services are consolidated. This has not been an obstacle to implementing specific measurements due to their special relevance, such as the process of assistance to operational and technological requests from employees channeled through “Click&Service”, which mainly affect customer interaction processes. At the same time, surveys have been launched at the request of certain internal service providers, or as part of the 2022-2024 Strategic Plan projects.

Finally, Unicaja has a certified Quality System based on the ISO 9001:2015 standard, the scope of which is “Internal Audits of Risks, Investees, Branch Network and Financial Agents”.

In 2024, we plan to advance the deployment of the Customer Experience Model through the launch of a program focused on sustainable improvement of the NPS to act on the priority improvement areas identified from the Voice of the Customer diagnosis.

Transformation Strategy and Coordination

The technological revolution that has been taking place in recent years is impacting today’s society at different levels. Companies, employees and customers are facing a financial as well as a general ecosystem in full transformation. Unicaja is committed to accompanying customers (with special attention to vulnerable groups, such as the elderly) in this changing context, evolving services and facilitating their use and access to them. This technological transformation brings with it new roles in offices, tools and methods of doing things that imply adaptations and new learning, both on behalf of employees and the customers. Unicaja is implementing initiatives to mitigate this impact and thus facilitate a more comfortable transition to the use of these new tools and channels for customers and employees, ensuring increasingly simple, broad and universal access.

Likewise, some of these new technologies are enabling the launch of digital tools and work methodologies that optimize the Bank's internal processes and facilitate certain services, ultimately aimed at continuously improving the customer experience.

In this regard, the following actions have been implemented during 2023:

– Launch of a new role specialized in digitalization: During the year 2023, a new role has been implemented in 147 offices, the Bank's main branches spread throughout the country. A new specialized position, **Digitalization Manager**, has been created in these offices with the clear purpose of supporting, training and accompanying our customers in the use of alternative channels (digital channel and ATMs), adapting the message, service time and assistance to the needs of each customer, thus enabling them to become increasingly autonomous.

  Likewise, this support service aims to improve the experience of our customers, especially those with more difficulties in using the new channels, by making available a figure with a clear role of support that allows them to acquire the necessary knowledge and confidence to gain access. The first customer experience measurements on this service have a very positive NPS (69.3%), with 70% of the customers surveyed stating that, in addition, the waiting time at the office was better or much better than usual. These managers are resolving 91% of queries to the satisfaction of customers, with 82% of these customers stating that they could carry out the operation in the new channel on their own. Of these customers, 76% have been assisted to accompany or formally carry out a transaction in the digital channel, 8% in the ATM and the rest in both channels.

  Internally, a complete change management plan has been developed with the people in charge of this task so that, from the very beginning, they understand the importance and impact of their digital support work, including specific training in this regard, as well as constant communication through the creation of a community of digital managers where they can share doubts and best practices.

– In collaboration with Edufinet, a series of digitalization workshops for seniors continues throughout the country, including the design of two specific simulators so that seniors can use a tablet to practice performing different ATM and digital banking operations. The group of attendees is valuing the action very positively, highlighting the possibility of practicing before having to carry out a real operation.

- We coordinated the analysis of two sector benchmark studies (FINALTA and CECA) that analyze the multichannel operations of the customers of different banks in Spain and Europe, in order to study trends and propose developments and best practices that allow them to have a better experience and a better way of adapting to them.

- We continue to participate, also in a very active way, in a project for the adoption of the Bank's new Agile work approaches. Agile Coach currently functions are being carried out in two agile pilot projects (one with Scrum and the other with Scrumban) and Kanban Facilitator functions are being performed in two other teams that manage continuous work backlogs. This initiative includes specific training to facilitate change management towards this methodology.

Looking ahead to 2024, we will continue to make progress in these actions, with a special focus on the implementation of a defined Change Management methodology, which we can put into practice in some of the Bank's main projects and multiply the impact of these transformational projects through concrete work for the adoption of the new behaviors that these types of projects generate in employees, customers and processes. We will also continue to work on the operationalization of the voice of the customer in the largest number of Bank processes, the accompaniment and facilitation of the use of digital channels by customers, the adoption of new digital tools by employees to facilitate and make their work more efficient, and the piloting of new work methodologies that allow us to have increasingly agile, transversal and self-managed teams.

Innovation

The Group sees innovation as a lever to adapt to its environment at the speed at which change is currently occurring. Its main aim is:

- To detect differential opportunities (new sources of income or savings) that are sustainable in the medium/long-term.

- To validate such opportunities in the fastest, most efficient and reliable way.

- To implement them in an efficient manner, strengthening the Bank.

To this end, during 2023 the following was promoted:

- An innovation observatory in which initiatives such as the following have been developed:

    - Training on cryptocurrencies and artificial intelligence, both for internal and external teams, through Edufinet.

  - Development of news for specialized publications.
  - Development of articles and reports that delve into the main lines of Innovation: artificial intelligence, Blockchain and Crypto, OpenBusiness (Fintechs, Startups).
  - Participation in specific forums on innovation applied to the banking sector and educational forums to raise awareness of the importance of innovation in the banking sector, as a tool for improving our competitiveness, and in the educational sector, transmitting the new skills (critical thinking, teamwork, proactivity, etc.) that students should acquire in order to perform adequately in a new model of innovative companies.
  - Development of internal Design Thinking and Design Sprint workshops to help foster a culture of innovation in the Bank.

– A test space to develop co-innovation Labs (coLABs) in which we work collaboratively with different external agents (startups, partners, technology providers, Fintechs, etc.), internal teams of the Bank and potential users/customers. In these spaces, new products, services and business models based on the adoption of new technologies, ways of working or alliances with third parties are identified and tested in the fastest, safest and most reliable way. All this is carried out with a very realistic approach based on the development of Minimum Viable Products (MVPs) and prototypes with which to obtain reliable and rapid results that serve to prioritize developments and investments, while taking advantage of the best opportunities. This concept also includes collaborations with Consortia (sectorial and intersectorial at a national and European level, notably including Fundación Innova IRV).

Therefore, the following initiatives/incubations have been worked on during 2023:

- An Avatar prototype which, through artificial intelligence and conversational interfaces, can interact with a human in natural spoken and written language, helping them to use the Bank's financial services in an efficient and inclusive manner. We seek to incubate a new type of banking, conversational banking, which allows us to bring the advantages of digitalization and the knowledge/use of financial services to all types of customers, including those who have difficulty using the current digital channels (web, app, phone) with a commitment to the inclusion, security and digitalization of our customers.
- Laboratory together with the startup Divilo to provide SMEs and freelancers with solutions for digitizing their payments and collections. The objective of the laboratory was both to introduce our customers to new services of value around the digitization of payments, as well as the promotion, by Unicaja, of Spanish startups with high projection in our geographical areas of interest, as part of our collaborative and co-innovation approach to generate value in the areas where we operate.

- An artificial intelligence laboratory applied to compliance with MiFID II (Market in Financial Instruments Directive) regulations, the objective of which is to see how artificial intelligence can help the Bank carry out a more automated process of the MiFID directive.
- A Crypto Services laboratory in which, together with a crypto company of reference in the Spanish crypto sector, a cryptocurrency training course is being designed for customers to take. The Bank's objective is to be able to offer its customers tools that allow them to obtain the necessary knowledge to understand the risks and opportunities derived from these new technologies and the "pseudo-financial services" that are being developed with them.

Digital business

In the digital area, the year 2023 has been marked with a continued focus on the development of all lines and the promotion of the Digital Plan included in the framework of the 2022-2024 Strategic Plan. This momentum has led to significant progress, achieving key strategy milestones and consolidating improvements in the main monitoring ratios of the digital strategy:

– Digital adoption.

Within the objectives set out in the 2022-2024 Strategic Plan, a significant milestone has been achieved, with 64.4% of customers being digital assets, exceeding the 60% target. This achievement reflects the Bank's commitment to align digital capabilities with the growing demand from customers for the regular use of digital channels for their financial management and relationship with the Bank.

– Improved usability and accessibility.

During 2023, efforts have been focused on improving the usability and accessibility of digital assets. The successful implementation of the new *Muy Tú* Digital Banking has been a strategic milestone, offering our customers a renewed experience focused on updated and intuitive navigation. In addition, the signing of a collaboration agreement with ONCE (the Spanish National Association of the Blind) reflects our commitment to the continuous improvement of accessibility in our digital interfaces. All this allows us to have the foundations and technological platforms to develop a digital banking aligned with the expectations of our customers and with the objective of evolving among the best in the sector in terms of user perception, functionality, ease of use and accessibility.

– Advances in digital operations.

The weight of digital operations continues to increase, representing 24.1% of sales and 91.7% of transfers by the end of 2023. In addition, 471,000 customers are already managed through remote managers (195,000 customers in 2022), covering especially those who do not have close access to physical branches as an element to promote financial inclusion.

– Key advances in digital strategy.

During 2023, significant progress has been made in the digital strategy based on the implementation and development of key digital capabilities in Digital Onboarding; the Virtual Assistant as a marketing and user service channel that offers a new, more natural and adapted conversational interface for some customer groups; the Digital Consumer Platform; the Digital Account Transfer service that makes the complex operations of transferring accounts and direct debits of bills from other banks easier for our customers; the deployment of Remote Sales services that allow us to improve the management of financial products and services in geographic areas with less physical presence of branches, in addition to the activation of all the capabilities of the Marketing Automation platform, managing the entire offer aimed at customers in an automated way, with an omnichannel vision and based on Artificial Intelligence models.

– Contribution of Digital Channels.

The momentum maintained during 2023 on the Digital Plan consolidates the improvement achieved in the adoption, acquisition and digital sales rates. By the end of 2023, 64.4% of customers are digital (61.5% in 2022). Of the new customers, 30% were acquired through the digital channel. The contribution of digital channels to the contracting of new consumer loans represents 49.2% of the total; in the case of accounts, 21.9%, and for subscriptions in investment funds/delegated portfolio management, 27%.

Social media

The work on social networks focuses on the general objectives established for the Bank's online presence in its social networks, blog (UniBlog) and podcast channel (Unicaja Podcast):

– Bring the brand closer to the digital world.

– Develop a digital entity image through a structure of official accounts.

– Be an open, friendly bank.

– Respond and attend to customers and users in the digital environment.

– Publish the Bank's news and corporate and commercial information.

– Promote CSR, sustainability and financial education activities.

– Interact with customers and the general public.

Content related to the Bank's corporate social responsibility plays a prominent role in the regular communication carried out in the Bank's social networks, as well as in its blog and podcast channel. Throughout 2023, more than 300 publications were shared (more than 260 in 2022) with a reach of more than 317,000 impressions (approximately 353,000 impressions in 2022).

Unicaja's presence on social media is structured in two aspects. Firstly there are corporate profiles of an institutional nature (X - formerly Twitter-, Facebook, LinkedIn, Instagram and YouTube) while secondly there are profiles oriented toward customer service (X, via a specific channel @UnicajaResponde) and Facebook (where queries received on the open platform and via Facebook Messenger regarding the service provided are answered).

The number of queries requesting information and attention through social networks (mainly Facebook and X) maintains a significant volume, due to specific processes such as the change to Digital Banking and the increase derived from the addition of customers after the integration.

At the close of 2023, the number of followers on X was 21,309 (17,446 on @UnicajaBanco and 3,863 on @UnicajaResponde), the Facebook page had 31,288 followers, LinkedIn followers amounted to 20,388, Instagram had 86,295 and YouTube had 1,577 subscribers. The total community on the Bank's networks increased by more than 50% last year. At the end of 2022 it was 103,731 users and in 2023 it grew to 160,821, with Instagram being the channel that experienced the most growth in followers.

In addition to Unicaja's main social channels, there are other specialized channels for young people, called Espacio Joven Uni on Facebook, X, Instagram and YouTube. These channels exceeded 73,300 followers in 2023 (75,800 in 2022).

Meanwhile, the customer service data offered through Unicaja's social media during 2023 were as follows:

A total of 17,961 queries were received during the year (26,950 in 2022), 33% less than the previous year (which saw integration and an unusual increase in queries). Of these, 13,027 came through Facebook, 2,808 through the social network X (formerly Twitter through the @UnicajaResponde account), 1,844 through Google Play, 277 through Apple's App Store and 5 through Huaweii's App Gallery.

In 2023 we continued to conduct customer experience surveys on Twitter (@UnicajaResponde) and Facebook Messenger, with NPS (Net Promoter Score, the index that measures the willingness of customers to recommend this service) standing at 44.5% (Facebook), 15.3% (X) and 36.4% (both social media combined). The aspects most highly valued by customers are the speed of response, treatment and resolution of the consultation or management. We remind you that the NPS has a scale from -100% to +100%. These results show positive levels of recommendation.

Customer experience NPS	2023	2022
Twitter	15.3 %	10.8 %
Facebook Messenger	44.5 %	44.7 %
Both	**36.5 %**	**34.2 %**

In addition, a total of 57 articles were published on the Unicaja blog (UniBlog) in 2023 (37 articles in 2022); the number of users accessing the blog was 134,913, compared to 61,257 in the previous year, and the total number of visits was 188,878 (77,367 visits in 2022).

Customer Service (GRI 2.16, GRI 2.25)

For the Unicaja Group, the Customer Service Department (CSD) is not only an organizational requirement required by law, but also an instrument that allows us to establish and consolidate relationships of trust with customers, in addition to gathering their perceptions of the service offered.

In 2023, this Service received a total of 56,494 registered complaints and claims, compared to 55,605 received in 2022.

The Customer Service Department handles complaints from Group companies adhering to the Regulations for the Defense of Unicaja's Customers.

Breakdown of complaints received from Group Companies	2023	2022
Unigest	20	24
Unicorp Equity	1	1
Unimediación	5	1
Segurandalus	0	0
Duero Vida	20	15
Liberbank Vida y Pensiones*	22	235
Liberbank Pensiones	0	0
CCM Brokers 2007	0	0
TOTAL	**68**	**276**

Table 1. Breakdown of Group Company claims

*Extinguished by merger by absorption by Unicorp Vida, through a public deed executed on 08/01/23, registered in the Mercantile Registry on 08/29/23.

In fiscal year 2023, the average resolution time for CSD (claims and entitlements) was 45.65 days, compared to 48.4 days in 2022, regardless of the date of entry.

Of those received during the year, as of December 31, 2023, 37,371 complaints and claims have been resolved. 5,659 were rejected as they did not meet the requirements established by current regulations for admission and the customers were duly informed. Where appropriate, the corresponding authorities were notified so they could act accordingly.

Type of complaints and claims resolved by Unicaja	2023	2022
Assets	21,606	14,586
Liabilities	6,330	9,986
Services	2,690	3,926
Means of payment	5,075	13,313
Others	1,670	1,812
TOTAL	**37,371**	**43,623**

Table 2. Types of complaints and claims resolved by Unicaja.

In the complaints resolved by the Customer Service Department, the resolutions in 2023 of those received in the same year break down as follows: 10,054 complaints that were resolved in favor of the customer, 5,168 requests for information or explanations were also answered and 20,428 that were resolved in favor of the Bank.

The following is a summary of the resolutions of the complaints resolved by the supervisory bodies:

Unicaja	Favorable to the customer	Favorable to the Bank	Pending resolution	TOTAL
2023*	524 (58.16)%	148 (16.43)%	229 (25.42)%	901 (100)%
2022*	627 (69.98)%	265 (29.58)%	4 (0.45)%	896 (100)%

Table 3. Resolutions of claims resolved by Unicaja supervisory bodies (Bank of Spain - CNMV - Directorate-General for Insurance and Pension Funds)

*Provisional data as of February 13, 2024

Consumer Protection (GRI 2.27, GRI 2.28, GRI 3.3, GRI 206-1, GRI 416-1, GRI 417-1)

Unicaja has had a Commercial Communication Policy in place since 2017, which was approved by the Board of Directors after its last modification in June 2022 and which establishes the general principles governing its advertising activity regarding banking services and products, including payment and investment services, aimed at customers and potential customers residing in Spain. Unicaja complies with current regulations and has resources that enable it to detect and correct any non-compliance it may incur.

Unicaja's advertising activities are clear, sufficient, truthful and objective. When designing advertising campaigns and the advertising pieces that comprise them, Unicaja complies with all applicable regulations and avoids omitting relevant information or including biased, incomplete or contradictory information that could lead to confusion. For these purposes, the nature and complexity of the product or service offered, the characteristics of the media used and the target audience are taken into account in all cases.

In our European environment and to an increasing extent in Spain, advertising self-regulation systems are common – systems that enjoy considerable and growing recognition by the authorities and by the national legislator. Unicaja is a member of the Association for the Self-Regulation of Commercial Communication (Autocontrol) and a member of the European Advertising Standards Alliance. It therefore maintains its ethical commitment to responsibly exercise the freedom of commercial communication and contribute to strengthening advertising self-regulation as a means of ensuring respect for consumer rights and competition.

With regard to adequate consumer protection, proposals for new financial products and services and their possible implications are evaluated before issuing the corresponding report. The introduction of significant changes to existing products and services is also subject to evaluation, and in this case the Commercial Committee must consider them and submit them for approval by its members. In 2023, there is no record of any incident.

Among other aspects, it examines the contracting procedure, the adequacy of the product or service to regulatory requirements, its effects on the Bank's risk profile and the possible remuneration associated with the distribution of the product or service in order to determine whether its characteristics are in line with regulations and established internal policies and do not create conflicts of interest.

Cybersecurity, privacy, continuity and technology risk

Unicaja is immersed in a process of technological transformation that will allow it to progressively expand the catalog of services offered and improve its customers' experience. To this end, the Bank is relying on the adoption of new technologies and alliances with technology service providers to strengthen its digital capabilities.

Information security and operational resilience are key elements in this technological transformation process. This is manifested in the commitment of the Bank and its Management to guarantee that the services provided by Unicaja and its Business Group are robust, secure and resilient, ensuring optimal conditions of availability, integrity and confidentiality of its customers' data at all times.

To this end, Unicaja has defined a Technology Plan for the period 2023-2024 that includes specific initiatives for the continuous improvement of cybersecurity and technological risk management. Among the main lines of this Plan in terms of cybersecurity and technological risk are:

- Ensure proper governance of cybersecurity and technological risk in accordance with the three lines of defense model, maintaining continuous channels of communication with senior management, enabling informed decision making.
- Continue to strengthen processes and tools in the area of cybersecurity and privacy, protecting the Bank's information assets and its customers' data against the sophistication of threats. This includes specific cyberfraud management processes and practices aimed at the theft of credentials of the Bank's customers.
- Continue to make progress in improving the Bank's operational resilience, establishing continuous improvement processes for business continuity and system recovery plans.
- Strengthen the governance of the supply chain, ensuring that Unicaja's suppliers provide their services in accordance with the Bank's cybersecurity and technological risk standards.
- Engage employees and customers in the responsible use of digital systems through continuous training and awareness through various channels.
- Ensure that the Cybersecurity and Technological Risk management processes comply with the requirements of the main regulations and best practices in force in the sector.

Cybersecurity and Technological Risk Governance (GRI 2.12, GRI 3.3)

Three lines of defense model

Unicaja has a Cybersecurity and Technological Risk Governance Framework approved by Company management in 2019 and subject to continuous improvement and updating processes. It is based on a model of three lines of defense, structured as follows:

- First line of defense, made up of the Technology Management department and other operational areas, responsible for implementing cybersecurity and technological risk policies and action plans, and defining and executing the necessary procedures to guarantee adequate levels of availability, integrity and confidentiality of information.

- Second line of defense, represented by the Risk Control and Supervisory Relations General Management department, in charge of defining cybersecurity and technological risk policies, ensuring their implementation and continuously assessing the risks to which the Bank is exposed, proposing actions for their mitigation.
- Third line of defense, represented by the Internal Audit Department, which independently supervises the previous areas, identifying weaknesses in the control and management of cybersecurity and technological risk.

Governing and management bodies

Unicaja has defined a structure of internal bodies to maintain continuous communication channels with Senior Management and informed decision-making in the field of cybersecurity and technological risk.

The structure of internal bodies contemplates a series of multidisciplinary committees and working groups, thus guaranteeing the transversality of corporate actions in the face of risks. These organs are:

- The Technology and Innovation Committee, which supports the Board of Directors, with the following functions:
    - Assisting the Board of Directors in making decisions affecting technology, information and data management and the Company's telecommunications structures, reporting on strategic plans and actions and submitting the appropriate proposals.
    - Overseeing the optimization of technological support for information processing and the development of systems and applications, ensuring their proper operation and data security.
    - Monitoring the process of technological transformation of the Company, with particular attention to its impact on the business model.
    - Following technological risk, in general.
    - Ensure the identification of potential avenues for innovation present in the Company, as well as to supervise and monitor innovation initiatives that have an impact on the business model.

  - Providing whatever assistance is required, within the framework of their respective competencies, by the Audit and Regulatory Compliance Committee and by the Risk Committee, working together with both Committees to the extent necessary for the exercise of their own competencies.

- Risk Committee, which also supports the Board with respect to all types of risks, including technological risks.

  For further details on both Committees (Technology and Innovation, and Risks), please consult Unicaja's corporate website.

- Technology Risk Committee and Personal Data Protection Committee, of which the relevant directorates in cybersecurity and technology risk management are members.

- Operational groups, representing the areas of operation and control: business, physical security, legal, IT, etc.

Risk metrics and control framework

To effectively control risks, Unicaja has a series of tools at its disposal:

- Risk appetite: establishes the maximum tolerance threshold for the Bank's technological risk.

- Regulatory body: defines the Bank's principles of action at the strategic, control and operational levels in terms of ICT risk management and security.

- Risk assessment and treatment methodology: processes for the identification and assessment of technological risks based on the analysis of different scenarios, establishing measures to align them with the Bank's appetite.

- Risk metrics and indicators: obtaining and measuring risk indicators (KPI) that allow the quantitative and qualitative assessment of the Bank's level of exposure to technological risk and the level of adequacy of its processes to the strategic principles established.

- Controls on ICT regulatory compliance: establishes the set of controls required of the Bank by the different regulations and best sectorial practices in the area of technological risk management, allowing it to assess its degree of maturity and identify potential areas for improvement.

Cybersecurity, privacy and fraud management

Cybersecurity

The technological and cybersecurity risks faced by the Bank increase as cyberattacks become more sophisticated and the Bank's perimeter of exposure increases as a result of the use of new technologies and greater dependence on external suppliers.

In response to this scenario, Unicaja continuously improves its monitoring, detection and response processes, seeking to maintain a proactive attitude towards the materialization of possible threats affecting the security of its information and the availability of its ICT services.

The main pillars on which Unicaja's cybersecurity is based are described below:

- Establishment of a security baseline for all of the Bank's equipment, ensuring the application of uniform configuration criteria according to the associated risk level.
- Responsible treatment of information by the Bank's employees. The Bank continues to improve the mechanisms to protect against information leaks and the technical and human capacities for information processing.
- Monitoring, detection and response to security events. To this end, the Bank has a Security Operations Center (SOC) outsourced to a leading provider and active 24 hours a day, seven days a week, with specific response protocols for different scenarios. In 2023, work has continued on incorporating feeds into monitoring tools and automating and orchestrating responses to security incidents.
- Crisis management and security incident communication. Unicaja has specific procedures to ensure timely and proper communication of the occurrence of security incidents to the relevant internal and external parties involved.
- Security by design and by default. Initiatives for the implementation of secure development processes remain active, ensuring that all projects and developments executed in Unicaja have associated security requirements according to their nature and risk.
- Execution of technical security tests to identify and mitigate possible vulnerabilities in cybersecurity management processes and tools.

All of these procedures and tools are continuously updated and improved based on lessons learned to respond to the changing threat environment.

Protection of Personal Data and Guarantee of Digital Rights (GRI 2.16, GRI 2.27, GRI 3.3, GRI 418-1)

Unicaja is fully committed to the protection of personal data and the right to privacy, adopting a conscious, diligent and proactive attitude in the processing of personal data carried out in the Bank, in accordance with current regulations: General Data Protection Regulation 679/2016 (GDPR) and Organic Law on Personal Data Protection and Guarantee of Digital Rights 3/2018 (LOPDGDD).

To this end, the Bank has adopted a General Privacy Policy that acts as a framework in which the main privacy and personal data protection requirements are established, committing itself to protect and treat all personal data in a way that ensures compliance with the applicable regulations. It also has a Privacy Governance Model where the main functions in the Bank are defined in terms of strategy, organization and governance parameters for the protection of personal data.

The framework of the General Privacy Policy is complemented by internal regulations, guidelines and procedures, and compliance therewith is continuously monitored. Controls are also incorporated with the aim to mitigate potential risks that could arise from non-compliance.

Unicaja has appointed before the Spanish Data Protection Agency (AEPD) a common Data Protection Delegate (DPD) for the Bank and for certain Unicaja Group Companies and, in order to provide the best guarantees of compliance with privacy objectives, the Bank has a Personal Data Protection Committee, which defines any risks identified and monitors the action plans to address same.

During the 2023 fiscal year, the specific Training Plan on personal data protection has been maintained, focusing on the process of awareness and training of personnel involved in processing operations. For this purpose, employees have available to them on the corporate intranet platform the information, training, regulations, procedures and guidelines applicable to data protection. These materials are reviewed periodically and there is a specific internal application to make queries on data protection to the Data Protection Officer.

With regard to Unicaja's compliance with the principle of proactive responsibility required by personal data protection regulations, it should be noted that Unicaja is the first financial institution to be certified by AENOR in the UNE-EN ISO/IEC 27001:2017 and ISO/IEC 27701:2021 standards. On September 1, 2022, AENOR has certified that Unicaja has an information privacy management system in accordance with the ISO/IEC 27701:2019 Standard for the processing activities carried out by the Bank as the party responsible for or in charge of the scope of the ISO/IEC 27001:2017 that covers the systems that support electronic banking services, corporate web portal and promotional web portals, the services of consultations, payments, deposits and cash withdrawals at ATMs (financial self-services), internal management and support services for host-based information and communication technology (ICT) operations and internal ICT services based on distributed systems (microcomputer environment, intranet and data warehouse), in accordance with the statement of applicability in force.

Finally, in relation to the complaints filed with the Supervisor in this matter against Unicaja, by virtue of the AEPD's previous mechanism for admitting claims for processing, a total of 22 complaints were received in 2023 (14 in 2022), of which 11 have been shelved, seven were not admitted and four proceedings continue to be processed. Based on these actions, the complaints filed or not admitted cannot be considered substantiated complaints, from which it is concluded that in the reporting period there have been no significant cases of non-compliance and the Bank has not been sanctioned by the supervisory authority.

For further information, please refer to the specific section of this Statement dedicated to the protection of personal data and its management "Protection of personal data and guarantee of digital rights".

Fraud management

Unicaja has reinforced its technical and organizational measures to enable early management of cyber fraud and reduce its potential impact on customers:

- Technical measures, improvement of the processes for detecting fraudulent behavior patterns, extension of blocking and restrictions to certain operations subject to fraud, reinforcement in the monitoring and closure of websites that impersonate the Bank's identity, reinforcement of the detection and blocking of SMS communications that impersonate the Bank, improvement in the monitoring of transactional operations, review of the onboarding process and improvement of the processes for detecting fraudulent accounts in this channel, automation of fraud management processes.

- Organizational measures: updating of internal action protocols for the treatment of fraud operations.

Additionally, communication and awareness-raising has been reinforced through official customer communication channels and social networks.

Business continuity and operational resilience

Unicaja works continuously to strengthen business continuity and operational resilience, ensuring that the Bank has adequate measures in place to respond to disruptive events that may affect the availability of its critical services.

In this context, during the year 2023, specific projects have been implemented to identify in greater detail the Bank's critical technological assets and their interrelation with key processes from a business continuity perspective.

Likewise, the monitoring of the Bank's critical services from a technical and functional perspective has been reinforced, as well as the change control processes on digital banking, reducing the volume and impact of incidents.

Supply chain governance (GRI 3.3)

Unicaja has had a supplier management procedure in place since 2019 that involves key areas. There is also an outsourcing governance area in charge of coordinating the tasks associated with the management of ICT service outsourcing.

During the year 2023, an effort has been made to strengthen this process, improving the protocols for supplier identification, risk analysis and identification, and monitoring of critical suppliers.

Likewise, in 2022, the Board of Directors approved the update of the outsourcing policy, reflecting the Bank's commitment to risk reduction and regulatory compliance.

Training and awareness

In-house training

Since 2018, one of the internal slogans of the Bank's training campaigns has been "Safety is everyone's business". In this spirit, various training and awareness-raising activities are carried out to ensure the expertise of corporate personnel.

Customer awareness

Unicaja carries out constant awareness campaigns for customers through its various digital channels (application, website and email):

- Awareness campaigns through social networks on smishing, phishing and other practices associated with cyber fraud.
- E-mail communications to customers.
- Internal bank application notifications.

– Publication of articles in Unicaja's UniBlog.

Likewise, during 2023, the Unicaja Responde and the Facebook, X (formerly Twitter), YouTube and Instagram accounts as well as the Contact Center channels have remained open to deal with customer queries in their relationship with the Bank.

Regulatory compliance (GRI 3.3)

Unicaja is firmly committed to complying with the regulations applicable to the sector in the areas of cybersecurity, privacy and technological risk.

For example, since 2007 the Bank has had an AENOR-certified information security management system in place that complies with the UNE 71502 and ISO/IEC 27001 standards which regulate the information security best practices management system for its digital banking services, both through fixed and mobile networks and other aspects of financial self-service. This distinction demonstrates the robustness and reliability of Unicaja's IT systems, ensuring its customers the highest level of security in their operations and transactions. Based on the management system, there is a security policy that expresses the Bank's position regarding the security of information systems with regard to business and compliance with legal aspects, taking into account the context of the organization. High-level general requirements and criteria have been established that are linked to this policy in which technological risks are assessed and security objectives defined and reviewed annually.

In 2022, in addition to maintaining its ISO27001 certification, the company obtained ISO27701 certification for its privacy and data protection management system. With this double certification, Unicaja is the first bank at the national level with privacy certification for the full scope of its processing activities.

Additionally, Unicaja has conducted several internal and external audits to verify compliance with key regulations such as PCI-DSS, GDPR or PSD2.

Technology Plan

Unicaja's 2023-2024 Technology Plan includes specific initiatives defined in the 2022-2024 Strategic Plan. In 2023, projects related to ESG business, sustainability and CSR, among others, were carried out.

- ESG, sustainability and CSR business projects.
    - Initiatives within the scope of Next Generation EU.
    - ESG Risk Scorecard.
    - Initiatives within the scope of the Sustainable Business Agenda.
    - Initiatives within the scope of the Sustainable Finance Action Plan and ESG risk strategy.
- Non-financial risk projects.
- Projects in the area of Human Resources, talent and culture.
- Regulatory projects, relevant for disclosure purposes.

Proximity banking and financial inclusion (FS13)

In order to mitigate the phenomenon of financial exclusion, the Group continues its efforts to remain in the regions and cities, especially in those where it has traditional roots. To this end, having financial agents guarantees the presence in small municipalities, ensuring that financial services are offered to their inhabitants in an efficient, face-to-face manner. The maintenance of this figure also responds to the Bank's commitment to continue providing service to customers in rural areas and towns with smaller populations, especially to the elderly and those with greater difficulties in getting around.

Unicaja also has various customer service channels available, such as ATMs and telephone and online remote banking technological solutions.

Additionally and in line with regulatory and supervisory trends, the Group seeks to take advantage of technological innovation (online, telephone and mobile banking) without losing sight of the challenge, common to the entire financial sector, that the success of the strategy to promote financial inclusion through new technologies requires first overcoming the so-called "digital divide". Among the customers who benefit from this greater automation in the provision of services and, more broadly, from the use of new technologies, are the elderly, but also other groups that also require and demand quality, personalized and value-added services.

Adaptation to new technologies is compatible with the availability of a commercial network through branches and financial agents, which contributes decisively to ensuring financial inclusion in its scope of action and to the implementation of a proximity banking approach to customers. Unicaja is the sole provider of financial services through permanent branches in 37 municipalities with small populations and consequently, very small markets. In 2023, the percentage of the branch network located in municipalities with less than 10,000 inhabitants was 29.52% (29.42% in 2022).

In line with the aforementioned actions, in 2022 Unicaja and the Málaga Provincial Council signed a general action protocol for the development of joint actions to contribute to promoting financial inclusion and education in the province of Málaga, which was completed in 2023 with the installation of ATMs in municipalities with small populations, and with the development of financial education initiatives with the rural population, the elderly and other vulnerable groups.

This protocol includes specific measures, such as the installation of ATMs in municipalities with small populations and with a lower financial offer, especially for the benefit of those citizens less familiar with new technologies, such as the elderly, and other vulnerable groups. This is also in line with the sectorial agreement signed in favor of reducing the digital gap of vulnerable groups and those over 65 years of age, already discussed in the Commitments section.

Personalized care for the elderly and people with disabilities (FS14)

In February 2022, the three banking associations (AEB, CECA, UNACC) promoted the ten commandments for the improvement of personalized attention to the elderly and people with disabilities, which was materialized through the revision of the “Strategic protocol to strengthen the social and sustainable commitment of banking”, dated July 2021.

In the same month of February 2022, the Board of Directors agreed Unicaja’s adherence to the revised version of this protocol, assuming a series of commitments to adopt specific measures to promote financial inclusion, especially in rural environments and groups at risk of exclusion, to ensure personalized, satisfactory attention without unjustified delays for people over 65 years of age and people with disabilities.

The table shows the measures implemented at the time and the situation at year-end 2023:

Measure	Status
The extension of the opening hours of face-to-face service, at least from 9 a.m. to 2 p.m. for cashier services, which will be provided at the window or at the cashier’s desk.	Executed and in progress
Preferential treatment of the elderly in the branches.	Executed and in progress
Mandatory specific training for sales network personnel on the needs of this group.	Commenced and in progress
Preferential telephone attention at no additional cost or direct, through a personal interlocutor.	Executed and in progress

Telephone hours are from 9 a.m. to 6 p.m. for customers who receive services without a branch.	Executed and in progress
Ensure the adaptability, accessibility and simplicity of the channels according to their use.	Executed and under continuous improvement
Repair of out-of-service ATMs within a maximum of 2 business days and information on the nearest alternative ATM.	Executed and in progress
Offering customers financial and digital education and fraud prevention activities.	Commenced and in progress
Informing elderly customers about the measures and improvements adopted.	Executed

The measures implemented, as well as certain indicators (total number of customers over 65 years of age, branches with extended service, training hours for employees and customers, adapted ATMs, incidents in ATMs and resolution time, among others) for 2022 and 2023, have been transferred to CECA for the aggregation of the information of the entire Spanish banking sector.

On the other hand, in October 2022, a new revision of the sector protocol approved in July 2021 and revised in February 2022 was formalized by the three employers' associations to include new aspects related to financial inclusion in rural areas ("Roadmap to strengthen financial inclusion in rural areas"). This roadmap contemplates, for those municipalities with more than 500 inhabitants without an access point to financial services, the commitment to ensure at least one access point (bank office, ATM, mobile offices, financial agents); and, for those with less than 500 inhabitants, the offer of basic banking services, guaranteeing access to cash through the *cash back* or *cash in shop* formulas, or the use of the Correos Cash service.

Unicaja and Correos have signed a collaboration protocol in March 2023 to expand access to financial services in rural Spain. In this way, Correos offers Unicaja its network of 2,389 branches and its nearly 6,000 rural letter carriers, which will be able to facilitate the provision of basic financial services in all Spanish municipalities, with special attention to those located in rural Spain, as well as to the elderly and the disabled. Technological and procedural developments are in the development phase at year-end 2023.

SHAREHOLDERS AND INVESTORS (GRI 3.3)

Unicaja has a policy of communication and contact with shareholders, institutional investors and proxy advisors, which recognizes the permanent attention to the transparency of information to shareholders and the markets in general as a strategic objective.

Through this policy, it is committed to:

- Protecting legitimate shareholder interests, ensuring that updated information on the Company is available to them, pursuant to applicable regulations.
- Preserving transparency and the equal treatment of all shareholders in the same position.
- Ensuring strict compliance with the provisions of the applicable regulations on insider trading and market abuse.

More information can be found on the corporate website in the "Investors and Shareholders" section.

PERSONNEL (GRI 2.7, GRI 2.8, GRI 3.3)

T mployees are Unicaja's main asset and one of its key stakeholders, as they are the cornerstone of its professional activity and act as a direct link with customers.

Unicaja pursues the consolidation of a motivated, integrated and trained professional team, capable of executing the policies that develop the strategy on which the Bank's activities are based and guaranteeing compliance with the principles of respect for society and the environment. One of the Bank's priority objectives is the management of human capital, promoting continuous improvement in the ethical standards that affect employees in the field of equal opportunities, professional and personal development, the promotion and betterment of teamwork capacity with a view to improving the work environment and the degree of employee satisfaction, with one of its aims being the development of their sense of belonging and sharing of the Organization's values.

By 2023, the parent company's employees (6,753) accounted for approximately 89.8% of the Group's total workforce (7,523).

Workforce profile (GRI 401-1, GRI 401-3, GRI 405-1)

At the end of fiscal year 2023, Unicaja (parent company) had a total workforce of 6,753 employees, all of whom were structural employees.

On December 3, 2021, the consultation period for collective dismissal, geographic mobility and substantial modification of working conditions at Unicaja, as provided for in Articles 40, 41 and 51 of the Workers' Statute, was concluded with the agreement of the management and the employees' representatives, initiating a restructuring process which was mainly the result of the need to resolve the duplication and overlaps resulting from the merger process.

With regard to the profile of the Unicaja Group workforce:

	Stakeholders	Unicaja Group companies	
Employees		**2023**	**2022**
Workforce profile	Number of employees	7,523	7,853
	Workforce distribution (men/women,% of total)	45.7/54.3	45.9/54.1
	Average employee age (years)	48	47.3
	Average length of service (years)	20.2	19.6

The data shown below corresponds to the parent company of the Unicaja Group:

	Stakeholders	Unicaja Group companies	
Employees		**2023**	**2022**
Workforce profile	Number of employees	6,753	7,034
	Workforce distribution (men/women,% of total)	46.2/53.8	46.4/53.6
	Average employee age (years)	48.6	47.9
Training	Investment in training (millions of euros)	1.49	2.08
	Training hours	468,556	711,137.6
Absenteeism	Days missed (% of theoretical days)	5.03	5.28

Of the entire workforce, 100% has an indefinite-term contract. The average age of the workforce is 48.6 years and the average length of service is 21.4 years, though 4.7% of employees (men and women) having been with the group for less than 10 years. Women account for 53.8% of the workforce. This percentage continues to increase due to the combination of higher female participation in new hires and retirements and departures due to collective layoffs, which, in the latter case, mainly affect the male group. The effect of the appointments in recent years is clearly shown by the fact that women account for 54.2% of employees under 35 years of age.

The distribution of the Unicaja Group's total workforce by type of contract is as follows:

TYPE OF CONTRACT	MEN	WOMEN	TOTAL
Indefinite full-time	3,424	4,039	7,463
Indefinite part-time	1	19	20
Temporary full-time	13	26	39
Temporary part-time	-	1	1
TOTAL	**3,438**	**4,085**	**7,523**

The distribution of Unicaja Group's total workforce by gender and age group and its comparison with fiscal year 2022 is shown below:

Workforce distribution by gender and age group

Age (years)	Men		Women		TOTAL	
	2023	2022	2023	2022	2023	2022
Up to 25	12	12	10	27	**22**	**39**
From 25 to 30	42	37	87	100	**129**	**137**
From 30 to 35	37	41	121	126	**158**	**167**
From 35 to 40	109	170	216	333	**325**	**503**
From 40 to 45	616	725	970	1,085	**1,586**	**1,810**
From 45 to 50	1,041	1,067	1,260	1,223	**2,301**	**2,290**
From 50 to 55	1,057	1,087	998	983	**2,055**	**2,070**
From 55 to 60	474	415	406	356	**880**	**771**
Over 60	50	52	17	14	**67**	**66**
Total	**3,438**	**3,606**	**4,085**	**4,247**	**7,523**	**7,853**

The distribution by gender and age of the parent company's workforce and its comparison with fiscal year 2022 is shown below:

Workforce distribution by gender and age group

Age (years)	Men		Women		TOTAL	
	2023	2022	2023	2022	2023	2022
Up to 25	4	1	-	-	**4**	**1**
From 25 to 30	12	8	8	10	**20**	**18**
From 30 to 35	17	19	31	31	**48**	**50**
From 35 to 40	92	150	166	291	**258**	**441**
From 40 to 45	571	673	917	1,031	**1,488**	**1,704**
From 45 to 50	975	999	1,199	1,156	**2,174**	**2,155**
From 50 to 55	990	1,012	921	912	**1,911**	**1,924**
From 55 to 60	419	364	379	331	**798**	**695**
Over 60	41	39	11	7	**52**	**46**
Total	**3,121**	**3,265**	**3,632**	**3,769**	**6,753**	**7,034**

The distribution of the workforce by gender and professional category is shown below:

Distribution of the workforce by gender and professional category

Professional category	Men		Women		TOTAL	
	2023	2022	2023	2022	2023	2022
GROUP 1	**3,107**	**3,243**	**3,620**	**3,750**	**6,727**	**6,993**
G1 - Level I-V	1,690	1,776	1,076	1,090	2,766	2,866
G1 - Level VI-IX	1,275	1,278	2,310	2,315	3,585	3,593
G1- Level X-XIV	142	189	234	345	376	534
GROUP 2	**14**	**15**	**11**	**11**	**25**	**26**
DIGITAL LBK PROCED.*	**-**	**7**	**-**	**7**	**-**	**14**
OTHERS	**-**	**-**	**1**	**1**	**1**	**1**
Parent company subtotal	**3,121**	**3,265**	**3,632**	**3,769**	**6,753**	**7,034**
Management	34	43	29	57	63	100
Technicians	115	121	123	100	238	221
Administrative and sales personnel	149	156	267	289	416	445
Auxiliary personnel	19	21	34	32	53	53
Group company subtotal	**317**	**341**	**453**	**478**	**770**	**819**
GROUP TOTAL	**3,438**	**3,606**	**4,085**	**4,247**	**7,523**	**7,853**

*Application of the Collective Bargaining Agreement for Consulting Firms

The following table shows the average number of contracts at the Unicaja Group (parent company), calculated as the number of employees present in the Bank at the end of the month and divided by 12. Since these are averages, sometimes the total sum does not coincide exactly with that reported in the tables.

Average annual number of permanent, temporary and part-time contracts by gender:

Gender	Permanent or indefinite full-time	Permanent or indefinite part-time	Temporary full-time	Temporary part-time	Total
Men	3,183	1	0	0	3,184
Women	3,688	0	0	0	3,688
Total	**6,871**	**1**	**0**	**0**	**6,872**

Average annual number of permanent, temporary and part-time contracts by age:

Age	Permanent or indefinite full-time	Permanent or indefinite part-time	Temporary full-time	Temporary part-time	Total
Up to 25	2	-	-	-	2
From 25 to 30	14	-	-	-	15
From 30 to 35	49	-	-	-	49
From 35 to 40	262	-	-	-	262
From 40 to 45	1,483	-	-	-	1,483
From 45 to 50	2,184	-	-	-	2,184
From 50 to 55	1,922	-	-	-	1,923
From 55 to 60	893	-	-	-	893
Over 60	62	-	-	-	62
Total	**6,871**	**1**	**-**	**-**	**6,872**

Average annual number of permanent, temporary and part-time contracts by occupational classification:

Gender	Permanent or indefinite full-time	Permanent or indefinite part-time	Temporary full-time	Temporary part-time	Total
G1 - Level I-V	2,803	-	-	-	2,803
G1 - Level VI-IX	3,598	-	-	-	3,599
G1 - Level X-XIV	433	-	-	-	434
G2 - Level II-III	25	-	-	-	25
OTHERS	11	-	-	-	11
Total	**6,871**	**1**	**-**	**-**	**6,872**

The average number of contracts of the Group's investees is set forth below. Taking into account the aforementioned criterion (number of employees present in the investee company at the end of the month and divided by 12), the average number of contracts of the Group's investees is shown below. Since these are averages, sometimes the total sum does not coincide exactly with that reported in the tables.

Gender	Permanent or indefinite full-time	Permanent or indefinite part-time	Temporary full-time	Temporary part-time	Total
Men	304	-	27	-	331
Women	405	15	52	2	474
Total	**710**	**15**	**79**	**2**	**805**

Average annual number of permanent, temporary and part-time contracts by age:

Age	Permanent or indefinite full-time	Permanent or indefinite part-time	Temporary full-time	Temporary part-time	Total
Up to 25	4	-	17	-	21
From 25 to 30	77	-	42	-	119
From 30 to 35	93	7	13	1	113
From 35 to 40	61	4	3	-	68
From 40 to 45	99	-	2	-	101
From 45 to 50	129	-	1	-	130
From 50 to 55	143	3	-	-	146
From 55 to 60	87	1	-	1	89
Over 60	17	-	1	-	18
Total	**710**	**15**	**79**	**2**	**805**

Average annual number of permanent, temporary and part-time contracts by occupational classification:

Professional category	Permanent or indefinite full-time	Permanent or indefinite part-time	Temporary full-time	Temporary part-time	Total
Management	65	-	-	-	65
Technicians	241	4	1	-	246
Administrative and sales personnel	355	10	69	1	435
Auxiliary personnel	48	-	8	1	58
Total	**710**	**15**	**79**	**2**	**805**

Using the approach presented in the 2021 fiscal year, in other words we changed from a month-end to a daily headcount, counting the number of days an employee has been present in the investees' workforce and dividing the result by 365, the average figures are as follows: Since these are averages, sometimes the total sum does not coincide exactly with that reported in the tables.

Average annual number of permanent, temporary and part-time contracts by gender:

Gender	Permanent or indefinite full-time	Permanent or indefinite part-time	Temporary full-time	Temporary part-time	Total
Men	304	-	13	-	317
Women	409	19	26	1	455
Total	**713**	**19**	**39**	**1**	**772**

Average annual number of permanent, temporary and part-time contracts by age:

Age	Permanent or indefinite full-time	Permanent or indefinite part-time	Temporary full-time	Temporary part-time	Total
Up to 25	7	-	11	-	18
From 25 to 30	92	-	17	-	109
From 30 to 35	93	10	7	-	110
From 35 to 40	60	5	2	-	67
From 40 to 45	97	-	1	-	98
From 45 to 50	127	-	-	-	127
From 50 to 55	143	3	-	-	146
From 55 to 60	80	1	-	1	82
Over 60	14	-	1	-	15
Total	**713**	**19**	**39**	**1**	**772**

Average annual number of permanent, temporary and part-time contracts by occupational classification:

Professional category	Permanent or indefinite full-time	Permanent or indefinite part-time	Temporary full-time	Temporary part-time	Total
Management	63	-	-	-	63
Technicians	237	4	-	-	241
Administrative and sales personnel	365	15	35	-	415
Auxiliary personnel	48	-	4	1	53
Total	**713**	**19**	**39**	**1**	**772**

The number of terminations of the parent company's employees in fiscal 2023, by gender, age and professional category is as follows:

Number of dismissals by gender and age group

Age (years)	Men		Women	
	2023	2022	2023	2022
From 40 to 45	2	-	1	-
From 45 to 50	1	-	2	1
From 50 to 55	1	1	1	-
From 55 to 60	2	-	-	-
More than 60 years	1	-	-	-
Total	**7**	**1**	**4**	**1**

Number of dismissals by gender and professional category				
Professional category	**Men**		**Women**	
	2023	**2022**	**2023**	**2022**
G1 - Level I-V	3	1	2	-
G1 - Level VI-IX	4	-	1	-
G1 - Level X-XIV	-	-	1	1
Total	**7**	**1**	**4**	**1**

The number of dismissals of employees of the Group's investee companies, by gender, age and professional category is as follows:

Number of dismissals by gender and age group				
Age (years)	**Men**		**Women**	
	2023	**2022**	**2023**	**2022**
From 25 to 30	0	3	1	1
From 30 to 35	-	3	1	2
From 35 to 40	1	-	-	-
From 40 to 45	1	1	-	3
From 45 to 50	-	3	1	4
From 50 to 55	-	3	-	5
From 55 to 60	9	1	2	-
Over 60	2	2	3	-
Total	**13**	**16**	**8**	**15**

Number of dismissals by gender and professional category				
Professional category	**Men**		**Women**	
	2023	**2022**	**2023**	**2022**
Management	1	3	1	2
Technicians	1	2	1	3
Administrative and sales personnel	11	6	6	8
Auxiliary personnel	-	5	-	2
Total	**13**	**16**	**8**	**15**

In terms of the dismissals resulting from the agreement dated December 3, 2021, between management and workers' representatives, the consultation period for collective dismissal, geographic mobility and substantial modification of working conditions at Unicaja, as provided for in Articles 40, 41 and 51 of the Workers' Statute, was concluded with the agreement of the management and the employees' representatives, initiating a restructuring process which was mainly the result of the need to resolve the duplication and overlaps resulting from the merger process.

Number of dismissals by gender and age group

Age (years)	Men		Women	
	2023	2022	2023	2022
From 25 to 30	-	1	-	-
From 30 to 35	-	1	-	1
From 35 to 40	1	8	-	23
From 40 to 45	-	39	2	69
From 45 to 50	5	39	-	50
From 50 to 55	26	120	9	151
From 55 to 60	103	365	104	285
Over 60	8	59	1	18
Total	**143**	**632**	**116**	**597**

Number of dismissals by gender and professional category

Professional category	Men		Women	
	2023	2022	2023	2022
G1 - Level I-V	99	367	39	164
G1 - Level VI-IX	43	243	76	386
G1 - Level X-XIV	1	18	1	43
GROUP 2	-	4	-	2
Others	-	-	-	2
Total	**143**	**632**	**116**	**597**

Out of the Unicaja Group's total workforce, 36% operates in the Autonomous Community of Andalusia. As for the parent company data, 37.5% of the workforce carries out its activity in the Autonomous Community of Andalusia, while 16.5% of the workforce carries out its activity in the Autonomous Community of Castilla y León (38% and 16.4% respectively, in 2022), corresponding to the geographical distribution of the Group's operational and commercial structure as a result of the integration of Liberbank into Unicaja in July 2021.

With the entry into force of the new Collective Bargaining Agreement for Savings Banks and Financial Institutions for the period 2019-2023, the right to digital disconnection is guaranteed both to employees who work in person and to those who provide services through new forms of work organization (remote work, flexible working hours or others), adapted to the nature and characteristics of each job.

In accordance with internal policies and manuals, the Bank strives to ensure that employee profiles are diverse, not only in terms of gender, but also in terms of training and knowledge, experience, age and geographic origin, among other aspects.

As regards measures aimed at facilitating the enjoyment of reconciliation by both parents and, specifically, in relation to parental leave, understanding "parental right" to be the paternity and maternity rights enjoyed by Unicaja (the parent company) employees, 139 employees (81 men and 58 women) have been entitled to parental leave during 2023 and have availed themselves thereof. In the Group's investee companies, 26 employees (8 men and 18 women) were entitled to parental leave during 2023, which all of them took.

The total number of employees who returned to work after leave and who were still employed 12 months after returning was 139 (81 men and 58 women) at Unicaja (the parent company).

Based on 2023 data at Unicaja, the return-to-work rate is 100% (96.00% in 2022).

Remuneration. General retributive policy (GRI 2.21, GRI 3.3, GRI 405-2)

Unicaja's general remuneration policy is established in accordance with the applicable regulatory framework (mainly the Workers' Statute), the conditions established in the collective bargaining agreement and the internal labor agreements adopted with union representatives. On an individual basis, this general remuneration policy also takes as a benchmark the level of responsibility of the position and the professional development of each person, avoiding discrimination of any kind. Consequently, there are no gender-based wage differentials in any respect. The aims of the remuneration practices applied are the retention and attraction of talent and, in general, appropriate payment for individual effort, both from the point of view of the achievement of results and the person's performance.

Attached is a table with the average remuneration per level of the Unicaja Group employees, referring to the fiscal year 2023, and the variation with respect to the fiscal year 2022:

Average remuneration by gender and professional category (in euros)

GROUP	Men	No.	Women	No.	TOTAL	No.	Salary gap*	% VAR. AVERAGE
G1 - Level I-V**	53,842	1,690	49,242	1,076	52,052	2,766	8.54 %	3.16 %
G1 – Level VI-IX**	40,056	1,275	38,851	2,310	39,280	3,585	3.01 %	4.69 %
G1 – Level X-XIV**	33,892	142	33,178	234	33,448	376	2.1%	7.92 %
GROUP 2	35,427	14	40,082	11	37,475	25	-13.14 %	4.61 %
OTHERS	-	-	11,936	1	11,936	1	-%	10.82 %
Parent company subtotal	**47,220**	**3,121**	**41,560**	**3,632**	**44,176**	**6,753**	**11.98 %**	**4.43 %**
Management	79,204	34	53,960	29	67,584	63	31.87 %	**32.86 %**
Technicians	44,200	115	36,792	123	40,372	238	16.76 %	**-6.79 %**
Administrative and sales personnel	31,010	149	21,869	267	25,143	416	29.48 %	**5.78 %**
Auxiliary personnel	16,721	19	16,892	34	16,831	53	-1.03 %	**-1.65 %**
Group company subtotal	**40,108**	**317**	**27,602**	**453**	**32,750**	**770**	**31.18 %**	**2.60 %**
GROUP TOTAL	**46,564**	**3,438**	**40,013**	**4,085**	**43,007**	**7,523**	**14.07 %**	**4.33 %**

*The salary gap was calculated using the following formula: (average remuneration for men – average remuneration for women) / average remuneration for men.

** Levels I-XIV correspond to the pay levels of the Collective Bargaining Agreement for Savings Banks and Financial Institutions, with the maximum for Group 1 being Level I and the minimum Level XIV.

The basic salary ratio between both sexes and in each professional category is 100%, since the salaries correspond to those set by the Collective Bargaining Agreement for Savings Banks and Financial Institutions at each level for employees of the parent company, so there are no salary differences based on sex at the same professional level. Considering the average total remuneration received (fixed remuneration, as variable remuneration was not significant in relation to the rest of the remuneration items and was not included in this analysis) in 2023, the average remuneration of women was 6% below while that of men was 7% above the average. These differences are mainly due to the greater seniority (which allows the accumulation of three years of service) of some employees with respect to others, in relation to both sexes, the different levels of responsibility and the different salary structures of the entities that have been integrated into Unicaja over time.

The following table shows the average remuneration by age brackets of the Unicaja Group in 2023.

Average remuneration by gender and age group

AGE	Men		Women		TOTAL		Salary gap*	% VAR. AVERAGE REMUNERATION
		No.		No.		No.		
Up to 25	18,011	12	15,367	10	16,809	22	14.68 %	10.52 %
From 25 to 30	19,037	42	17,219	87	17,811	129	9.55 %	4.02 %
From 30 to 35	31,563	37	24,694	121	26,303	158	21.76 %	3.95 %
From 35 to 40	40,164	109	35,709	216	37,203	325	11.09 %	3.96 %
From 40 to 45	41,805	616	37,248	970	39,018	1,586	10.9%	4.26 %
From 45 to 50	45,481	1,041	40,264	1,260	42,624	2,301	11.47 %	4.19 %
From 50 to 55	49,701	1,057	43,852	998	46,860	2,055	11.77 %	2.18 %
From 55 to 60	52,110	474	58,703	406	50,538	880	6.54 %	0.98 %
Over 60	63,872	50	41,032	17	58,077	67	35.76 %	5.72 %
Total	**46,564**	**3,438**	**40,013**	**4,085**	**43,007**	**7,523**	**14.07 %**	**4.33 %**

*The salary gap was calculated using the following formula: (average remuneration for men – average remuneration for women) / average remuneration for men.

With regard to age distribution, the greatest difference between the average remuneration of men and women was concentrated in the 60+ age bracket, with men representing 75% of the total number of employees in this age bracket.

Within the group of jobs, there were different situations, meaning that the data may not be strictly comparable and the differences in remuneration may be due to various duly justified factors, as mentioned above. The Group's vocation is to progressively increase the proportion of women in positions of responsibility.

In relation to the so-called “Identified Collective”, which is made up of board members, senior executives, employees who assume risks, those who exercise control functions and any employee who receives an overall remuneration that includes them in the same pay scale as that of senior executives and employees who assume risks, whose professional activities have a significant impact on the risk profile of Unicaja at group, parent company and subsidiary level, the “Remuneration Policy Associated with Risk Management” is applicable. The main aspects of this Policy are available on Unicaja’s corporate website.

For fiscal year 2023, all employees of the parent company were subject to the application of incentive schemes. With respect to the payment of variable compensation in 2023, 96% of the workforce has benefited from it, representing, on average, 4.55% of their fixed compensation (51% of the workforce in 2022, representing 6.09% of their fixed compensation).

Remuneration of Board members (GRI 405-2)

As regards the remuneration of Directors, the general framework for setting their remuneration is set forth in the Remuneration Policy for the Directors of Unicaja Banco, S.A. (2021-2023). The details of their remuneration are published in the “Annual Report on Directors’ Remuneration”, which is published each year on Unicaja’s corporate website.

The average remuneration of board members for all concepts has been as follows:

Average remuneration of company directors by gender (in euros)

Category	Men		Women	
	2023	2022	2023	2022
Executive directors	1,006,110	828,680	-	-
Non-executive directors	83,350	76,500	109,250	72,840
Total	8	9	6	6

Note 1. The average reported remuneration includes all compensation items, expressed in annual terms. The total remuneration for directors received in 2023, even if they do not remain in office at December 31, has been taken into account.

Note 2. The average compensation was calculated based on the average number of board members during the year.

Post-employment commitments (GRI 201-3, GRI 404-2)

The Group maintains a welfare system for all employees complementary to the Social Security public pension system.

After the merger with Liberbank, Unicaja, as promoter of several pension plans, derived from the pension commitments assumed with its employees, has initiated, in accordance with Article 5 of the Pension Plans and Funds Law and Article 24 of its Regulations, the negotiated integration of its Pension Plans into a single Pension Plan.

Unicaja is currently the promoter of all of the following pension plans: Unicaja and Fundación Bancaria Unicaja, Caja España, Caja de Ahorros de Salamanca y Soria, Caja de Ahorros de Asturias (CAJASTUR), Caja de Extremadura (CEX), Caja Cantabria (CC), Banco Castilla la Mancha (CCM).

The process of unifying the Pension Plans by integrating the different pension plans into the Joint Promotion Plan of Unicaja and the Foundation is being instrumented by incorporating the necessary groups to guarantee the rights, obligations and rules on contingencies, contributions and benefits of the participants, suspended participants and beneficiaries of the current pension plans.

The accounting information on the post-employment commitments of these plans is detailed in the financial statements, which are published on Unicaja's corporate website each year.

Employment of people with disabilities (GRI 405-1)

At December 31, 2023, Unicaja complied with the provisions of Royal Legislative Decree 1/2013, of November 29, approving the Revised Text of the General Law on the Rights of Persons with Disabilities and their Social Inclusion, which establishes a reserve quota equivalent to 2% of the workforce in companies with more than 50 employees and the obligation to promote the social and labor integration of persons with disabilities, in addition to reinforcing the concepts of equal opportunities, non-discrimination and universal accessibility. Unicaja also collaborates with associations of public interest whose social purpose is professional training, labor insertion and job creation in favor of people with disabilities.

The number of employees with disabilities in the parent company amounted to 111 in 2023 (117 in 2022), while in the subsidiaries it was equal to 13 (17 in 2022). The total number of people with disabilities employed by the Group in 2022 was 134.

Additionally, Unicaja offers training grants for the children of disabled employees. In 2023, they received 3,400 euros and, in application of the Equality Plan, which covers disability equal to or greater than 65%, the amount received was 4,400 euros. This benefit is paid for each child up to the year in which the person reaches the age of 25.

Occupational health and safety (GRI 403-1, GRI 403-2, GRI 403-5, GRI 403-9)

The year 2023 saw the consolidation of the integration of all preventive activities in Unicaja's own Prevention Service, implementing this Management System model throughout the Bank as a result of the merger process with the former Liberbank, with the implementation of single protocols and procedures.

This Prevention Management System is updated periodically and permanently, adapting to regulatory developments and applying technological progress to the new business reality. This system is subject to review controls by internal and external auditors through audit systems, both that required by the Prevention Services Regulation (RD 39/1997 of January 17) and that for the renewal of the certification with AENOR of the Management System according to the ISO 45001:2018 standard.

The Annual ORP Plan, approved by the Intercenter Health and Safety Committee, established 9 strategic objectives developed into 15 operational objectives, notably including the commitment to address an advanced evaluation of psychosocial risks in the Bank and the implementation of an access control system to the work centers of the branch network that would connect with the control tools for the hiring of external companies for an effective business coordination in accordance with RD 171/2004, of January 30, 2004.

The Health and Safety Committees of the former Liberbank have been integrated into the Intercenter Committee as the sole interlocutor body for prevention in Unicaja.

The Document Management System has been reviewed and brought up-to-date by updating the Annual Plan and the Procedures Manual.

Medical check-up and flu vaccination campaigns were carried out throughout 2023. A total of 2,622 medical examinations were performed, 94% of those requested. A total of 1,808 flu vaccines were administered.

A total of 201 work center evaluations were carried out, for a total of 1,888 jobs evaluated. As a result of these evaluations, 2,563 corrective actions have been managed.

In terms of occupational risk prevention training, 14 preventive training actions have been carried out, which translates into 4,716 employees trained and 22,158 hours of training in this subject. In relation to emergency plans, 83 actions have been carried out in singular buildings.

The occupational accident rate at Unicaja (parent company) is very low, typical of administrative activities, with the preventive activities implemented having a significant influence. This is shown by the fact that the days lost due to occupational accidents account for 0.01% of the total theoretical days, with the incidence rate in 2023 standing at 1,48% and the frequency rate at 1.03. As for the distribution of occupational accidents by sex, four corresponded to men (40%) and six to women (60%). In terms of severity, ten accidents were considered minor and no accidents were considered serious. The average duration rate of occupational accidents is 18.8 days, and the severity rate of these was 0.02‰. Absenteeism caused by common illnesses and non-occupational accidents presents a rate of 5.03% of the theoretical working days in 2023, equivalent to 83,585.55 working days (585,098.85 working hours).

	ACCIDENTS AT WORK					
	2023	2022	2023	2022	2023	2022
	Days missed (%)		Incidence rate (‰)		Frequency rate (%)	
Industrial accident	0.01	0.05	1.48	3.66	1.03	2.54

	ACCIDENTS AT WORK					
	Industrial accident					
	Gender (%)		Severity (%)		Average duration index (days)	Severity index (‰)
	Men	Women	Serious	Minor		
2023	40	60	-	100	18.8	0.02
2022	25.93	74.07	3.7	96.3	32.16	0.08

	ABSENTEEISM		
	Common illness and non-occupational accidents		
	Rate	Days missed	Absence hours
2023	5.03	83,858.55	585,098.85
2022	5.28	96,339.47	674,376.29

With regard to data from the Group's investees, there were no occupational accidents in 2023:

	ACCIDENTS AT WORK					
	2023	2022	2023	2022	2023	2022
	Days missed (%)		Incidence rate (‰)		Frequency rate (%)	
Industrial accident	-	0.014	-	4.88	-	2.81

	ACCIDENTS AT WORK					
	Industrial accident					
	Gender (%)		Severity (%)		Average duration index (days)	Severity index (‰)
	Men	Women	Serious	Minor		
2023	-	-	-	-	-	-
2022	37.5	62.5	-	100	58	0.14

	ABSENTEEISM		
	Common illness and non-occupational accidents		
	Rate	Days missed	Absence hours
2023	0.03	4,525	34,934
2022	0.03	5,635	44,557

Social benefits (GRI 401-2)

Unicaja's employees enjoy a series of social benefits that exceed those legally established that include unpaid leave, leave of absence for childcare, voluntary leave of absence, forced leave of absence, common fund for currency losses, payment cards with special conditions, mortgage and personal loans at reduced rates, salary and social loans and advances, complementary group life insurance, assistance for nuptials, births, studies for employees and children and day care.

Part-time employees enjoy the same social benefits that apply to full-time employees. With respect to employees with temporary contracts, the main difference lies in financing, since they are not eligible for home purchase loans, free mortgages, loans for miscellaneous items and free personal loans, pursuant to the provisions of the Collective Agreement of Savings Banks and Financial Institutions. With regard to Mastercard and Visa cards, the maximum amount that can be requested is 2,500 euros.

In 2023, 1,134 agreement loans (social advances, social loans and housing agreement fixed in the collective bargaining agreement) totaling 33.71 million euros were granted. Additionally, 447 free loans to employees were approved, amounting to 13.95 million euros.

In addition, contributions to Unicaja's employee pension plans amounted to 18 million euros in 2023 (18.7 million euros in 2022).

Newly hired employees are offered the chance to join the Employees' Pension Plan with one month of seniority in the contract, following the modification introduced by Royal Decree 668/2023, of July 18, which amends the Pension Plans and Funds Regulations.

Labor/social relations (GRI 2.30, GRI 3.3, GRI 403-4, GRI 407-1)

Unicaja respects the role and responsibilities of trade union representatives, especially with regard to collective bargaining. The participation of employee representatives in the decisions adopted by the Group in labor matters is one of the guidelines set by its human resources policy. In 2023, the entire workforce of Unicaja (parent companies) was subject to the Collective Bargaining Agreement for Savings Banks and Financial Institutions and the Collective Bargaining Agreement for Consulting Firms, which, together with the agreements adopted within Unicaja, generally determines working hours and other employment conditions.

On July 31, 2021, the merger process culminated, by virtue of which all Liberbank employees became employees of Unicaja as of said date.

On the occasion of the agreement, dated December 3, 2021, between the Bank and the trade union sections of CCOO, UGT, CIC-Suma-T, CSIF and SIBANK, regarding the procedures legally established in Arts. 51, 40 and 41 of the Workers' Statute, derived fundamentally from the need to resolve the duplications and overlaps resulting from the merger of the two entities both in central services and in the commercial network, in addition to the application of a branch rationalization plan and their sizing to adapt them to the current needs of Unicaja, 259 contracts have been terminated in 2023, through voluntary secondment.

Unicaja's Intercenter Health and Safety Committee was set up on March 31, 2003, as a body for consultation and participation in matters of Occupational Risk Prevention in Risk Prevention Management, with the following documents drawn up within its scope of action:

- Protocol for the prevention of violence and external aggressions derived from work.
- Protocol for the prevention of moral and/or psychological harassment at work.
- Protocol for the prevention of sexual and/or gender-based harassment in the workplace.
- Procedure in situations of robbery.
- Labor integration protocol for people with disabilities.
- Improvements in pregnancy and lactation situations.
- Biannual medical check-up campaign.
- 2023 Annual Prevention Plan.

Training and career plans (GRI 205-2, GRI 404-1, GRI 404-2, GRI 404-3)

For Unicaja, training represents a commitment to people, whose main objective is to contribute to the personal and professional development of the staff, in order to respond to the needs of customers, regulations, transformation and the individual expectations of internal talent.

In this regard, Unicaja's Training Plan for 2023 has been developed with an investment of 1,487,100 euros (2,082,491 euros in 2022), and 468,556 hours of training, aimed at the entire workforce (711,137.60 hours of training in 2022). The average number of hours per employee has been 69 (92 hours in 2022).

The training project with the greatest impact in terms of hours in 2023 was for training aimed at obtaining and maintaining certifications, which accounted for a total of 336,133 hours of training, 71.73% of the total number of hours provided in 2023 (345,180 hours of training, 48.5% of the total number of hours provided in 2022).

Distribution of training hours by professional category:

Category	Hours	
	2023	**2022**
G1 - Level I-V	186,051.63	312,362.45
G1 - Level VI-IX	258,680.55	363,938.35
G1 - Level X-XIV	22,869.30	32,806.3
G2 - Level II-III	914.5	1,895.5
Source Liberbank Digital	**7.5**	**135**
Parent company subtotal	**468,556.48**	**711,137.6**
Management	1,772.1	2,391.9
Technicians	6,748.7	5,137.65
Administrative and sales personnel	10,502.5	10,435.2
Auxiliary personnel	10	10
Group company subtotal	**19,033.3**	**17,974.75**
Group total	**487,589.78**	**729,112.35**

Note: The total hours of training in 2023 included 33 hours completed by students on internships at Unicaja.

The Training Plan is grouped into ten blocks:

1. New personnel training and/or retraining.
2. Internal Demand: within this section, the Savings Management Seminars stand out, where contents on economic indicators (GDP, unemployment, fiscal policies, interest rates, monetary policies, etc.), long-term savings management and markets were developed. This training action was given to 994 employees (4,520 hours of training). Also noteworthy is the customer service training, completed by 34 employees.

3. Career Plans: this block includes all the specialized courses given to the group of employees who are part of any of the career plans in force in the Bank. In addition, the following specific plans are highlighted:

    - Training program in Internal Auditing of Credit Institutions: aimed at the audit team (66 participants). Among the contents of this program it is important to highlight the following: Economic-financial situation, New developments in data protection, New developments in the prevention of money laundering, code of best practices, ethics and the Audit Code of Conduct.

    - Career plan for Technology Management.

4. Specific corporate needs of the year: this includes "Suspicious operational training on PBC FTBC" for 31 employees, who have completed a total of 93 hours. "Specific training on PBC FT suspicious operations" for 220 employees, with a total of 880 hours of training. Also noteworthy is the specific program on sustainable finance, which was carried out by 564 employees for a total of 3,594 hours. This program is composed of several training actions with different itineraries and durations determined according to the target group.

In the area of sustainability, 27 employees have obtained CASG (Sustainability and Asset Management) certification. A general sustainable finance program was also provided to 946 employees for a total of 5,676 hours of training (Green MiFID).

The summary of actions and training hours corresponding to this block is as follows:

Training action	Attendees	Hours
Prevention of Money Laundering	251	973
Sustainable Finance Program	1,510	9,271

5. Training aimed at certifications:

    - Access and continuous training in Financial Consultancy (Markets in Financial Instruments Directive MiFID II), in order to comply with the guidelines set by the CNMV in the Technical Guide 4/2017 for the assessment of the knowledge and skills of personnel who inform and advise.

    - Access and continuing training in the Real Estate Credit Contracts Law: in compliance with the provisions of Law 5/2019 and Ministerial Order ECE/482/2019, for the assessment of the knowledge and skills of personnel managing real estate credit contracts.

- Access and continuing education in Insurance Distributor Level 2. In compliance with Royal Decree 287/2021 of April 20 on training and submission of statistical-accounting information of insurance and reinsurance distributors, and the Resolution of June 3, 2021 of the Directorate General of Insurance and Pension Funds, which establishes the basic principles of the courses and training programs that enable the Business Network to be trained in the knowledge and continuous updating in this area.

The summary of actions and training hours corresponding to this block is as follows:

Training action	Attendees	Hours
Market developments	5,034	50,340
Economic-financial situation	5,605	11,210
European funds and economic impact of Next Generation	5,605	8,407
Euribor reform	5,221	5,221
Finance and economics	5	30
Code of Best Practices to alleviate rising interest rates on home mortgage loans	5,221	18,273
Ethical standards for the banking sector	91	273
Financial planning dependence	5,034	10,068
New developments in the prevention of money laundering	5,034	7,551
New developments in data protection	5,034	5,034
Green MiFID. Sustainable finances	5,034	30,204

6. Policy and regulatory needs:

- The Occupational Risk Prevention training program is recurrently included in the annual training plan. In addition to providing this program to the corresponding groups, training content on this subject has been provided on the Bank’s training portal, meaning that any employee can access them on a voluntary basis and resolve any concerns related to this subject.

- Data protection training – reinforcement and updating of knowledge on data protection regulations, as well as on the most recurrent incidents and behaviors to be prevented.

- Criminal risk prevention training: an initiative was launched in 2023 to reinforce the knowledge of the circumstances in which legal entities may incur criminal liability and the cases in which they may be exempted from liability or where liability may be mitigated.

- Additionally, the continuous training program for the maintenance of MiFID II and LCCI certifications, included in point 5 “Training aimed at certifications” of the Training Plan, includes modules that develop the following regulatory subjects:
    - New developments in data protection.
    - New developments in the prevention of money laundering.

The summary of actions and training hours corresponding to this block is as follows:

Training action	Attendees	Hours
Prevention of criminal risks	674	5,392
Prevention of occupational hazards	4,724	22,249
Data protection training	171	1,368

In the Group’s investees, the number of hours of anti-money laundering training in 2023 was 150.70 (225 in 2022).

7. Board of Directors and key personnel: training aimed at continuously updating the knowledge of these groups. In fiscal year 2023, the General Training Program for the initial training of new Unicaja board members has been implemented, as well as the Specific Training Program for the continuous training of the members of said body.

8. Continuity and maintenance programs.

In this block, a training program on cybersecurity was carried out with the aim of raising awareness among employees so that they know how to recognize the dangers and avoid cyber risk. A total of 4,818 employees received training in this area, for a total of 10,796 hours of training.

9. Training for the Strategic and Transformation Plan.

10. Self-training: its catalog of contents includes a language platform, a new platform for skills development, risk training, regulations, finance and office automation. A total of 3,753.7 hours of training were given during the year.

In 2023, Unicaja continued to develop Uniecampus, a virtual knowledge management space. At Uniecampus there are schools with different subject areas.

Mention should be made of the “Comprehensive Management System School”, from which students can access the system’s main operating document, structured pursuant to International Standards UNE-EN ISO 14001:2015, 14064-1:2015 and 50001:2018, as well as other documents of interest, such as environment-related circulars and communiqués.

It is important to mention the creation of the Social Commitment to the Elderly School, which aims to ensure the financial and technological inclusion of the elderly and the disabled, thus reinforcing the social and sustainable commitment to these groups.

We also highlight the School on Sustainable Finance, which aims to progressively promote the integration of environmental, social and governance (ESG) criteria in the corporate culture, facilitating knowledge in this area. The different sections of the School contain training content, documentation of interest, a glossary of terms related to corporate social responsibility, as well as links to leading sustainability websites.

Finally, we also have schools for the prevention of money laundering and financing of terrorism (PBC-FT), the prevention of occupational risks, criminal risk and the protection of personal data.

Unicaja promotes performance recognition through the implementation of different systems and career development plans for the branch network and business support units, including skills and professional competency management programs, which are independent from those provided for in the collective bargaining agreement and are aimed at facilitating professional advancement. It also runs Management and Commercial Talent Banks, which systematically identify professionals with the greatest potential for development, regardless of their current position.

In the year 2023, the Performance and Development Potential Assessment was postponed due to the changes established in the Bank in relation to the New Target Distribution Model, as well as the adaptation that has been taking place to attend to the departure of personnel foreseen in the ERE.

Unicaja has partnership agreements with several universities located in the provinces where it operates. In 2023, 47 students pursued finance-related university studies at these universities and had the opportunity to work as interns in the Bank, complementing their theoretical training (19 students in 2022).

Universal accessibility for people with disabilities (GRI 403-3)

The Unicaja Group considers disability as a cross-cutting issue throughout the Organization. The protection of employees in special biological or socio-labor situations is specifically guaranteed, including those with recognized physical, mental or sensory disabilities, as well as workers in a situation of maternity or recent childbirth, or who are breastfeeding. In the event there is evidence of special sensitivity, a specific evaluation of the job will be carried out, in coordination with the Basic Health Unit, to analyze the working conditions and determine the preventive actions necessary to adapt the job, taking into consideration the demands and requirements of the job and the functional capacity of the employee. There is also a procedure for the treatment of particularly sensitive personnel among the management system documents and a communication model aimed at pregnant or breastfeeding women to meet their needs.

The commercial and corporate web pages have been designed and reviewed according to the guidelines defined in the Web Content Accessibility Guidelines 1.0 document produced by the WAI working group belonging to the W3C. The objective of these guidelines is to facilitate access to the information offered on the Internet to all.

The sites have been validated with the TAW tool and reviewed with different devices, the level of accessibility achieved is double-A (AA) with compliance with some triple-A (AAA) standards.

This website complies with the following standards:

Notification of any accessibility or usability problems, as well as any suggestions, can be made directly through the website.

Additionally, progress has continued to be made in the accessibility of the Bank's branch network.

Equality

As part of its firm commitment to advancing the establishment of CSR policies in the area of human resources, Unicaja has had an Equality Plan in place since 2009 which aims to incorporate equal treatment and opportunities between women and men into the Bank's traditional values.

Through this plan, the Bank aims to achieve effective equality of treatment and opportunities that will allow women to occupy the role that corresponds to them in the business and institutional sphere, thus favoring the generation of wealth and value in the society in which they operate.

As a result of a diagnostic study, the aims of the Equality Plan were defined and the necessary measures were designed to guarantee, in a transversal manner, effective and full equality of treatment and opportunities between women and men in order to eliminate all forms of direct or indirect gender-based discrimination.

Among the assumed aims, the following are worthy of special mention – promoting the access, development and promotion of women to positions in which they are still underrepresented, training and raising equality awareness among employees, with a special emphasis on managers with extensive decision-making power and autonomy in the management of the people in their charge, incorporating the equality variable directly and proactively into people management processes, promoting a balanced assumption of family responsibilities through measures for the organization of time within the scope of CSR and the reconciliation of personal and family life.

To this end, awareness-raising, training and information campaigns on equal opportunities are carried out. There is a specific equality area on the corporate intranet to inform the staff of the Equality Plan and the measures aimed at promoting personal, family and work reconciliation within the Group. A Code of Best Practice is applied the use of language.

In 2022, a new Equality Negotiating Committee was formed following the agreements reached in the Labor Relations Committee regarding union representation. A new set of Operating Regulations for the Commission has also been negotiated and approved. The project for the preparation of the Diagnostic Study and the Equality Plan has been presented to the Negotiating Committee, as well as the methodology and calendar of actions to be carried out. Due to the difficulty of extrapolating definitive data to prepare the Diagnostic Study during the 2022 fiscal year due to the gradual departure of the workforce under the ERE, it was agreed within the Committee to postpone the start of the study to December 2023 once the workforce data had been finalized.

Finally, a new protocol for the prevention of sexual and/or gender-based harassment was negotiated in 2023.

Management of the situation arising from COVID-19

Human Resources, through the Management Area, Workforce Management Section, in accordance with the requirements for the prevention of employee health, took the corresponding measures in line with the MECUIDA Plan and the communications made by the Bank, during the period 2020 to 2022. Throughout the year 2023, the management, authorization and follow-up of the measures related to work-life balance adopted in the COVID-19 environment were completed, including 100% reductions in working hours, unpaid leave, requests for paid leave, remote work, etc.

In preventive matters, management leadership and commitment is demonstrated by establishing as a main priority the protection of the health of all employees and customers. The preventive activity assumed management of the pandemic and its follow-up measures have been maintained during 2023 in accordance with the new situation of moving towards a new normality, after the declaration of the end of the health emergency situation.

In order to maintain a high level of health and safety protection for employees, the Action Plan has consisted mainly of several types of measures: preventive, informative-training, organizational and hygiene measures:

- The corporate intranet web site has been permanently updated with all Coronavirus-related information, including protocols, documents of interest and measures established by the Group.
- We have updated the protocols for cleaning, management of positives, action against coronavirus in offices and Central Services and Territorial Directorates, for cafeterias, etc.

The provision of protective equipment such as gloves and masks at the request of employees has been maintained, and the capacity limitations in work centers have been eliminated, as has the signage in work centers in response to the new normality.

COMMITMENT TO THE REGIONS

Support to companies and entrepreneurs

The Unicaja Group is committed to companies and entrepreneurs. In addition to loan provisions, there is also the channeling of aid granted by public administrations. Within this framework are the agreements signed with the Official Credit Institute (ICO), GARÁNTIA, IBERAVAL and SAECA, among others.

In the exercise of its commitment to the business community, the Group has collaborated financially in the development of various initiatives channeled through business organizations.

Overall, the Group provided financing to SMEs and the self-employed with an outstanding balance of nearly 5,350 billion euros in 2023 (6,900 billion euros in 2022).

Corporate participations (GRI 3.3, GRI 203-1)

In addition to its strictly commercial work, providing a wide range of services and meeting the financing needs of the business sector, Unicaja is directly involved in entrepreneurial activity through the creation and promotion of business initiatives and the acquisition and maintenance of equity stakes therein.

Unicaja's Investee Management coordinates the management and policies applicable to the Unicaja Group's portfolio of holdings, overseeing compliance with the general risk control objectives and seeking diversified profitability and an alternative to the main business. Likewise, the Bank coordinates the presence of representatives of the Bank in the management bodies of the investee companies, ensuring their interests, the continuity of their business project and the creation of wealth in the territory in which they operate. Participation in the management bodies is a preferred means of communication, not only with the companies' management (and sometimes their labor representatives), but also with our business partners. The relationship with this stakeholder group requires an adaptation in the approach to participation management and special attention to their needs when dealing with partners of a public nature (municipal corporations, regional or state government agencies) or non-profit foundations or corporations (as we find in some of the projects in which we participate, both in Spain and abroad).

Two specific manuals and a corporate policy are available for the proper control of investee companies:

- The policy for the selection of directors for Investee Companies of the Unicaja Group, which sets out the selection procedure for the appointment of directors of Unicaja Group companies or by other companies in its economic group.
- The “Participation Risk Control Manual”, which establishes effective and efficient independent internal control procedures for the management of investee companies.
- Procedures Manual in the area of investee companies, which includes the main procedures developed in the area of investee companies, particularly investment and divestment procedures which, in turn, include specific due diligence measures for the prevention of money laundering and the prevention of criminal risk.

As a reference institution, Unicaja has tried to reconcile the objectives described above with regional economic development, supporting business initiatives in order to promote job creation, thanks to its strategic position in the territories in which it operates. The Unicaja Group’s portfolio includes significant investments in the agri-food, infrastructure, public services, energy and technology parks sectors, among others.

Its commitment to territorial development can be clearly seen in its participation in infrastructure projects (car parks, water, cleaning, local promotion, consulting etc.)

It is also committed to the development of the financial services industry, expanding its capacity to offer economic agents through the Group’s subsidiaries and participations. As part of its policy of supporting the business fabric, the Group has holdings in companies aimed at the creation and consolidation of innovative companies and projects, in technology parks and in the development of real estate and logistics projects.

The actions described above are complemented by involvement in projects that contribute to sustainable development, such as those related to the generation of renewable energies. It also contributes to the development of the financial system of a developing nation such as El Salvador through participation in a microcredit business project linked to entrepreneurship, which contributes to the economic development of the country, focusing on the most disadvantaged groups and with a significant impact on gender. Finally, we would like to highlight our participation in a special employment center, a business project aimed at providing services and carrying out activities to create jobs for the differently abled, enabling their labor and social integration from its centers in León, Spain, Mexico and Denmark, where some 1,000 employees are employed, 83% of whom have some type of disability. The company expects to continue to increase its workforce to 1,500 employees.

COMMITMENT TO SOCIETY

Responsible banking. Housing and social exclusion

The Unicaja Group has developed lines of financing and support for families, including those related to social housing. The Group has developed a set of measures – the renegotiation of financial conditions, restructuring and refinancing of debts, acceptance in lieu and social renting – aimed at facilitating customers in a situation of economic difficulty to meet the obligations arising from their loans, from which slightly more than 2,300 families have benefited in 2023 (slightly more than the 1,700 families in 2022).

Unicaja adheres to the following codes:

- The Code of Best Practices regulated in Royal Decree-Law 6/2012, of March 9, on urgent measures for the protection of mortgage debtors without resources and also to the successive versions that have been given to it since its initial publication, the latest of which is included in Royal Decree-Law 19/2022, of November 22, 2022.

  This Code of Best Practices establishes a set of actions for the restructuring of debts secured by mortgages on primary residences, aimed at protecting the mortgagor.

- To the Code of Best Practices for mortgage debtors at risk of vulnerability, established in Royal Decree-Law 19/2022, of November 22, which establishes this Code of Best Practices to alleviate the rise in interest rates on mortgage loans on primary residence, amends Royal Decree-Law 6/2012, of March 9, and adopts other structural measures for the improvement of the mortgage loan market.

  The Bank thus joins the measures proposed to alleviate the financial burden of families with variable interest rate mortgage loans on their primary residence. In this sense, Unicaja offers, as on other occasions, appropriate solutions for mortgage financing to support its customers in financial difficulty and thus contribute to lessen the effect derived from the current adverse economic situation marked by the rise in interest rates and the escalation of inflation.

Additionally, the Group has continued to adhere to the Social Housing Fund Agreement, aimed at renting for families in a situation of special vulnerability. In December 2023, Unicaja accepted the extension of the term of the "Agreement for the creation of a Social Housing Fund" for an additional year until January 2025. This initiative is in addition to the efforts that, especially since the beginning of the previous crisis, have been deployed in favor of the most disadvantaged groups affected thereby, such as refinancing, grace periods, voluntary acceptance in lieu or the acquisition of housing for subsequent social renting to the debtor.

The contributions by Unicaja to the Social Housing Funds comprises 471 housing units. These units can be rented for between 150 and 400 euros per month, depending on the income of the tenants, by families who have lost their homes due to non-payment of their mortgage loan and are in a situation of special vulnerability. At the close of 2023, 75.16% of the social housing fund's housing units have been admitted for rent (69% in 2022).

Promoting financial education

The Group, mainly through Unicaja, but also with volunteers, specialists in their respective areas of professional activity (private banking, insurance, investments, sustainability, etc.), in collaboration with Fundación Unicaja and other public and private entities, has been developing financial education programs since 2005, with the aim of increasing the economic and financial skills and knowledge of the population, and promoting financial culture through courses and seminars, publications and several Internet portals [among others, Edufinet (www.edufinet.com), with economic-financial contents aimed at the general public; Edufiemp (https://edufiemp.edufinet.com), with specific contents for businesspeople and entrepreneurs; Edufinext (www.edufinet.com/edufinext), with contents aimed at a young audience].

The Edufinet Project has signed collaboration agreements with several universities, including the International University of Andalusia, the University of Málaga, the University of Jaen, the Pablo de Olavide University of Seville, the University of Almeria, the University of Cordoba, the National University of Distance Education (UNED), the University of Salamanca, the University of León, the University of Huelva, the University of the Algarve (Portugal), the University of Granada, the University of Burgos, the University of Cádiz, the University of Valladolid, the Universidad Pontificia de Salamanca and the University of Sevilla.

The Edufinet Project has also signed partnership agreements with various business entities and institutions, including the Málaga Confederation of Businesspeople, the Málaga Association of Economists, the Andalusia Confederation of Businesspeople, the Business Confederation of the Province of Almeria (Asempal), Promálaga, the Andalusia Technological Park, the Almeria Association of Economists, the Municipal Institute for Training and Employment (IMFE), and the European Centre for Innovation and Entrepreneurship (ECIE).

On the other hand, the Funcas Financial Education Stimulus Program agreement with Funcas (Funcas Educa) was renewed for another year.

Since its launch, Edufinet Project websites have hosted more than 11 million sessions, with accesses from some 180 countries and more than 19 million page views. Meanwhile, more than 250,000 people have participated in courses and seminars since their inception. Finally, in the publications section, the Edufinet Project has published 30 works.

As activities to be highlighted in fiscal year 2023, the VI Financial Education Congress “Financial education in a context of transition towards sustainability” was held online and in person in Málaga, with nearly 500 registered participants and almost 40 speakers in 16 sessions, as well as five colloquiums.

In 2023, two financial education plays were held, which had six performances in total and both were sponsored by Funcas Educa. One of the works, entitled “My Sustainable Finances”, was aimed mainly at high school students, and its mission was to provide young women with skills that would enable them to gain a better understanding of different financial products, their risks and benefits, as well as sustainability. More than 1,300 students attended the four performances of this play on December 18 and 19, 2023. The other work, entitled “*Las cosas fáciles*” (The easy things), aimed to give visibility to the relationship of the elderly with technology and finance, as well as to promote their training, in order to ensure their independence and autonomy in the management of personal finances and to raise awareness of the existing risks in terms of cybersecurity and its proper management. This play was attended by more than 550 seniors between the two performances on December 11, 2023.

In addition, in October Edufinet participated with a presentation entitled “Financial education in the framework of the 2030 Agenda” included in the joint-responsibility “*Corresponsables* Sessions 2023: Alliances as a key to sustainable production and consumption”, held in Málaga and organized by the *Corresponsables* Foundation, which was attended in person and monitored online. According to the data provided and published by the aforesaid foundation, 45,465 people followed the event live, with the total being more than 50,000 people including the delayed broadcast. In addition, on social networks, 70.81% of the tweets posted during the event were reposted and the number of likes amounted to 412.

On the other hand, in December 2023, the Edufinet Financial Education Center was inaugurated in Salamanca, in collaboration with the Caja Duero Foundation and Funcas. The purpose of the center is to develop training and dissemination activities on economic and financial issues, with the aim of improving citizens' knowledge and skills in these areas. In addition, this center houses an exhibition on basic concepts and economic and financial curiosities, a timeline reflecting the historical evolution of money, an interactive financial games area and a training classroom.

The 15th Financial Education Seminars for Young People and the 15th Financial Olympiad were also launched, operating until March and May 2024 respectively, in a mixed online and face-to-face format These seminars look to bring the financial world closer to secondary school students through a talk on key economic-financial concepts. The Olympiad is designed to help the students taking part in the conference to put into practice the knowledge they have acquired.

Meanwhile, the 7th annual Financial Education Seminars specifically for students of Higher Level Training Cycles was also started, in line with the seminars for young people. Similarly, the 3rd edition of the “EdufiKids” Financial Education Workshops was launched and the Financial and Digital Education Workshops for seniors continued, which consist of a two-hour session where concepts of relevance for seniors such as sustainability, types of accounts, types of cards, digital banking and security are addressed. In addition, throughout the workshop participants can practice with a teller simulator and banking app on tablets that the trainers carry. More than 3,100 people have been reached in face-to-face sessions of this kind.

In an initiative aimed at an adult and senior audience, a 10-session online course entitled “Project Ambassadors” has been implemented. This program has been developed in collaboration with the Red Vuela Guadalinfo centers. Throughout the course, which was held on the Edufinet Project’s YouTube channel, participants had the opportunity to perfect their financial skills, covering the following topics: efficient use of ATMs and their bank’s mobile app; sustainable finance; family budgeting; deposits, money and means of payment; equities and cryptocurrencies; fixed income and investment funds; cybersecurity; taxation of financial operations; comprehensive practices. In total, more than 200 people have enrolled in the course. They will also be given the opportunity to join the Edufinet Project work team as ambassadors, whose work, carried out on a long-term and voluntary basis, will be to become a channel of liaison with the elderly in the municipalities, in order to learn first-hand about their concerns and needs, thus facilitating the training provided by Edufinet. To this end, the ambassadors have completed the online course described above, with the aim of enabling them to transmit, in collaboration with the Edufinet Project, the knowledge and skills required by the elderly.

Another activity which commenced in 2023 was the implementation of a series of financial education seminars for sportsmen and women, in collaboration with the Sports Journalists Association of Málaga and Funcas Educa. The objective of this conference is to reinforce and broaden the knowledge of financial matters, both for those in charge of institutions, federations and clubs, as well as for athletes, coaches and sports journalists, among other groups. Thus, in 2023, three days have been carried out within this cycle, which will be completed with two more in January and March 2024. Specifically, the conferences held in 2023 dealt with various financial education issues related to sports, such as budget planning for an athlete, financial decision-making, investments, etc., and were aimed at the sports community in general, as well as at referees and soccer players.

In 2023, the Edufinet Project participated in local radio programs on finance, and organized several meetings held in person and via streaming, such as the Edufinet Project’s Senior Day, which took place on June 22, 2023 and brought together senior citizens to learn more about issues related to budget management and the operation of demand accounts and cards. A bank employee, an Edufinet Project volunteer, was also in attendance to answer all their questions. During this workshop, they also received information on cybersecurity from the National Police, where special attention was given to risk prevention in the digital banking environment (mobile applications and websites) and ATMs.

In 2023 an agreement was reached with the University of Málaga to measure the effectiveness of the financial education programs of the Edufinet Project, in collaboration with Funcas Educa.

Similarly, the Edufinet Project has published more than 40 informative articles related to economics, finance and sustainability on its blog (EdufiBlog) throughout 2023. Moreover, during 2023, 14 academic articles related to financial education were published in EdufiAcademics and more than 25 articles on financial education and sport were published in EdufiSport.

In 2023, we continued to run our "EdufiWebinars", a series of live financial education webinars lasting approximately 5 to 10 minutes, in which various topics from the financial world are discussed. The series of webinars on sustainability and financial education was also continued and planned to coincide with the celebration of prominent international days, such as the following:

- March 22: World Water Day, as part of Global Money Week.
- April 22: International Mother Earth Day 2023.
- May 22: International Day for Biological Diversity.
- June 5: World Environment Day.
- June 8: World Oceans Day.
- July 1: International Cooperative Day.
- September 18: International Equal Pay Day.
- October 24: International Day Against Climate Change.
- October 31: World Savings Day.
- December 1: Webinar/round table "History of pawnbroking institutions: curiosities and their role in financial inclusion".
- December 4: International Banking Day.

In 2023, the book of proceedings of the 5th Edufinet Financial Education Congress was published under the slogan "The challenge of guaranteeing financial inclusion in a changing environment", published by Thomson Reuters Aranzadi, and the third installment of the financial education comic book "In Search of the Lost Reasons - The End of the Adventure".

Finally, in 2023, a collaboration agreement was signed to promote financial education with SECOT (Spanish Seniors for Technical Cooperation) in collaboration with Funcas Educa.

The number of beneficiaries of Edufinet Project activities during 2023 has been placed at more than 210,000 (40,500 people in 2022), of which:

- 185,940 came from videos and podcasts (35,824 in 2022).
- And 24,216 benefited from the days, coming from:
  - Primary: 2,026 (all in person).
  - Secondary school (including undergraduate cycles): 14,205 (12,578 in person and 1,627 online).
  - Seniors: 4,886 (4,669 in person and 217 online).
  - Special needs: 31 (16 in person and 15 online).
  - University students: 249 (214 in person and 35 online).
  - All audiences: 2,819 (729 in person and 2,090 online).

	THE EDUFINET PROJECT			
	Students		Training hours	Training sessions
	Young people	Adults/university students/businesspeople/entre		
2023	14,205	10,011*	1,035	729
2022	13,262	27,264	688	531

*The value of this amount has decreased as a result of the recording of online sessions, which are included in “Videos and podcasts”.

The Unicaja Group also participates through CECA in the Spanish Financial Education Network, a web platform which seeks to host all of the financial education projects being run in Spain, allowing the exchange of information among the participating users and providing documentation on the subject.

The Edufinet Project was also awarded a First Prize in the Financial Education category, in the section for the over 65s during the presentation of the CECA Social Work and Financial Education Awards 2022, an event which took place in November 2023. With this distinction in the Social Work and Financial Education Awards 2022, CECA values the work developed by Edufinet to improve the financial literacy of the elderly, as well as their digital skills.

Suppliers (GRI 2.6, GRI 2.27, GRI 3.3, GRI 308-1, GRI 407-1)

The Bank's relationship with its providers is essential in order to guarantee a wide range of competitive and quality products and services. The Unicaja Group promotes cooperative behavior with its providers at all times, establishing fair contracts in freedom and equal conditions and subject to the corresponding regulations.

The contracting of suppliers in accordance with the procedures and manuals available to the Group is carried out with total transparency, promoting equal opportunities.

This stakeholder group is especially relevant when considering the social and environmental impact caused by a provider due to its dealings with the Unicaja Group. To this end, the Unicaja Group has set itself the objective of promoting the responsible behavior of its providers from the point of view of CSR, establishing policies, processes and procedures that extend its social commitment to its entire supply chain.

The Unicaja Group maintains relationships with suppliers that respect current labor legislation and human rights, as well as the social and environmental principles promoted by the United Nations.

Certain information aimed at potential suppliers is included in the tenders managed by the Purchasing Center:

– Corporate Social Responsibility: in compliance with the Unicaja Group's CSR policy and with the aim of promoting it in the supply chain, the actions related to the environmental impact of the product throughout its life cycle were evaluated, as well as those related to social, labor and human rights issues and other aspects. In those cases in which it is appropriate, it is mandatory for the supplier to submit relevant information on these matters.

– Policy for the prevention of criminal risk and reaction to non-compliance. Unicaja has a criminal risk prevention model that forms part of the Group's Code of Ethics. At all times, Unicaja acts in compliance with the provisions of its crime prevention model, promoting the knowledge of and compliance with the ethical principles and rules of conduct that comprise it among its suppliers. Any breach of current legislation by third parties with whom Unicaja contracts incurs the automatic termination of the contractual relationship.

– Suppliers are provided with the Bank's reporting channel provided for in the corresponding corporate policy for the purpose of communicating any conflicts of interest they may have identified, both initially and, if applicable, during the contracting process.

Certain suppliers of the Unicaja Group assume a series of CSR obligations through the contracts establishing the conditions for the provision of the service.

One of the key elements of the Unicaja Group's commitment to its suppliers is the attention to payment terms and contractually agreed conditions, which are negotiated on an individual basis. In particular, wherever possible we rely on local suppliers within the Unicaja Group's scope of action.

In 2019 Unicaja implemented its new Supplier Management Operating Model in line with European Banking Authority Guidelines on the outsourcing services offered by credit institutions. This model established the criteria to be followed by the Bank in relation to the outsourcing of services or functions, including Unicaja Group companies, both at the time of prior analysis and approval of the outsourcing and in its subsequent formalization, development and monitoring.

The new operating model allows for the necessary analysis of each service outsourcing process and the involvement of the affected areas: Information security, technology, data protection office, legal counsel, prevention of money laundering, etc. It also seeks to include the conditions identified in each case by the affected areas in the criteria for the selection of any service provider. It also guarantees the approval of each contracting of services by the competent governing body and the communication to the supervisory authority, if necessary.

Throughout 2023 the Bank continued to benefit from the use of the Coordinaware application, which allows it to do as follows:

- To ensure compliance with the legislation on the prevention of occupational hazards and established supplier/contractor standards, based on the verification of documentary records and to facilitate the control of responsibilities arising from subcontracting.
- Have updated information on the approval status of companies and employees in order to facilitate access control to the facilities.

Support to local suppliers (GRI 203-2, GRI 204-1)

In 2023, the total amount of goods and services purchased by the Unicaja Group amounted to 243.8 million euros (amounting to 228.1 million euros in 2022). Of the total amount, 43.7% corresponds to suppliers with a turnover of less than 1.5 million euros in 2023 (43.7% in 2022).

In terms of local impact, the percentage of the Unicaja Group's purchasing volume represented by Spanish suppliers is 98.5% in the Unicaja Group in 2023 (97.8% in 2022). Practically all suppliers have an operational headquarters in Spain.

Supplier support	2023	2022
Total amount of goods and services purchased by the Group (millions of euros)	243.8	228.1
Suppliers with a turnover of less than 1.5 million euros (%)	43.7	43.7
Volume of Group purchases from local suppliers (%)	98.5	97.8

Average period of payment to suppliers

Unicaja's average payment to suppliers during fiscal year 2023 is 9.29 days (14.22 days in 2022), below the legal maximum of 60 days established in Law 15/2010, of July 5, which establishes measures to combat late payment in commercial transactions. The calculation of the average payment has been made in accordance with the provisions of said law.

Taxes and social contributions (GRI 201-4)

"Total tax contribution" methodology measures the total impact represented by the payment of taxes by a company, a group of entities or a sector of activity. This valuation is made from the point of view of the total contribution of taxes and other similar charges paid directly or indirectly to the Treasury, and always as a result of the economic activity carried out by the entities.

A cash basis has been applied for their quantification, so that taxes are allocated to each calendar year.

Unicaja creates value for the different stakeholders, contributing economically and socially to the communities in which it is present through the payment of taxes. The Bank's social commitment is materialized in a fiscally responsible management that contributes to the sustainability of public finances. Thus, not only does it pay taxes as a taxpayer directly generated by its business activity, but it also contributes as a collaborating entity of the tax administrations, both of the national and of the regional and local treasuries, in the collection of taxes from third parties and their payment into the public coffers.

In 2023, the Unicaja Group's total tax contribution amounted to 460.7 million euros (405.9 million euros in 2022). This amount corresponds to input taxes actually paid by the Group as a taxpayer, as well as social security charges, contributions and contributions to guarantee and resolution instruments. This year, the ECB tax paid in 2023 has been included, and the 2022 levy has been restated to include this item in the amount of approximately 2 million euros.

It should be noted that in the amount of the corporate income tax refund for 2021, the effect of the refund corresponding to the extraordinary income on the payment in installments of corporate income tax, as a result of the business combination with Liberbank in that year, which should be considered a non-recurring event, has been eliminated.

TAX CONTRIBUTION UNICAJA GROUP 2023		
	UNICAJA GROUP 2023	**UNICAJA GROUP 2022**
Input taxes, contributions and contributions to guarantee and resolution instruments	**460,739**	**405,927**
Input taxes	**325,301**	**290,936**
Refunded corporate tax	-73,313	-47,955
Corporate Income Tax deferred payments	79,834	57,557
Value Added Tax borne and not deducted	53,671	51,007
Real Estate Tax	9,801	10,128
Tax on deposits in credit institutions (IDEC)	24,596	21,347
Monetizable DTAs equity benefit	23,359	25,429
Temporary lien credit institutions	63,844	-
Tax on Economic Activities	6,386	7,011
Social Security at the Company's expense	101,600	105,600
Other taxes and fees (ITPAJD, other local taxes, etc.)	35,523	60,812
Contributions and contributions to guarantee and resolution instruments	**135,439**	**114,991**
Deposit Guarantee Fund	88,275	87,665
Single Resolution Fund contribution	42,619	24,149
CNMV, FROB and ECB Fees	4,545	3,177

In 2023, Expense from corporate income tax in Spain amounted to 104 million euros (101.5 million euros in income in 2022).

Unicaja contributes 0.7% of the full amount of its corporate income tax to social action programs aimed at transforming our society (an initiative it calls *Empresa Solidaria* - "A Socially Responsible Company"). This gesture also contributes to the achievement of the SDGs of the 2030 Agenda, as a company involved in the implementation of more sustainable policies.

In 2023, the Bank did not receive any significant government aid to the financial sector aimed at promoting the development of banking activities. No other public support was received in 2022.

Partnership and sponsorship action

The Group's traditional territorial presence, especially in Andalusia, Asturias, Cantabria, Castilla-La Mancha, Castilla y León and Extremadura, can be seen in its support for leading public and private social and sports organizations, as well as in other areas. This connection with the territory takes the form of support provided, in the form of sponsorship, to the aforementioned organizations and the activities they carry out, which have an impact on a substantial part of those living in the respective localities. These sponsorships are of a diverse nature: cultural, artistic, educational, sporting, recreational and environmental.

As an example of this, some of the most significant sponsorship actions carried out during the 2023 fiscal year are shown below, without prejudice to the complementary information that can be found in the "Partnerships with Foundations and Non-Profit Entities" section:

- Club Voleibol Almería.
- Unicaja Sociedad Deportiva.
- Fundación Instituto Ricardo Valle de Innovación.
- Agrupación de Cofradías de Málaga.
- Mensajeros de la Paz.
- Fundación Miguel Delibes.
- Fundación Ópera de Oviedo.
- Asociación Española contra el Cáncer.
- Adecco Foundation.

In addition to these partnerships, the Group supports sports, especially grassroots and women's sports, as activities that reinforce the values of teamwork, perseverance, self-improvement, equality and sustainability, values with which the Group fully identifies.

With respect to grassroots sports, the Group partners with a large number of initiatives, events and competitions in various disciplines, open to amateur and amateur athletes of all ages.

Collaborations with foundations and non-profit organizations (GRI 413-1)

The Group promotes the activities of foundations and non-profit organizations in its various territories, not only through the provision of monetary contributions ("financial contributions"), but also, for example, through the provision of their facilities for events and other types of material support ("in-kind contributions").

Each partnership request received, in any of the aforementioned areas, is the object of an individualized analysis and is formalized, if necessary, in a document. As part of this analysis, confirmation that there are no conflicts of interest between the Group and the potential beneficiary organizations is sought.

The Group monitors the activity with which it collaborates and, when appropriate, the effective application of the funds delivered to the specific activity.

It is not a prerequisite that the potential beneficiary be a customer of the Group. In any event, such potential partnerships are not linked to current or potential business relationships with the requesting entities.

The management department responsible for the evaluation of applications does not report either organically or functionally to the divisions linked to the Group's business, which ensures its independence of criteria for these purposes.

By virtue of the information gathered through the channels enabled to maintain permanent contact with the various stakeholders, there is no evidence of the existence of operations with actual or potential negative impact on the local communities in which the Group operates.

Finally, Unicaja not make direct or indirect contributions to political parties or candidates, either financially or in kind, applying the conventional rules for risk analysis and decision in credit operations.

The total amount of the Group's contributions to foundations and non-profit entities amounted to 1,354,640 euros in 2023 (in 2022 the total was 1,767,656 euros).

COMMITMENT TO THE ENVIRONMENT

Environmental management programs (GRI 2.13, GRI 2.14, GRI 2.24, GRI 2.28, GRI 3.3)

The Group's environmental commitment is incorporated in the CSR Policy approved by the parent company's board of directors. This commitment is reflected in certain practices, which, as far as the environment is concerned, are as follows:

- Define specific actions that demonstrate the Group's commitment to the environment and energy savings, as well as its position on climate change.
- Promote initiatives and actions aimed at the protection and conservation of the environment, minimizing the direct environmental impact of its activity, promoting information and training in this culture.
- Promote the financing of projects that contribute to improving energy efficiency and achieving greater long-term environmental sustainability, in addition to integrating environmental risks into the risk analysis of financing and investment project financing.
- Promote a responsible attitude towards the environment among the workforce and society in general, with the publication of recommendations and best practices in the area of recycling and the incorporation of clauses related to environmental commitment in contracting with suppliers.

In 2023, the Bank's Board of Directors revised and approved the Unicaja Group Environmental, Energy and Climate Change Policy, which is aligned with the Ten Principles of the United Nations Global Compact and the attainment of the 2030 Agenda's Sustainable Development Goals (SDGs).

This Policy, within the more general framework of action defined by the CSR Policy and the Sustainability Policy, aims to establish the basic principles of action in environmental, energy efficiency and climate change management matters in order to reduce the Group's impact and contribute to the protection and conservation of the environment, the preservation of biodiversity and the fight against climate change, among other environmental goals recognized in the European Union's Environmental Taxonomy.

The Group has established this Policy in accordance with its deep-rooted commitment to the environment and with the purpose of collaborating with sustainable development, minimizing the direct and indirect environmental impact of its activity and those significant uses of energy, and consequently, focusing on the improvement of energy performance and the promotion of information and training, both internal and external, in these matters.

Aware of the possible materialization of risks associated with climate change and environmental deterioration, the Unicaja Group takes into consideration the physical and transition risks, as well as the impact of its activity on society and the impact of the latter on the Bank in its day-to-day management.

Through its Environmental, Energy and Climate Change Policy, the Group has defined the specific principles by which it gives concrete expression to its environmental and energy saving commitment to climate change, which are described below, as well as its commitment to develop and promote environmentally friendly activities in accordance with the United Nations Declaration on this matter.

This contribution to sustainability involves all those involved in management at any level of responsibility, through a firm commitment to pollution prevention, environmental conservation and the preservation of biodiversity, the promotion of energy efficiency, the efficient use of resources to minimize environmental impact and the appropriate management of climate change.

The Group periodically conducts analysis to identify those aspects that are most relevant to its various stakeholders. This process takes into account certain aspects related to the environment, such as climate change, the sustainable use of resources, the circular economy, and the impact of environmental and social criteria on business. Savings measures, energy uses that determine the energy efficiency of its facilities and energy performance are also analyzed.

In relation to internal environmental management, the Group’s commitment is materialized through three fundamental axes: the integration of environmental issues into the business model, the development of environmental management and energy efficiency actions and the promotion of environmental and energy responsibility.

The Group promotes management systems based on internationally accepted regulatory standards, continuous improvement and integrated management models (ISO standards) that contribute to reducing environmental and energy impact, as well as the measurement of the carbon footprint based on the Greenhouse Gas Protocol (GHG Protocol) methodology.

With regard to climate change, climate change mitigation commitments have been adopted with the establishment of greenhouse gas emission reduction targets which require the definition and implementation of actions aimed at reducing the carbon footprint of our activities.

The financing of projects that contribute to improving energy efficiency and achieving greater long-term environmental sustainability are being promoted, as is the integration of environmental and social risks into the risk analysis of investment project financing.

Finally, a responsible attitude is encouraged among the workforce and society in general, with the publication of recommendations and best practices in the area of recycling, and the incorporation of clauses related to environmental commitment in contracting with suppliers.

The actions of the Unicaja Group in promoting environmental protection, the fight against climate change and the improvement of energy efficiency are generally inspired by the best practices or international standards of recognized prestige, such as:

– The Universal Declaration of Human Rights.
– The Paris Agreement on Climate Change.
– The United Nations Global Compact.
– The 2030 Agenda of the United Nations and the SDGs.
– The Global Reporting Initiative (GRI) standard.
– The recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).
– The European Commission’s Guidelines on Non-Financial Reporting (Supplement on Climate-Related Information).
– The European Commission’s Action Plan for Financing Sustainable Development (2018).
– The Commission’s strategy for financing the transition to a sustainable economy (2021).
– Energy saving and efficiency strategies issued by the competent authorities.

The Bank has an Environmental and Energy Operational Working Group for environmental and energy management, which is responsible for analyzing and ruling on environmental and energy matters, where the main centers of the organization are involved, and which serves as a reporting link with the Steering Committee.

Specific principles on environmental, energy and climate change issues

With regard to the environmental and energy impact generated, the Group has defined the following specific principles mentioned above, by which it gives concrete expression to its environmental and energy saving commitment in the face of the challenge of climate change:

1. To promote continuous improvement in environmental management and energy performance, adopting sustainable and efficient practices that avoid or minimize the pollution generated by the Group’s activities.

2. To develop its activity by promoting the prevention, proper management and control of polluting emissions, as well as an efficient use of natural and energy resources.

3. To act quickly and responsibly to correct any incidents that may pose a risk to the environment or are related to the use and consumption of energy, promptly informing the authorities and affected parties as appropriate.

4. To ensure compliance with the legislation and other provisions in force in environmental and energy matters, as well as national and international commitments or initiatives voluntarily assumed, related to sustainability and the environment.

5. To promote the involvement and environmental and energy awareness of stakeholders, including personnel, in order to encourage the protection and care of the environment and the improvement of energy performance.

6. To promote training for staff and management, and, according to their level of responsibility, provide them with the necessary knowledge for the implementation and monitoring of best environmental and energy efficiency practices.

7. To promote the reuse and recycling of materials in order to contribute to the transition towards a circular economy, the acquisition of energy efficient products and services, encouraging the use of cleaner technologies as well as design activities that consider the improvement of energy performance.

8. To work together with customers, suppliers, public administrations and society in general in all matters related to environmental protection, improvement of energy efficiency, energy use and consumption and initiatives aimed at preventing, mitigating and adapting to climate change.

9. To implement measures to preserve or restore biodiversity

10. To incorporate environmental and energy efficiency criteria when making decisions on the awarding of contracts for the provision of services.

11. To promote compliance with the United Nations Global Compact Principles and best practices in energy efficiency among suppliers.

12. To put programs in place that set objectives and goals established by the integrated management system and ensure the availability of the necessary resources, leading to the continuous improvement of environmental and energy performance, carrying out rigorous audits and self-evaluations of compliance with this policy and issuing follow-up reports.

13. To make the policy available to all interested parties and inform stakeholders in a transparent manner, at least through the Consolidated Non-Financial Information Statement (EINF) on the position, management, controls and results in relation to the environment, climate change and energy performance.

The environmental, energy and climate change management system

The materiality analysis carried out in 2023 shows the relevance that stakeholders attribute to the fight against climate change, giving the issues of measuring and monitoring emissions, improving energy efficiency and renewable energies, and recycling and circular economy (reduction of paper and plastics) an important relevance and a medium-low impact. Also considered, although with a lower priority (important relevance and low impact), is support for the financing of operations that protect biodiversity, the contribution to prevention, mitigation and conservation of terrestrial and marine natural areas, and the financing of the transition to a decarbonized economy.

Unicaja implemented an Environmental Management System in 2009, taking as a reference for its development the international standard UNE ISO 14001, applicable to all the products and services of the parent company. Since then, the management system has taken the different versions of the standard as a reference, until the latest edition in 2015.

This management system was implemented in an integrated manner in 2021 together with the one referring to greenhouse gases, under the ISO 14064-1:2019 standard, in order to specify the quantification with a report of greenhouse gas emissions and removals, and together with the energy management system, under the ISO 50001:2018 standard with the purpose of establishing improvement objectives, goals and indicators on energy saving measures in 10 buildings: central headquarters in Avda. de Andalucía, the Eurocom building, the central office and the ground and first floors of Acera de la Marina, all of them in Málaga city, the Data Processing Center - CPD - in Ronda, the Logistics Center in Humilladero, the operational headquarters in Cádiz, Antequera and Jaén and Madrid, and at Edif. El Portillo, in León.

The Bank is adapting its environmental and energy work schemes in view of the new structure and functions of the areas, with plans to resume the Integrated Management System and its extension and certification to all Unicaja centers in the coming years.

Effect of the company’s activities on the environment (GRI 306-1)

The effects of the activities, the evaluation of which is attributed to the Technical Office, part of the Property Management Department, which currently affect the environment at Unicaja’s work centers, are as follows:

Activities:

– Consumption: electricity, diesel (generators), gas (boilers).

- Waste: out-of-use electrical and electronic equipment, fluorescent bulbs and light bulbs, batteries, empty contaminated containers, batteries, contaminated absorbent material (rags, absorbents, etc.) and CFC, HCFC or HFC gases from the internal circuits of air conditioning equipment. Waste is contract-managed by the maintainer or through an authorized manager.

- Installations and maintenance: low- and medium-voltage electrical installations, installation of ATMs, home automation, elevators, fuel tanks, water tanks, plumbing, pest control, air conditioning equipment with HCFC and HFC gases, fire protection, illuminated signs and signage are the most significant.

- Effluent: sanitation of wastewater from toilets.

- Noise: possible noise from air-conditioning machines or occasional noise generated by power outages or maintenance of generating sets.

- Furniture, fixtures and equipment: for both the office closures and integration plan and the ATM replacement plan, waste is segregated, either for recycling and reuse, or for its destruction and deposit with the corresponding authorized manager.

- Minor works: small repairs under contract, waste management is carried out by the contractor.

- Management: coordination of the management system based on ISO 14001, 14064 and 50001 standards, in the ten centers where it is implemented.

This environmental impact from the activities described above are those that may have an effect on the environment as a result of our activities.

The Unicaja Group bases the development of its activity on the precautionary principle, analyzing and managing its main environmental risks throughout its entire value chain, considering both the direct impacts on the assets in respect of which it carries out its activity, as well as the indirect impacts derived therefrom.

Resources dedicated to environmental risk prevention

The Technical Office has been developing actions to make progress in the prevention of environmental risks, and among others, the recommendations of the 2020 Energy Audit report have been taken into account.

During 2023, the following interventions related to environmental risks were carried out, in order of importance:

- Air conditioning: In the air conditioning installations of the work centers, we have continued with the replacement of equipment beyond repair with more efficient installations. In 2023, a total of 61 replacements were made, involving an investment of 866,240 euros (59 replacements in 2022, involving a total investment of 712,555 euros).

Annually, preventive maintenance operations are performed on air conditioning equipment in accordance with RITE (Thermal Installation Regulation) regulations, which resulted in a total of 2,204 preventive inspections in 2022 (2,471 preventive inspections in 2021). Corrective maintenance operations are also accounted for, with a total of 1,300 actions in 2022 (1,059 actions in 2021). Significantly, 66.84% of the inventoried air conditioning machines in Unicaja's work centers incorporate environmentally friendly gas for their operation (73.22% in 2022).

- Replacement of lighting equipment with LED technology: As in previous years, the Group continued to replace outdated lighting equipment with LED equivalents. A total of 553 maintenance operations were carried out in 2023, involving an investment of 373,914 euros (201 operations with an investment of 103,276 euros in 2022).
- Others: Installation of water consumption limiters in bathrooms, with the installation of aerators and dual flush cisterns, with 78 actions in 2023 and an investment of 14,866 euros (99 actions and an investment of 16,403 euros in 2022).

The total sum allocated to these actions stood at 1,255,020 euros in 2023, compared to the 930,840.74 euros allocated in 2022. The greatest expense continued to be the high cost of replacing air conditioning machines.

Evaluation of suppliers with environmental criteria (GRI 308-1)

In the supplier approval process, the Bank applies objective and measurable criteria of both a general and specific nature, in order to obtain the best guarantees for the service to be provided or the activity to be carried out. In certain areas, environmental performance and energy efficiency indicators are considered, albeit with a limited and specific focus.

In 2023, continuity was given to the evolution of the supplier approval process, under the analysis of the progressive inclusion of environmental, social and governance criteria. As a result of this process, a new "Corporate Purchasing and Supplier Contracting Policy" is being developed, which is expected to be implemented during 2024.

Supplier audits were not performed in 2023, and are scheduled to be undertaken for the first time in the second half of 2024.

Indicators

The indicators for 2023 presented below include data from Unicaja and the Group's investee companies whose environmental impact is considered significant.

Circular economy. Waste prevention and management (GRI 301-1, GRI 301-2, GRI 306-3, GRI 307-1)

The management of the waste generated is carried out in accordance with national regulations on waste and the new Law 7/2022 of April 8, 2022, which outlines waste recovery and disposal operations and the European waste list.

In the case of the hazardous waste generated, it is managed in accordance with current legislation, either through authorized managers or through the suppliers and contractors who handle it.

Each time hazardous waste managed is removed by Unicaja Group through contracted management companies, the delivery note is kept in the evidence control, as evidence of the correct management of the waste. If the amount exceeds the established reference value, an associated control plan is established, as indicated in the Group's Environmental and Energy Efficiency Management System.

List of waste classified as "Hazardous" and "Non-hazardous":

- Hazardous: End-of-life computer and electrical and electronic equipment, fluorescent and light bulbs, batteries, toners, ink cartridges, empty contaminated containers, contaminated material (rags, absorbents, etc.) and CFC, HCFC and HFC gases.

- Non-hazardous: Organic waste, packaging and packaging waste, hygienic waste, pruning and gardening waste, obsolete furniture, debris and construction site waste, wiring waste, sign and banner waste, plastic packaging, wooden pallets.

Paper is the only material whose consumption could have an appreciable impact – 256,046 kilograms in 2023 (parent company). This amount corresponded to that derived from the normal operations of central offices, regional offices and business network offices. Consumption has been reduced with respect to the previous year, when it was 291,260.35 kilograms, due to the office closure and integration plan carried out in fiscal year 2023. In order to reduce the impact, we use chlorine-free, environmentally friendly paper with FSC and PEFC certificates, which guarantee its origin from sustainable forestry operations, in accordance with international standards, and we contain its consumption through the intensive application of information technologies.

The COVID-19 situation continued to motivate the reduction in the use of paper compared to previous years and accelerated the digitalization process. As a result of the new security measures, staff reduced the use of paper documents that were replaced by digital documents, greater accessibility to services, information and operations through the web, transmission of internal and external information through e-mail and other work platforms and cell phone messaging facilities, with full data protection and information security safeguards.

Through the UniBuzón, customers can receive and manage all of their correspondence electronically through Digital Banking, saving paper and contributing to a more sustainable management of our planet's resources.

With respect to advertising material, Unicaja established a service contract with the company Primer Impacto, S.L., the main purpose of which was the placement, installation, collection or replacement of advertising material in all the Bank's establishments in the territories where it operates.

In addition to tax, labor, social security, occupational risk prevention, confidentiality and personal data protection obligations, the contracts include a Corporate Social Responsibility clause in the case of Primer Impacto, which includes actions related to the environmental impact of the product in its life cycle, as well as other social, labor and human rights aspects. In those cases where applicable, it is mandatory for the supplier to submit the relevant information related to these aspects, in accordance with the provisions of the general supplier relationship system.

Contracts with suppliers of advertising items include clauses on compliance with current regulations on packaging and waste, especially with regard to compliance with an integrated management system and the corresponding marking and labeling obligations.

Regarding disposal methods, the supplier transports the material to the corresponding office, where they are deposited in a cardboard or plastic cage that the recycling companies remove once full. Similarly, at the central warehouse located in Madrid, waste is destroyed, with prior authorization from Unicaja.

Production has ranged from office material to letters linked to commercial campaigns. In the year 2023, this volume was hardly significant, with small productions being carried out in singularly strategic matters, due to the extent that use was made primarily of digital channels.

Even so, if we focus exclusively on advertising campaigns, a total of 305,000 commercial communications have been deposited, using 80 gram/m^2 and A4 size paper, which makes for an estimated total of 1,521 kg excluding the envelope.

Throughout the 2023 financial year, an advertising campaign was carried out for all the Bank's points of sale, both to branches and financial agents. In addition, a "mini-route" has been carried out exclusively in the Autonomous Community of Madrid.

As a result, we increased consumption from 964 kg of vinyl production in 2022 to 2,244 kg in 2023, with a printed surface of 9,974 m^2.

Likewise, visual material was produced to cover the route and different institutional events, totaling 2,002 kg of paper and 2,179 kg of cardboard for displays.

Consumption of packaging materials, cardboard boxes, amounted to 11,387 units in 2023 (22,200 units in 2022).

As far as waste from computer systems (hard disks, storage cards, keyboards, printers, photocopiers, ATMs, etc.) was concerned, the total volume generated by Unicaja (parent company) as follows:

UNICAJA GROUP	Computer waste (kg)
2023	227,869
2022	54,256

In 2023, the amount of material destroyed was much higher due to special and very large projects, such as the destruction of ATMs from the Liberbank network in the Cuenca warehouse, the renovation plan for recyclers, the removal of meters and the closure of offices. In 2022 most of the recycled material came from ATMs, ticket dispensers, upgraders and micro equipment (PCs, keyboards, mice, printers, scanners, fixed and cell phones, switches, routers, etc.).

The waste removal companies issue a certificate stating that the waste is destroyed in accordance with the regulations on waste from electrical and electronic equipment (WEEE) and the environmental regulations in force, and those containing data are destroyed in accordance with data protection regulations.

Waste types are identified by LER codes as follows: 200123, 200135, 200122, 200121, 20136, 20152, 160214 and 160262.

In fiscal year 2023, the plastic collection systems have been maintained through the branches, concentrating the volume of plastics to be recycled at the Ronda waste collection point. A collection point has also been incorporated in this activity at the FK2 facilities in Toledo, but while consistently concentrating all the volume at the Ronda point. At the end of 2023, 3,600 kilos of cards were concentrated at the Ronda collection point (2,400 kg of cards in 2022), the destruction of which is currently being managed according to the following plan:

- Request for proposals for Recycling combined with circular economy projects to current plastics suppliers and manufacturers: G&D IBERIA and TOPPAN.
- Selection of proposals according to technical, economic and sustainable economy criteria.
- Request for budget allocation.

– Execution of the budget and project ultimately assigned.

In the selection of suppliers for the purchase of plastics, sustainability parameters linked to the use of recyclable materials, generation of carbon emissions and carbon footprint offsetting programs have been considered during the 2023 fiscal year, meaning that:

– More than 95% of the plastics purchased are being made from recycled material.

– In all cases, manufacturers with strong carbon footprint offsetting programs have been selected.

With regard to the policy of issuing “financial plastics”, there has been an important new development during the 2023 financial year, which is the extension of the expiration date of plastics from 5 to 7 years, which in environmental terms will mean:

– A reduction in the annual number of plastics emitted in the medium term, which will also be linked to a reduction in the carbon footprint generated by this activity.

– The use of new plastic personalization systems such as lasers, which will reduce the type of consumables needed for this activity that generate greater environmental impact.

With few exceptions, the Bank’s general policy will be to issue financial plastics made from recycled material during fiscal year 2024.

Through all of these measures, Unicaja contributes to the achievement of SDGs, specifically with SDG 12 - responsible production and consumption - and advances in the transition towards a Circular Economy, the aim of which is to take advantage of resources to give them another life, returning them to the market in a new form and thus contribute to the conservation of the environment.

Sustainable use of resources (GRI 302-1)

As mentioned above, in 2023 the Bank continued to implement a series of actions aimed at ensuring efficient energy consumption (mainly electricity) and raising awareness of its importance among the workforce. The following table shows the evolution of electricity consumption in recent years:

ENERGY CONSUMPTION	2023	2022
Total energy consumption (MWh)	**36,633**	**39,874**
Electricity consumption (MWh)	32,553	38,251

The decrease in consumption this year was mainly due to the closure and integration of offices due to synergies following the merger and building management plans, as well as to the energy saving plan implemented throughout the network under Royal Decree-Law 14/2022 of August 1, 2022, which limits the indoor temperature, the turning off of lights and illuminated signs as the most important measures to mitigate the significant increase in the price of electricity, caused largely by the war in Ukraine.

Contamination (GRI 11.1, GRI 305-1, GRI 305-2)

During the year 2023, the calculation of the corporate carbon footprint continued. For the calculation of Scope 2 (derived from electricity consumption), the emission factor records of the Ministry for Ecological Transition and Demographic Challenge have been used, resulting in a coefficient of 0 kg CO2/kWh to be applied to Unicaja's electricity consumption (parent company); this is due to the fact that the electricity supply contracts signed with Iberdrola and Repsol (year 2022, effective in 2023) have the guarantee of origin (GoO) certification, which is an accreditation that ensures that 100% of the electricity supplied has been generated from renewable energy sources or high efficiency cogeneration.

In the following table of emissions, only those included in Scope 1 and 2 of the Unicaja Group are included.

GHG EMISSIONS (Group)	2023	2022
Total emissions (equivalent tons of CO_2)	**2,742**	**1,256.34**
Scope 1 (equivalent tons of CO_2)	2,261	1,086.38
Scope 2 (equivalent tons of CO_2)	481	169.96*
GHG emissions intensity (equivalent tons of CO_2 per employee)	0.36	0.16

*While 100% of Unicaja's electricity consumption is 0 kg CO_2/kWh, for the aforementioned reasons, some Group companies still have contracts with suppliers whose origin is not 100% renewable.

Given the Group's activity, the measures taken to reduce carbon emissions into the atmosphere were mainly aimed at reducing electricity consumption. To this end, the recommendations of the 2020 Energy Audit were followed. And, as mentioned throughout the report, the lower consumption recorded as a result of the closure of branches as part of the process of reorganizing the business network is also relevant, although the higher consumption generated in 2023 comes mainly from air conditioning equipment, since in 2023 the equipment has been recharged.

DECARBONIZATION

Unicaja Banco, through its 2022-2024 Strategic Plan, has designed an itinerary towards decarbonization, the first milestone of which, in line with the commitments acquired by the Bank, is the measurement of the carbon footprint. The carbon footprint is measured through an integrated and systematic approach, which will seek continuous improvement in the Bank's energy performance, i.e., in energy use and consumption, which will result in energy efficiency. On the other hand, it is extended through environmental management and the monitoring of greenhouse gas (GHG) emissions, in order to address their mitigation in a coordinated and effective manner.

The Integrated Management System will allow Unicaja to adequately comply with and strengthen its Environmental, Energy and Climate Change Policy, revised and approved by the Board of Directors in January 2023, establish objectives and goals to achieve the Bank's environmental commitments and carry out the necessary actions to improve its performance in this area.

All of this is in line with the current climate emergency situation and in line with regulations and supervisory expectations, particularly those of the ECB, which entities, such as ours, must meet.

Previously, Unicaja had implemented since 2009 an "Environmental Management System" according to the international standard ISO 14001:2015, covering 10 of the Bank's buildings. Additionally, the Bank implemented in 2021 an "Energy Efficiency Management System ISO 50001:2018" in an integrated manner with the "Environmental Management ISO 14001:2015" and "Greenhouse Gas ISO 14064-1:2019" (Scopes 1 and 2).

The current decarbonization process includes the implementation and certification of ISO standards for all of Unicaja's buildings. From this implementation, approved at the end of 2022 and to be developed in subsequent years, there will be a standardized framework for determining the Bank's greenhouse gas inventories and it will be possible to set decarbonization targets for the Bank as part of a future "Emission Reduction Plan".

Therefore, an objective and verifiable tool will be available for calculating the carbon footprint and for reporting greenhouse gas emissions, integrated into the environmental and energy management system, with a proactive and methodical approach that would address both the impact on the environment and fuel and electricity consumption in the Bank, allowing Unicaja a real improvement in energy efficiency, facilitating continuous improvement to ensure minimum energy consumption and lower GHG emissions, while at the same time improving environmental management.

The scope of the decarbonization process is comprehensive, gathering and managing information on the Bank's environmental and energy management in relation to greenhouse gas emissions and proposing realistic, achievable and demanding measures for their reduction, in order to reduce the effects of climate change within the scope of the Bank's responsibility.

Measuring the corporate carbon footprint

The United Nations 2030 Agenda and the Paris Agreement, driven by the certainty that climate change is a global emergency based on scientific criteria that blurs national borders and affects all human beings without distinction, established the starting point towards a carbon neutral economy. In recent years, various bodies such as the European Central Bank, the European Banking Authority and the United Nations Environment Program Finance Initiative (UNEP FI) have allocated more resources to ensure the effective integration of climate risks into the reality of financial sector management.

Additionally, investors and other stakeholders participating in the financial markets are paying increasing attention to companies' commitment to sustainability, considering that these can have a significant impact on financial aspects such as profitability, risk profile or, in general, the long-term resilience of the business.

Additionally, Unicaja, together with other Spanish financial institutions, on the occasion of the United Nations Climate Change Conference (COP25), joined the "Collective Commitment to Climate Action", promoted by the Spanish Banking Association (AEB) and the Spanish Confederation of Savings Banks (CECA). This commitment materialized in proceeding to reduce the carbon footprint of the credit portfolio within a given period, in a way that could be measured using internationally approved criteria, in line with the objectives set out in the Paris Agreement.

In 2022, the project and methodology for measuring the corporate footprint in scopes 1, 2 and 3 was carried out, establishing the Unicaja Group as the perimeter of the measurement, in the case of scopes 1 and 2, and the parent company (in the case of scope 3); this same methodology has been used for the 2023 fiscal year. For the sake of clarity, the calculation of the carbon footprint of the loan portfolio is developed in a separate section, since the criteria used in its calculation differ from those previously indicated.

Methodology for measuring the corporate carbon footprint (excluding credit portfolio) (GRI 302-1, GRI 302-2, GRI 302-3)

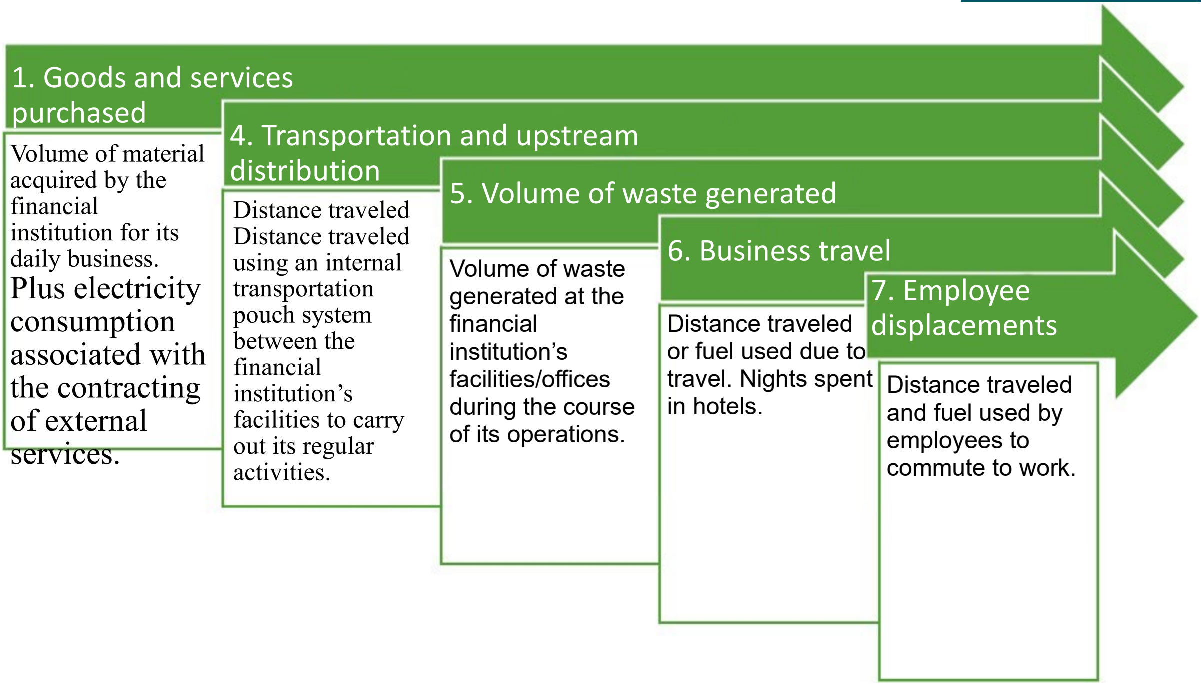
Unicaja's aim is to continue advancing in the calculation of the corporate carbon footprint (scopes 1, 2 and 3, excluding investments), in the calculation of financed emissions and, finally, in the definition of decarbonization objectives.

With respect to methodology, we have opted for the Greenhouse Gas Protocol Initiative(GHG PI), specifically, the GHG Protocol Corporate Accounting and Reporting Standard.

In fiscal year 2022, the time limit was established as the full calendar year for which the Combined Bank had its first data available, and the shareholding approach and the control approach were established as organizational boundaries, since the Bank carries out its activity both in facilities it owns and in leased facilities.

With respect to the operating limit, the following sources of emissions are identified:

- Scope 1: fuel consumption at the Bank's facilities for the production of electricity, heat and energy. Fuel consumption of vehicles owned or leased by the company and, additionally, air conditioning equipment (recharge in kg of refrigerant gases used in the equipment).
- Scope 2: electricity consumption.
- Scope 3 (excluding financed emissions): the following categories are measured, following best industry practices:



Results of the measurements performed in the year (GRI 11.1, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305- 4)

2023 GREENHOUSE GAS EMISSIONS

Matrix: total emissions (tn CO_2-eq) (1,837)

Scope 1 (tn CO_2-eq) 1,837

Scope 2 (tn CO_2 eq) 0

GHG emissions intensity (tn CO_2-eq / employee) 0.27

Group: total emissions (tn CO_2-eq) (2,742)

Scope 1 (tn CO_2 eq) 2,261

Scope 2 (tn CO_2 eq) 481

GHG emissions intensity (tn CO_2-eq / employee) 0.36

2022 GREENHOUSE GAS EMISSIONS

Matrix: total emissions (tn CO_2-eq) (715.36)

Scope 1 (tn CO_2-eq) 715.36

Scope 2 (tn CO_2 eq) 0

GHG emissions intensity (tn CO_2-eq / employee) 0.1

Group: total emissions (tn CO_2-eq) (1,256.34)

Scope 1 (tn CO_2 eq) 1,086.38

Scope 2 (tn CO_2 eq) 169.96

GHG emissions intensity (tn CO_2-eq / employee) 0.16

The Corporate Value Chain (Scope 3) Accounting and Reporting Standard and Technical Guidance for Calculating Scope 3 Emissions are used as the Scope 3 framework (excluding the measurement of the investment portfolio).

2023 GREENHOUSE GAS EMISSIONS

Matrix: total Scope 3 emissions (tn CO2 -eq) (9,489)

Scope 3. Category 1 (tn CO_2 eq) 642.33
Scope 3. Category 4 (tn CO_2 eq) 648.46
Scope 3. Category 5 (tn CO_2 eq) 5.24
Scope 3. Category 6 (tn CO_2 eq) 241.20
Scope 3. Category 7 (tn CO_2 eq) 7,951.69

GHG emissions intensity (tn CO_2-eq / employee) 1.41

2022 GREENHOUSE GAS EMISSIONS

Matrix: total Scope 3 emissions (tn CO2 -eq) (13,171.99)

Scope 3. Category 1 (tn CO_2 eq) 352.43
Scope 3. Category 4 (tn CO_2 eq) 3,484.46
Scope 3. Category 5 (tn CO_2 eq) 1.25
Scope 3. Category 6 (tn CO_2 eq) 1,254.51
Scope 3. Category 7 (tn CO_2 eq) 8,079.35

GHG emissions intensity (tn CO_2-eq / employee) 1.87

On comparison to fiscal year 2022, the Bank has significantly reduced emissions, especially in three Scope 3 categories:

– Category 4. Upstream transportation and distribution.

The restructuring due to the integration of Liberbank has reduced the installed capacity in geographically distinct areas, optimizing, in addition, the distribution routes that affect Scope 3.4, Upstream transportation and distribution.

– Category 6. Business travel.

Thanks to the policy implemented in the Bank of reducing travel, strengthening of digital channels for holding business meetings.

– Category 7. Employee relocations.

The number of emissions has been proportionally reduced in relation to the number of employees leaving the Bank as a result of the agreement between the Management and the Workers' Representatives signed on December 3, as a result of the restructuring derived, fundamentally, from the need to resolve duplications and overlaps in the merger process with Liberbank.

Additionally, within Scope 3 is Category 15, where Unicaja calculates an estimate of the carbon footprint of the financed portfolios. The information corresponding to this category can be found in the "Climate Risk Management" section.

OTHER PERFORMANCE PRACTICES

Fiscal responsibility (GRI 207-1)

In 2017, Unicaja's Tax Strategy was approved by the Board of Directors and incorporated into the Corporate Governance System, pursuant to Article 529 ter of the Capital Companies Act. 1.i. of the Capital Companies Act.

The Tax Strategy includes the following principles that govern the Group's actions as a taxpayer:

1. Fiscal responsibility is part of the Group's CSR.
2. The Bank complies with tax regulations in its actions, without resorting to aggressive tax strategy practices.
3. Prudence, understood in essence as the precautionary principle in the assumption of risk.
4. Integrity, as a demonstration of ethics in the Group's actions and in its relations with customers, investors and shareholders, as well as with any other party with whom economic relations are maintained.
5. Optimization of the Bank's tax burden.
6. Accuracy and veracity of tax information.
7. Cooperation with the Administration in the fulfillment of tax obligations.
8. Efficiency in complying with tax obligations.

Since December 2017, Unicaja has adhered to the Code of Best Tax Practices, approved by the Large Companies Forum according to the wording proposed by the State Tax Administration Agency (AEAT). With this adherence, all those best practices that allow an adequate prevention and reduction of tax and reputational risks are adopted, so as to generate greater legal and economic security for the Group and for society as a whole.

Human Rights (GRI 2.23, GRI 2.24, GRI 2.27, GRI 2.28, GRI 406-1)

The Unicaja Group expresses its commitment to human rights through its CSR Policy. Its principles in the development of relations with its employees, customers, shareholders, investors and suppliers, as well as with society as a whole include respect for human rights as an ideal shared by the world's peoples and nations, pursuant to the International Bill of Human Rights, the Global Compact, the 2030 Agenda and other principles contained in documents originating from the United Nations, the OECD and the ILO.

The current CSR Policy establishes the following specific commitments in this area:

– Interpret and apply labor standards in line with the most advanced international standards approved by the United Nations in this area, as well as those of the OECD and the ILO.

– Apply the principles of equal treatment, equal opportunities, non-discrimination and respect for diversity, establishing different protocols to protect the dignity of workers.

– Ensure that suppliers are respectful of current labor legislation, in addition to the human, labor and environmental rights promoted by the United Nations.

Pursuant to Article 36.1.(c) of the Regulations of the Board of Directors of Unicaja, the Board of Directors will implement a Corporate Social Responsibility policy that includes the principles or commitments assumed by the Company in its relationship with the different stakeholders and identifies, at least, the specific practices in matters related to, among other matters, respect for human rights.

Additionally, references to the protection of human rights, from the perspective of suppliers are incorporated in the Group's Code of Ethics, revised in 2022 ("Business Principles of the Group").

When approving suppliers, the Group also values that they demonstrate a commitment to their employees, quality and the environment, among other aspects, avoiding the contracting of those suppliers that are known to have incurred in any legal, fiscal, labor, environmental, safety, health or, more broadly, human rights violations promoted by the United Nations.

The assumption of the principles of the Global Compact also allows us to affirm our full adherence to the defense of the human rights as set forth in the United Nations Universal Declaration of Human Rights as an ideal shared by all peoples and nations, in line with the general provisions of Article 10.2 of the Spanish Constitution ("The principles relating to the fundamental rights and liberties recognized by the Constitution will be interpreted in accordance with the Universal Declaration of Human Rights and the international treaties and agreements thereon ratified by Spain").

The foregoing allows the Bank to respond appropriately to the dual challenge of generating value for shareholders and investors and for other stakeholders, such as employees or suppliers, for example.

Given the nature of the financial services offered, human rights due diligence is achieved through ongoing dialog with stakeholders, especially with suppliers. The above is applicable to employees, communication with the workers' legal representatives is permanent, allowing us to identify their concerns and expectations. With respect to customers, they have the possibility of submitting their observations and complaints to the Customer Service Department and to bank branches, facilitating the identification of the Group's activity and its impact on this group and the possible initiation of actions on an ongoing basis.

As mentioned in the 2021 and 2022 EINFs, the Group is monitoring the progress of the European Parliament Resolution of March 10, 2021, with recommendations to the Commission on corporate due diligence and corporate responsibility, which contains, as an annex, "Recommendations for drawing up a directive of the European Parliament and of the Council on corporate due diligence and corporate accountability". In February 2022, as a result of the work carried out by the European Commission, a "Proposal for a Directive of the European Parliament and of the Council on corporate sustainability due diligence" was presented, which could have an impact on the establishment of new corporate duties in relation to the actual and potential adverse effects on human rights and the environment of its own activities, the activities of its subsidiaries and the activities of the value chain. A provisional agreement was reached between the Council and the Parliament on this proposed directive in December 2023. The focus, therefore, will be on its evolution, due to the possible impact, if finally approved, on the Group and its activity.

Equally relevant in the field of due diligence and protection of human rights will be Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No. 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU as regards sustainability reporting by companies. The CSR Master Plan, approved by the Board of Directors of the parent company in June 2022, referred to in another section of this Statement, provides for the approval of a Human Rights Policy for suppliers, applicable to the entire value chain. The necessary entry into force and effective application of the aforementioned regulatory provisions has made it advisable to postpone this task to the 2024 financial year, mainly within the framework of the new obligations contained in Directive (EU) 2022/2464.

With regard to certain issues related to the promotion and defense of human rights, in view of the Group's activities, the geographical area in which it operates and offers its services and the origin and profile of its suppliers, the risks associated with forced or compulsory labor or child labor are not considered to be significant. Following its accession to the United Nations Global Compact in 2013, the Group fully supports such objectives (the 4th and 5th principles of the Compact respectively).

Neither in 2023 nor 2022 were there any cases of discrimination or complaints of human rights violations.

Prevention of unlawful conduct *(GRI 2.26, GRI 2.27, GRI 3.3, GRI 205-2, GRI 205-3, GRI 417-2, GRI 417-3)*

E The Unicaja Group strictly observes standards of behavior related to the prevention of unethical practices and money laundering. These rules are mainly included in the Group's Code of Ethics, the Program for the Prevention of Criminal Risk and Reaction to Non-Compliance, the Internal Rules of Conduct in the Securities Market and in the regulations for the prevention of money laundering, compliance with which is periodically reported to the Board of Directors.

In 2015 the Board approved the Group's Code of Conduct, which defines the principles, standards and rules of conduct that guide personal and professional behavior of the Group's administrators, managers and employees, including respect for dignity, equality and diversity.

This Code was revised and updated in 2022, under the name Code of Ethics. The Code of Ethics expresses the values that comprise the basic pillars of Unicaja Group activity, notably including the trust of customers, suppliers, shareholders and other stakeholders, the development of good governance practices based on transparency, honesty and integrity and the willingness of employees to serve and their commitment to stakeholders and society in general.

In particular, and as stated in the Group's Code of Ethics, the Unicaja Group complies at all times with the regulations governing the financing of political parties, prohibiting direct or indirect donations to political parties, their related foundations and any other entities, institutions or associations with public purposes.

Since 2017, within the Regulatory Compliance Department, the Corporate Conduct Area develops, among others, functions of criminal risk prevention, supervision of the observance of the Code of Ethics, the development of policies, procedures and governance schemes necessary in order to adequately respond to the conduct risk in the Group, notably the Policy for the prevention and management of conflicts of interest of the Group's employees (from 2020), which was updated and approved by the Board of Directors of Unicaja on November 25, 2022.

Unicaja implemented a whistleblowing in 2015 as part of its Program for the Prevention of Criminal Risk in order to establish the Group's Internal Reporting System, thus complying with the provisions of Law 2/2023, of February 20, regulating the protection of persons who report regulatory violations and the fight against corruption. In 2023, work was carried out on the new Unicaja Group Internal Information System Policy, as well as on the Whistleblowing Channel Management Procedure, documents approved by the Board of Directors at the beginning of 2024. The purpose of this Policy is to establish the principles and guarantees of the Internal Information System of the Unicaja Group entities, in order to preserve and protect in a homogeneous manner in all such entities the rights of the informants and of the persons affected, if any, by the communications made, in accordance with the provisions of Law 2/2023.

The Group's Internal Audit function is responsible for the tasks of the third line of defense, permanently controlling and monitoring the Compliance Management System and the internal policies and procedures in the area of criminal risk (Whistleblowing Channel, Training Plan, etc.) to ensure compliance with internal and external regulations through an independent review. In order to ensure compliance with these rules, an annual supervision plan has been established, which covers the actions carried out in the commercial network, the centralized business units, the business support units and the Unicaja Group companies, whose configuration and monitoring of its execution are entrusted to the Audit and Regulatory Compliance Committee.

In relation to the content referring to compliance with penal legislation, in the period covered by this report, there have been no relevant situations of non-compliance and the Bank has not paid any fines or penalties.

In the training section, the Corporate Intranet has a specific web space for "Corporate Conduct" and the "Whistleblowing Channel", from which the personnel can directly access a form, the Policy of the Internal Information System of Unicaja Banco, S.A. Group, management of the whistleblowing channel and protection of whistleblowers, the internal Circulars related to the Criminal Risk Prevention Program, the Criminal Risk Prevention School, the Code of Ethics, the policy for the prevention of criminal risk and reaction to noncompliance and to the policy for the prevention and management of conflicts of interest of the Group's employees.

All employees have been informed, through the corresponding internal circulars, about the implementation of the Program for the Prevention of Criminal Risk as a whole and, in particular, about the whistleblowing channel, as a means for reporting actions that may constitute a criminal offense, as well as for reporting possible infractions related to the Code of Ethics. This whistleblowing channel is available both on the Corporate Intranet for employees and on Unicaja's corporate website, in order to be accessible to third parties outside the Organization. In both channels, anonymous complaints can be filed.

Since the 2015 launch of the Criminal Risk Prevention Training Program, which applies an e-learning approach and is aimed at the entire workforce, specific training content has been provided to the Criminal Risk Prevention School, accessible to the workforce through the Uniecampus Training Portal. This training has been updated over the years. As part of these updates, a total of 674 employees each completed eight hours of training in this area in 2023 (1,373 employees in 2022).

Likewise, on the main page of the corporate intranet, the Bank's personnel have a specific web space for the Prevention of Money Laundering available to them from which they can directly access the Suspicious Transaction Reporting application, the Money Laundering Prevention School and the Help Manual. In addition, in the Sustainability and CSR area, also on the Corporate Intranet, a specific section on Codes and Policies includes, among others, a specific section on the Code of Ethics, as well as in the Corporate Conduct section of the employee portal -Unipersonal-, in addition to the Policy for the prevention of criminal risk and reaction in the event of non-compliance.

In 2023, the Bank's internal communication channels have been informing the staff about the criminal risk prevention policy, the policy for the prevention and management of conflicts of interest of the Group's employees, corporate conduct in general, the Code of Ethics and the Policy for the Prevention of Corruption and Bribery of the Unicaja Group.

In addition, the Bank provides communication channels (telephone and e-mail) for staff queries and consultations on criminal risk prevention, and prevention of corruption and bribery.

The Code of Ethics, the Criminal Risk Prevention Policy and all of the information related to, among others, the prevention of money laundering and the financing of terrorism regulations are available to new employees as part of the Welcome Plan. This information is additionally accessible to all staff through the employee portal.

Information has also been provided on the corporate intranet on the Policy for the Prevention and Management of Conflicts of Interest of Unicaja Group employees (intranet news on 02/009/2023) and reinforcements in the internal newsletters "*En 1 Minuto*" of 2/13/2023, 5/15/2023 and 9/4/2023 on the Code of Ethics and the Policy for the Prevention of Corruption and Bribery.

In addition to being sent by e-mail, all this information is available for consultation by the workforce on the corporate intranet and employee portal. The Bank also provides communication channels (telephone and e-mail) for staff queries and consultation on criminal risk prevention, and prevention of corruption and bribery.

Fighting corruption and bribery (GRI 2.27, GRI 3.3)

In 2015 Unicaja implemented a Program for the Prevention of Criminal Risk and Reaction to Non-Compliance, in accordance with the requirements of Article 31 bis of the Criminal Code to the models of organization and management of criminal risk of legal persons. As the body responsible for the supervision and operation of the Program, the Board of Directors established the Criminal Risk Prevention Committee. Along these lines, the Policy for the Prevention of Criminal Risk and Reaction to Non-Compliance was approved on February 27, 2019. Unicaja's Board of Directors approved its update on November 25, 2022.

As explained above, Unicaja included training, from the start as one of the essential elements of its Program and has been delivering it effectively since then.

In 2019 and 2020, the Criminal Risk Prevention Committee completed the updating of the set of instruments (regulatory, operational and training) that make up the Program for the Prevention of Criminal Risk, in order to improve it, in view of the practical experience acquired since its approval, as well as to adapt it to the organizational and functional changes of the Bank. Among these instruments, the criminal matrix of risks and controls (currently 120 controls) stands out. This is a dynamic document that reflects the Bank's criminal risk prevention control environment. It identifies the main controls (general and specific) implemented in Unicaja, which allow mitigating, detecting or reacting to the different criminal risks.

In April 2019, the UNE 19601 standard certification for Criminal Compliance Management Systems was obtained from AENOR. This certification is valid for three years and is reviewed annually by the certifier. The first review took place during the months of March and April 2020, and the second in March 2021. In September 2022, this certification was renewed for the 2022-2025 period.

In addition, on March 25, 2022, Unicaja's Board of Directors approved the Unicaja Group's Policy for the Prevention of Corruption and Bribery. This Policy is part of the general corporate integrity framework that the Group has progressively implemented to reinforce its ethical and compliance culture, in accordance with regulatory requirements and best practices in force at any given time. Its purpose is to establish a reference environment that fosters a climate of compliance and integrity and prevents the risk of incurring in conduct or patterns of action contrary to the same. In line with this, the Policy is applicable to all employees, executives and members of the administrative bodies of Unicaja and its Group companies. Suppliers, agents, subcontractors and any other third party that maintains business or professional relations with the Group are bound by the principles and rules of conduct of this Policy, insofar as they are applicable to them.

Operations assessed for risks related to corruption (GRI 2.16, GRI 205-1, GRI 205-3)

During 2023, Unicaja's Criminal Risk Prevention Committee evaluated 426 transactions to determine their possible criminal significance. After analyzing each of them, it was concluded that none of them contained reasonable indications of criminal risk for the Bank.

During fiscal year 2022, the number of transactions evaluated was 635 transactions, none of which showed reasonable indications of criminal risk for the Bank.

Measures to combat money laundering (GRI 3.3, GRI 205-2)

The Unicaja Group applies strict ethical and professional standards to prevent and combat money laundering and the financing of terrorism, as well as to ensure that the Bank's services are not used for such purposes.

Unicaja manages these risks in relation to the Group, adopting the necessary measures for which it has set up internal control bodies and units with specific responsibilities for the prevention of money laundering and the financing of terrorism (hereinafter "PML-FT"). Consequently, to the extent applicable, the bodies, mechanisms, tools and policies of Unicaja referenced below also apply to other Group companies (8 in total).

The Bank has determined the functions that correspond to the Board of Directors and its committees, its management, departments, units and employees in general, appointing a Director of Regulatory Compliance as its representative before the Executive Service for the Prevention of Money Laundering and Monetary Offenses (SEPBLAC), both for the parent company and for the subsidiaries that meet the condition of obliged subject, pursuant to the Prevention of Money Laundering and Terrorist Financing Act, Law 10/2010 of April 28, and its implementing regulations. Unicaja's board of directors approved the main PML-FT policies and procedures and is regularly informed of matters related to this matter, either directly or through the Audit and Compliance Committee.

The board and its committees' continuing education plan includes content related to this subject. In 2023, 5,285 Unicaja employees received training on new developments in the prevention of money laundering and terrorist financing, with a total of 8,524 hours completed (5,227 employees completed a total of 15,657 hours in 2022). Criminal risk training was also carried out, in which a total of 674 employees have completed 5,392 hours of training (1,400 employees completed 11,127.5 hours of training in 2022).

In order to mitigate the risk of money laundering, Unicaja has increased the awareness its employees to ensure that in the event of any indication of a suspicious transaction or mere attempt, they report it internally to the Money Laundering Prevention Area.

The Bank approved a Customer Admission Policy which outlines the customer types that might present a higher than average risk, establishing procedures for action contained in its PML-FT Manual, identifying a catalog of risk operations and putting in place specific action protocols for the detection and internal communication of events and transactions that need to be subject to special examination as they present signs of being related to money laundering or terrorist financing activities.

In order to carry out this weighting, the Unicaja Group has a Risk Based Approach (RBA) risk model that automatically determines the money laundering/financing of terrorism risk associated with its customers, both prior to their admission and in the application of the continuous monitoring of the business relationship.

The category to which the customer belongs is determined and the level of due diligence to be applied are based on the risk level or scoring assigned to the customer according to the different factors whose values are weighted by their greater or lesser exposure to money laundering/financing of terrorism risk. As of December 31, 2023, 94.44% of customers are classified as low risk, compared to 95% of customers in 2022, demonstrating the Unicaja Group's low risk profile in this area.

Unicaja’s main marketing channel is its network of branches distributed throughout Spain, with a majority presence in the Autonomous Communities of Andalusia, Asturias, Cantabria, Castilla-La Mancha, Castilla y León and Extremadura, from where it offers financial products and services to individuals, large companies and SMEs. Unicaja’s procedures for the Prevention of Money Laundering are adapted to the customer profile according to the area in which they operate.

In terms of operations, Unicaja carries out transactions to and from any point in the world, including all those countries considered high risk. In this regard there is specific monitoring that tracks the operations carried out from or to countries considered as high risk by Unicaja. Similarly, cross-border correspondent banking operations are subject to specific monitoring controls.

In addition, a series of specific detection and control tools are available both at the transactional level and for those involved in Unicaja’s operations.

The Unicaja Group has a network of agents who carry out customer acquisition duties, although the actual admission of customers is the Group’s responsibility, without delegating any responsibility in this area to the agents, except for financial agents with a terminal. Unicaja provides training adapted to the needs of these groups regarding PML-FT.

There are currently three possible types of relationships:

– Financial agents with terminal, who carry out the work of first contact with customers and perform the procedures of admission, identification and knowledge of the customer.
– Collaborating agents, who are customer motivators, with the Bank’s branches responsible for contracting products for these customers.
– Real estate agents, who again are customer motivators, with the Bank’s branches responsible for contracting products for these customers; which in general are mortgage operations.

The Group has procedures for contracting the different types of agents and associates, defined in a manual that must be complied with by all those involved in the Bank’s activities.

Unicaja’s internal control body (Committee for the Prevention of Money Laundering and Blocking the Financing of Terrorism), which also by extension oversees other obliged subjects in the Group, is responsible for the application of the policies and procedures regarding Unicaja Group’s PML-FT. The current composition of the Committee for the Prevention of Money Laundering and the Financing of Terrorism includes the participation of the various areas affected, including both business and support organizations.

The Money Laundering Prevention Area is the Unit established by Unicaja within the Regulatory Compliance Department which coordinates the internal control procedures and bodies in order to prevent and impede the performance of operations related to money laundering and the financing of terrorism.

As stated above, Unicaja assumes that the Group's investee companies are obliged to ensure that their competent bodies accept the Committee for the Prevention of Money Laundering and the Financing of Terrorism as their internal control body. This acceptance also includes the SEPBLAC representative and the implementation mechanisms and procedures available to Unicaja, with the due adaptations when necessary according to the nature of the company in question.

All the Group's organizations have also agreed to adhere to Unicaja's PML-FT Manual. Additionally, some of these entities have specific PML-FT procedures that are adapted to their corporate purpose and operational particularities, as mentioned above.

Each of Unicaja's investee companies in which it is a regulated entity pursuant to the aforementioned Law 10/2010, have in place an organizational structure, procedures and specific systems for the development of their activities, adapted to their business type and volume, as well as an PML-FT Coordinator who works in partnership with Unicaja's Money Laundering Prevention Area, to which they report.

Unicaja has various channels (application and an e-mail address) that ensure that the employees, agents and employees of Group companies can inform the Money Laundering Prevention Area of any irregular operation they detect. It has also taken appropriate measures to maintain the confidentiality of the identity of those who have passed on this information to the internal control bodies.

On the main page of the corporate intranet, the Bank's personnel have a specific web space for the Prevention of Money Laundering available to them from which they can directly access the Suspicious Transaction Reporting application, the Unit for the Prevention of Money Laundering, the Money Laundering Prevention School and the Help Manual for said app. This is also available in the Sustainability and CSR area, in the specific section on Codes and Policies, which includes, among others, a specific section on the Code of Ethics, as well as in the Corporate Conduct section of the "Unipersonal" employee portal.

The Bank's internal communication channels have been informing the staff about the policies for the prevention of corruption, bribery and measures to combat money laundering.

Finally, through the Intranet Network Communications application, the branch network is informed of information of an operational nature that affects this area, such as, for example, the procedure for reporting suspicious transactions by branches to the Prevention of Money Laundering and Financing of Terrorism Area (PBC and FT) (31/07/2023) or the update of Unicaja's Prevention of Money Laundering and Terrorist Financing Manual (07/21/2023).

Indicators of Article 8 of the European Union (EU) Environmental Taxonomy Regulation

INDICATORS OF ART. 8 OF THE EUROPEAN UNION (EU) ENVIRONMENTAL TAXONOMY REGULATION

European Union Environmental Taxonomy Regulation: financial indicators of environmental sustainability

E In June 2020, the European Union published Regulation (EU) 2020/852 of the European Parliament and of the Council, known as the "Environmental Taxonomy Regulation". This regulation establishes a framework that promotes and facilitates sustainable investments, defining the criteria that allow economic activities to be classified as environmentally sustainable.

The Taxonomy Regulation distinguishes six environmental objectives:

- Climate change mitigation
- Adaptation to climate change
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Biodiversity and ecosystem protection and restoration.

For each of these objectives, a list of economic activities that can be considered environmentally sustainable (eligible activities) has been defined. In general terms, although each economic activity will have its own criteria depending on the environmental objective to which it contributes, in order for an activity to be considered in line with the Taxonomy, it must meet the following requirements:

- Substantially contribute to at least one of the six environmental objectives
- Not cause any significant harm to other targets (DNSH)
- Comply with minimum social and human rights safeguards.

Regulation 2020/852 has been further developed by a series of Delegated Regulations, which expand on the detail of the Taxonomy Regulation and specify how entities should disclose information:

- Commission Delegated Regulation (EU) 2021/2139 of June 4, 2021, establishing the technical selection criteria for determining the conditions under which an economic activity is deemed to make a substantial contribution to climate change mitigation or adaptation and for determining whether that economic activity does not cause significant harm to any of the other environmental objectives.

- Commission Delegated Regulation (EU) 2021/2178 of July 6, 2021, supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of the information to be disclosed by companies subject to Articles 19 bis and 29 bis of Directive 2013/34/EU regarding environmentally sustainable economic activities and specifying the methodology for complying with the disclosure obligation.

- Commission Delegated Regulation (EU) 2022/1214 of March 9, 2022, published in July of that year, amends the two aforementioned Delegated Regulations to include, fundamentally, the duty to disclose information related to the development of economic activities in the fossil gas and nuclear energy sectors, due to their potential to contribute to the decarbonization of the Union's economy.

- Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023 amending Delegated Regulation (EU) 2021/2139 and establishing additional technical screening criteria for determining whether an economic activity makes a substantial contribution to climate change mitigation or adaptation and for determining whether that economic activity does not cause significant harm to any of the other environmental objectives.

- Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 establishing the technical criteria for the selection of substantial contribution and DNSH to be met in order to consider economic activities contributing to the remaining four objectives, not covered by Delegated Regulation (EU) 2021/2139, as environmentally sustainable.

In addition to the above regulatory documents, the European Commission has published three clarification documents:

- Opinion on the interpretation and application of certain legal provisions of the EU delegated act on climate taxonomy establishing technical selection criteria for economic activities that make a substantial contribution to climate change mitigation or adaptation and do not cause significant harm to other environmental objectives (C/2023/267) (October 2023).

- Communication on the interpretation and application of certain legal provisions of the delegated act on disclosure of information under Article 8 of the EU Taxonomy Regulation on the reporting of taxonomy-eligible and taxonomy-compliant economic activities and assets (second Commission Communication – C/2023/305) (October 2023).

- Draft Commission Notice (12/21/2023): published by the European Commission, it contains clarifications to questions regarding, for example, the calculation of flow templates (December 2023).

It is also worth mentioning the publication of three Questions and Answers (FAQs) documents related to the second Taxonomy Delegated Act, in December 2021, February 2022 and October 2022 by the European Commission, which have also been considered.

In this legislative context, the Unicaja Group has undertaken the analysis of eligibility and alignment in accordance with the provisions of the regulatory framework, as well as taking into account the clarifications published regarding the reporting of the Taxonomy of Financial Institutions.

In reference to the requirements established in Article 8 of the Taxonomy Regulation and its corresponding Delegated Regulations, this disclosure, corresponding to fiscal year 2023, incorporates a series of modifications and new features for credit institutions, which are summarized below:

- End of the transitional period, in force throughout the last two statements, whereby credit institutions were required to disclose ratios corresponding to: (a) the proportion in their total assets of exposures to eligible and non-eligible economic activities according to the Taxonomy; (b) the proportion in their total assets of exposures to central governments, central banks and supranational issuers and exposures to derivatives and (c) the proportion in their total assets of exposures of undertakings that are not required to disclose non-financial information in accordance with Articles 19 bis and 29 bis of Directive 2013/34/EU.
- Entry into force of the key performance indicators in accordance with Annexes V and VI of the aforementioned Regulation. Compliance, therefore, is materialized in the disclosure of 13 quantitative information templates. These 13 templates contain both asset information, related to the GAR ratio, and off-balance sheet information, related to the green ratio of assets under management and the green ratio of financial guarantees granted to financial and non-financial companies.
- Assessment of alignment with the Taxonomy for climate change mitigation and adaptation objectives.
- Proportion of eligible and ineligible exposures for new activities published under the scope of climate change mitigation and adaptation objectives, pursuant to Delegated Regulation (EU) 2023/2485.
- Proportion of eligible and ineligible exposures for the four new Taxonomy objectives under Delegated Regulation (EU) 2023/2486:
    - Pollution prevention and control
    - Transition to a circular economy
    - Sustainability and protection of water and marine resources
    - Protection and restoration of biodiversity and ecosystems
- Template for the key performance indicator of the asset management company that carries out activities of this nature within the Unicaja Group.
- The Unicaja Group has no material activity in insurance and reinsurance companies or investment services.

Context on quantitative disclosures

The Unicaja Group complies with the requirements of the Environmental Taxonomy Regulation by publishing the ratios presented in this section of the Consolidated Financial Statements for 2023, applying the “best possible effort” criterion for the preparation of which, as mentioned above, the provisions of the regulations and communications from the competent bodies and entities were taken into account.

As mentioned above, the “best possible effort” approach has been adopted to obtain the information necessary to calculate the ratios, with a final result that provides the most accurate picture of the degree of alignment and eligibility, as appropriate, according to the taxonomy, in accordance with the understanding of the Unicaja Group.

Thus, in order to advance in compliance with regulatory expectations in this area, during the last two years significant efforts have been made to identify counterparties subject to the obligation to publish non-financial information in accordance with the provisions of the applicable regulations, as well as to compile information on the eligibility of such counterparties, in order to incorporate the information in the calculation of the Bank’s own ratios.

Indicators (ratios) of the Environmental Taxonomy Regulation (climate change adaptation and mitigation)

The following is the ratio of eligible and non-eligible assets of the Unicaja Group, as well as the rest of the complementary ratios, corresponding to fiscal year 2022, which have been significantly extended with respect to the 2023 reporting year, as an effect of the transitional and phasing provisions of the Environmental Taxonomy, not finalized as of the date of issue of this EINF*:

Indicators of the EU Environmental Taxonomy Regulation (mitigation and adaptation to climate change)	Ratio over Total Assets (A+B+C) (12/31/2022)	Ratio of assets included in the scope of the GAR (A+B) (12/31/2022)
A) Exposure to taxonomy-eligible economic activities	35.2 %	49.7 %
B) Exposure to ineligible economic activities according to taxonomy	35.6 %	50.3 %
Total derivative exposure assets (hedging)	1.8 %	2.5 %
Exposures to non-financial companies that are not required to publish non-financial information pursuant to Article 19 bis and 29 bis of Directive 2013/34/EU (EU and non-EU countries)	9.1 %	12.8 %
Exposure of financial companies that are not required to publish non-financial information pursuant to Article 19 bis and 29 bis of Directive 2013/34/EU (EU and non-EU countries)	1.8 %	2.5 %
Interbank demand loans as a percentage of total assets	0.1 %	0.1 %
Other ineligible exposure	22.9 %	32.3 %
Total assets included in the scope of the GAR (A+B)	**70.9 %**	**100 %**
C) Exposure excluded from the scope of the GAR	29.1 %	
Negotiation portfolio	0%	
Exposure to central governments and supranational issuers	25.1 %	
Exposure to central banks	4%	
Total assets (A+B+C)	**100 %**	**-**

*Specifically and pursuant to the aforementioned transitional regime established in Delegated Regulation 2021/2178, the financial entities subject thereto will only disclose in 2023 the following information, with respect to 2022:

– The proportion of exposure to eligible and ineligible economic activities in its total assets, based on the Taxonomy.

– The proportion of the exposure referred to in Article 7 (1) and (2) in total assets, i.e.:

- Exposure to central governments, central banks and supranational issuers (this will be excluded from the calculation of the numerator and denominator of the KPIs of financial companies).
- Derivatives (these will be excluded from the numerator of KPIs of financial companies).

– The proportion in their total assets of the exposures referred to in Article 7 (3), i.e. the exposure of companies that are not required to disclose non-financial information pursuant to Article 19 bis and 29 bis of Directive 2013/34/EU (this will be excluded from the numerator of the key performance indicators of financial undertakings).

– The proportion of the trading portfolio and interbank demand loans in its total assets.

– Exposure, if any, to economic activities in the fossil gas and nuclear energy sectors (eligibility only), pursuant to Delegated Regulation (EU) 2022/1214.

Regarding exposure to economic activities in the fossil gas and nuclear energy sectors (eligibility), it was noted that the Unicaja Group did not have (EINF 2022) exposures that met the requirements established in European Union regulations.

Supplementary information on methodology, composition of ratios and limitations of the disclosure exercise

In order to provide a better understanding of the calculations performed, the main points of the methodology applied for the calculation of the ratios are shown below.

In association with a service provider experienced in these processes (Álamo Consulting), the Group developed a procedure and methodology to respond to the first quantitative information disclosure obligations of the Environmental Taxonomy Regulation and is working on the implementation of a module to manage this information in the Bank’s systems that will allow the smooth generation of information on sustainability in the future, in line with the regulatory development underway.

This procedure and methodology allowed the Bank to:

– Have access to a scalable and adaptable solution which allows the incorporation of new block areas, as required by the applicable regulations.

– Guarantee the maximum quality, coherence and consistency of environmental sustainability information, based on a single, centralized data dictionary model that enables data traceability and reconciliation.

– Reduce the information burden by leveraging and reusing information that is already being used for other regulatory reporting requirements.

- Automate the cycle of preparation, generation, reconciliation, validation and presentation of information, minimizing manual processing.

- Ensure the quality of the information by using base data that is contrasted and squared with the rest of the Group's financial reporting.

In accordance with Article 10 (3) and (5) of Delegated Regulation (EU) 2021/2178, financial companies and, in particular, credit institutions had a transitional period before starting to disclose key performance indicators in the format set out in Annex V of the aforementioned Regulation. At the end of the transitional period, as of January 1, 2024, with the information referring to fiscal year 2023, the disclosure based on the quantitative information tables defined by the European Commission comes into force.

The following identifies the total of twenty-three tables of quantitative information that the Unicaja Group, in compliance with the requirements established by the European Commission, includes in its Statement of Non-Financial Information for the first time for this disclosure.

On the one hand, thirteen tables of quantitative information are incorporated in accordance with Annex VI of Delegated Regulation (EU) 2021/2178:

- Template 0 - Summary of KPIs.
- Template 1 - Assets for the calculation of the green asset ratio (GAR). Disclosure of information in two versions: Business Volume and Capex.
- Template 2 - GAR: Information by sector. Disclosure of information in two versions: Business Volume and Capex.
- Template 3 - Key performance indicator of GAR in terms of stock. Disclosure of information in two versions: Business Volume and Capex.
- Template 4 - Key performance indicator of GAR RAG in terms of flow. Disclosure of information in two versions: Business Volume and Capex.
- Template 5 - Key performance indicator for off-balance sheet exposures. As indicated in Annex VI, this template is broken down into two:
  - 5.1 - Key performance indicator of off-balance sheet exposures in terms of stock. Disclosure of information in two versions: Business Volume and Capex.
  - 5.2 - Key performance indicator of off-balance sheet exposures in terms of flow. Disclosure of information in two versions: Business Volume and Capex.

On the other hand, nine tables of quantitative information are incorporated in accordance with Delegated Regulation (EU) 2022/1214, Annex XII, in relation to nuclear energy and fossil gas information:

- Template 1 - Activities related to nuclear energy and fossil gas.
- Template 2 - Economic activities that conform to the Taxonomy (denominator). Disclosure of information in two versions: Business Volume and Capex.
- Template 3 - Economic activities that conform to the Taxonomy (numerator). Disclosure of information in two versions: Business Volume and Capex.

– Template 4 - Economic activities eligible under the Taxonomy but which do not conform to the taxonomy. Disclosure of information in two versions: Business Volume and Capex.
– Template 5 - Ineligible economic activities according to the Taxonomy. Disclosure of information in two versions: Business Volume and Capex.

It also includes a template for the key performance indicator for asset managers (Unigest, in the case of the Unicaja Group). As stated in Delegated Regulation (EU) 2021/2178, Article 8 Section 1 of Regulation (EU) 2020/852 requires companies subject to Articles 19 bis and 29 bis of Directive 2013/34/EU to disclose how and to what extent the company's activities are associated with environmentally sustainable economic activities. In this regard, the Draft Commission Notice (December 2023) indicates that in the event that, within a financial group, an asset manager carries out asset management activities, the corresponding indicators must be published in Annex IV of the Delegated Regulation.

On the other hand, due to the entry into force of the new regulations (Delegated Regulation (EU)

2023/2485 and Delegated Regulation (EU) 2023/2486), as set out in Article 10 (7) of Delegated Regulation 2021/2178, from January 1, 2024 credit institutions will start disclosing the proportion in their covered assets of exposures to eligible and ineligible economic activities under the Taxonomy for: the remaining four objectives, new activities included for the climate change mitigation objective (Sections 3.18 to 3.21, and 6.18 to 6.20) and new activities included for the climate change adaptation objective (Sections 5.13, 7.8, 8.4, 9.3, 14.1 and 14.2).

With regard to the methodology for calculating the information tables and the process for obtaining data, the Unicaja Group has opted for a solution integrated with the financial reporting information that allows it to comply with regulatory requirements. The objective is to have a solution for disclosure in the area of sustainability that allows the Bank to incorporate new areas of information in a continuous and flexible manner, in addition to ensuring maximum consistency of information, supported by a single centralized data dictionary that enables data traceability and reconciliation, minimizing errors and manual data processing.

The information presented by the Unicaja Group responds to the requirements established by the European Commission in the different documents mentioned above. Therefore, the results generated and presented are based on the following general premises:

– The base data used for the composition of the sustainability information are the same as those used by the Unicaja Group to prepare the consolidated statements it submits to the Bank of Spain and other competent authorities.

– The Group's information used is based on confidential financial statements (prudential perimeter), which differ from the consolidated public financial statements, as they have different consolidation perimeters (prudential vs. confidential perimeter).

– For the disclosure of year-end portfolio data (referred to as "stock"), and following the guidelines established by the European Commission for the templates of Annex VI of the Delegated Act of July 6, 2021, the base information used is expressed in gross book value.

– With regard to the disclosure of flow data for the year, and following the guidelines established by the European Commission in the Draft Commission Notice (December 2023), the basic information is based on the opening balances of new operations formalized during the year, except for items other than loans and advances, debt securities, equity instruments, derivatives and foreclosed real estate, which are calculated as the difference between the periods T and T-1.

In accordance with the regulatory framework, the results generated and presented in the quantitative information tables disclosed are based on the individual analysis of each of the Group's financial instruments and other assets and not on global estimates of certain items in this part of the Bank's balance sheet. The main criteria used for the composition of the information are listed below:

Eligibility and alignment of both on- and off-balance sheet exposures to climate change mitigation and adaptation objectives. The following sections contain the main calculation criteria established for the composition of eligibility and alignment referred to climate change mitigation and adaptation objectives, both for asset and off-balance sheet items.

Assets:

– General purpose financings, to financial and non-financial companies obliged to publish non-financial information in accordance with Articles 19 bis and 29 bis of Directive 2013/34/EU, have been considered as eligible/aligned according to the ratios documented in a sectorial project in which Unicaja Group has participated and according to the indications established by the European Commission.
– Specific purpose financings, to financial and non-financial companies obliged to publish non-financial information in accordance with Articles 19 bis and 29 bis of Directive 2013/34/EU, have been considered as aligned based on whether the activity that the operation is financing meets the criteria set out in Environmental Taxonomy. Therefore, they have been considered aligned with the Taxonomy when the activity being financed meets both the technical criteria defined for substantial contribution to the evaluated objective and the DNSH criteria for the rest of the objectives.
– Financing to subsidiaries of groups obliged to disclose non-financial information statement pursuant to Articles 19 bis and 29 bis of Directive 2013/34/EU have been considered as eligible/aligned based on the eligibility and alignment information of the group's parent company.
– Financing or assets that, according to the regulations, by their nature are considered eligible, such as loans to households for the financing of home purchases, home improvements or automobile purchases, foreclosed commercial and residential real estate and financing to local governments for the financing of public housing. The identification of alignment in these exposures has been based on the review of compliance with the technical selection criteria established for each specific activity, both those established in the substantial contribution of the objective for which they are evaluated, as well as the DNSH.
– The Taxonomy Regulation does not currently cover all the activities that are carried out and that entities may fund. Therefore, it should be noted that activities that have not been included as eligible or aligned are not necessarily considered harmful to the environment.

Additionally, it should be noted that the Regulation establishes that some exposures are only excluded from the numerator, but not from the denominator in the calculation of the eligibility and alignment ratio, so that in no case can 100% of eligible or aligned assets be reached according to the Taxonomy. These exposures are:

– Derivatives.

– Interbank demand loans.
– Cash and other cash-related assets.
– Other assets.

Pursuant to Article 7 of Delegated Regulation 2021/2178, certain exposures have been excluded from the scope of the main ratio, and are therefore not included in the numerator or denominator:

– Exposure to central banks
– Exposures associated with sovereign issuers.
– Negotiation portfolio.

Off-balance sheet items:

As defined by the regulations, both items are considered: financial guarantees granted and assets under management:

– The methodology established for financial guarantees granted to financial and non-financial entities has been similar to that for assets, where the numerator includes guarantees granted to financial and non-financial companies obliged to publish non-financial information in accordance with Articles 19 bis and 29 bis of Directive 2013/34/EU. The calculation of eligibility/alignment has been made according to the ratios published by the counterparts of these items and documented in the sectorial project in which the Unicaja Group has participated and according to the indications established by the European Commission.
– The methodology established for managed assets differs in two typologies: for equity items, the same criteria has been followed as for assets and financial guarantees granted, applying the ratios of issuers bound by Directive 2013/34/EU and collected through the sector project in which the Unicaja Group has participated; and for fixed income, investment funds and discretionary portfolio management, the sustainability information has been obtained through a pioneering market tool in this field.

Eligibility of exposures for the four new objectives.

For the composition of the information of these exposures, the following should be taken into account:

– The eligibility information disclosure requirement for these four objectives arises for the first time this year and for all companies, financial and non-financial, at the same time.
– For this reason, only information from the Bank itself can be incorporated, i.e. identifying specific financing for these new activities.

In order to meet this requirement, the Unicaja Group has made its best effort to identify specific financing for the new activities defined in these four objectives.

Financing of nuclear energy and fossil gas activities.

In the Unicaja Group, the identification of financing for this type of activities has been analyzed and evaluated from two perspectives:

- Evaluation of specific purpose funding for this type of activities, through project finance or specialized funding, where the counterparty to such funding is required to disclose non-financial information in accordance with Articles 19 bis and 29 bis of Directive 2013/34/EU. No financing of this type was identified.

- Evaluation of general purpose financings to companies obliged to publish non-financial information in accordance with Articles 19 bis and 29 bis of Directive 2013/34/EU, which are engaged in this type of activities, using the information provided by the sectorial project in which the Unicaja Group has participated as a source. Exposures of this type were identified.

Template for the asset manager key performance indicator.

- The data source used to generate the required information is the information from the portfolios managed by the asset manager Unigest, which is within the prudential relevance perimeter reserved for the parent company, Unicaja, as well as the information provided by the Clarity AI tool for the information related to the Environmental Taxonomy of the managed portfolios.
- The information provided by the Clarity AI tool indicates the degree of alignment to the taxonomy of the elements that make up the portfolio used by “Turnover”, Capex or Opex and provides information on the eligibility and alignment according to each of the environmental objectives of each of the assets that make up the portfolios. The limitations found in this information are only those due to the possible lack of data provided by the companies receiving the investment, and to the non-definitive nature of the regulation, which is still subject to profiling.
- The information on the managed portfolios refers to December 31, 2023.

Summary of the main metrics to be disclosed for 2023 and main limitations and difficulties regarding their disclosure

- Key ratios

The alignment ratio of the Unicaja Group for the year 2023 is presented in terms of “stock”, based on the criteria established in the regulatory framework detailed at the beginning and as a result of the application of the methodology defined in the previous section:

TURNOVER

Indicators of the EU Environmental Taxonomy Regulation (mitigation and adaptation to climate change)	Ratio over Total Assets (A+B+C)	Ratio of assets included in the scope of the GAR (A+B)
A) Exposure to taxonomy-eligible economic activities	34.72 %	55.77 %
A1) Exposure to economic activities aligned according to taxonomy	1.26 %	2.02 %
A1.1) Exposure to economic activities aligned according to taxonomy (mitigation)	1.24 %	2.00 %
A1.2) Exposure to economic activities aligned according to taxonomy (adaptation)	0.01 %	0.02 %
A2) Eligible non-aligned exposures	33.47 %	53.75 %
B) Exposure to ineligible economic activities according to taxonomy	27.54 %	44.23 %
B1) Total derivative exposure assets (hedging)	1.24 %	1.99 %
B2) Exposures to financial and non-financial companies that are not required to publish non-financial information pursuant to Article 19 bis and 29 bis of Directive 2013/34/EU (EU and non-EU countries)	10.78 %	17.32 %
B3) Interbank demand loans as a percentage of total assets	0.19 %	0.30 %
B4) Other ineligible exposure	15.33 %	24.63 %
Total assets included in the scope of the GAR (A+B)	62.26 %	100.00 %
C) Exposure excluded from the scope of the GAR	37.74 %	
C1) Trading portfolio	0.13 %	
C2) Exposure to central governments and supranational issuers	7.42 %	
C3) Exposure to central banks	30.18 %	
Total assets (A+B+C)	100%	-

CAPEX

Indicators of the EU Environmental Taxonomy Regulation (mitigation and adaptation to climate change)	Ratio over Total Assets (A+B+C)	Ratio of assets included in the scope of the GAR (A+B)
A) Exposure to taxonomy-eligible economic activities	34.44 %	55.31 %
A1) Exposure to economic activities aligned according to taxonomy	1.74 %	2.79 %
A1.1) Exposure to economic activities aligned according to taxonomy (mitigation)	1.73 %	2.78 %
A1.2) Exposure to economic activities aligned according to taxonomy (adaptation)	0.01 %	0.01 %
A2) Eligible non-aligned exposures	32.7%	52.52 %
B) Exposure to ineligible economic activities according to taxonomy	27.82 %	44.69 %
B1) Total derivative exposure assets (hedging)	1.24 %	1.99 %
B2) Exposures to financial and non-financial companies that are not required to publish non-financial information pursuant to Article 19 bis and 29 bis of Directive 2013/34/EU (EU and non-EU countries)	10.78 %	17.32 %
B3) Interbank demand loans as a percentage of total assets	0.19 %	0.30 %
B4) Other ineligible exposure	15.62 %	25.08 %
Total assets included in the scope of the GAR (A+B)	62.26 %	100.00 %
C) Exposure excluded from the scope of the GAR	37.74 %	
C1) Trading portfolio	0.13 %	
C2) Exposure to central governments and supranational issuers	7.42 %	
C3) Exposure to central banks	30.18 %	
Total assets (A+B+C)	100%	-

With the publication of Delegated Regulation (EU) 2023/2486, the new information regarding the remaining four environmental objectives is established and, therefore, the need to start reporting the proportion of eligible exposures with respect to these objectives.

Eligibility information in terms of the new target information published by the European Commission is shown below:

Items	Ratio over total assets (B+C)	Ratio of assets included in the scope of the GAR (B)
A) Exposures to taxonomy-eligible economic activities (new objectives)	0.02 %	0.04 %
A.1) Of which activities related to the objective “Sustainable use and protection of water and marine resources”	0%	0%
A.2) Of which activities related to the objective “Transition to a circular economy”	0.02 %	0.04 %
A.3) Of which activities related to the objective “Pollution prevention and control”	0%	0%
A.4) Of which activities related to the objective “Protection and restoration of biodiversity and ecosystems”	0%	0%
B) Total assets included in the scope of the GAR	62.24 %	99.96 %
Total assets included in the scope of the GAR (A+B)	62.26 %	100.00 %
C) Exposure excluded from the scope of the GAR	37.74 %	
Total assets (A+B+C)	100%	

In relation to the main difficulties and limitations regarding the 2023 disclosure, the Unicaja Group, applying the “best effort” criterion for obtaining the necessary information in order to comply with the requirements of the different regulations that make up the regulatory framework, has compiled the necessary information in order to carry out the disclosure.

In this regard, the main limitations and difficulties encountered throughout the process of generating the information to be disclosed have been identified:

– With regard to counterparty information, in general terms, a significant lack of accessibility and certain limitations have been identified when collecting such information, for example, in order to be able to establish which companies are obliged to publish non-financial information in accordance with Articles 19 bis and 29 bis of Directive 2013/34/EU.

- In the information published by the counterparties, and compiled in the various sectoral projects in which the Bank has participated, there is a lack of standardization between the different reports published by the different companies. This situation has made it necessary to carry out a process of normalization/standardization of the information in order to include it in the Bank's disclosures.

- In the case of financial institutions, since they have not yet been required to report information broken down by objective, the total published eligibility ratio has been compiled. However, in this exercise it is necessary to include eligibility information broken down by mitigation or adaptation objective. In order to be able to incorporate these data in the quantitative information tables and avoid double counting, the climate change mitigation objective has been assigned for all cases.

- In the generation of the templates referring to the financing of nuclear energy and fossil gas activities, the Unicaja Group, having identified a lack of specificity in some sections, has made its best interpretation of the regulations in force to provide a solution to this information.

- Difficulties have been encountered in the identification of financing for nuclear and gas activities, which are not included in Taxonomy, and which should be included in Templates 1 and 5, due to the lack of codification of these activities.

Unicaja Group strategy, product design process and relationship with customers and counterparties

The Unicaja Group has a Corporate Sustainability Policy, approved by its Board of Directors and updated in 2023, which specifies the Group's position with respect to sustainable finance, particularly from the perspective of strategy and general objectives, corporate and business management and the design and marketing of financial products and services which meet the needs of customers and investors in accordance with ESG criteria.

The principles of action included in this Policy include the incorporation of socially and environmentally sustainable financial products and services, in accordance with the European Union's classification system. At present, as demonstrated by the calculation and disclosure of the indicators included in this section of the EINF, this process has already begun, and will be fully and completely implemented as the regulatory framework itself takes shape in the coming years.

Unicaja's 2022-2024 Strategic Plan establishes the commitment to sustainability in all lines of business as an opportunity for development and improvement in its daily management. This is why it works on a renewed offer of products and services and on the reduction of its carbon footprint. At the same time, it promotes the culture of sustainability, identification and management of climate risk, all of which is recorded in this Statement, among other corporate documents. For these purposes and in addition to the development of an internal methodology that is now available, it will be necessary to fully align it with European Union regulations, which will make it possible to identify an economic activity as environmentally sustainable. To this end, the Sustainable Finance Action Plan, approved in 2020, revised in 2021, and completed in 2023, has served as a first approximation, to be followed up with a new ESG Strategy in 2024.

The Group's environmental sensitivity, as it applies to itself and in its relationship with all stakeholders, is also reflected in the CSR Policy and in the Environmental, Energy and Climate Change Policy, also approved by the Board of Directors.

In line with the expected regulatory developments and the foreseeable evolution of the market, the Unicaja Group will therefore continue to strengthen its positioning in sustainability matters through its integration in governance, strategy and risk management and the offer of sustainable financial products,

Additional information on the financing of economic activities compliant with the European Union's Environmental Taxonomy Regulation

As can be seen from the information contained in this section of the report, in compliance with the Environmental Taxonomy Regulation, a proportion of the Unicaja Group's balance sheet is eligible in accordance with its criteria, and part of it (climate change mitigation and adaptation purposes is aligned).

The Group's objective, in line with its strategy and operating principles, as well as with the European Union's regulatory initiatives, is to ensure that this percentage is realized as far as possible into activities that are fully aligned with the environmental taxonomy.

The Group will therefore carry out the appropriate action required to achieve this objective, evaluating all possible lines of action to achieve it, including the development of specific products with considerations aligned with the Environmental Taxonomy, the development of activities to increase the engagement of customers and other stakeholders, and the financing of environmentally sustainable activities. As expressed elsewhere in this Statement, the internal product classification system approved in 2022 by the Bank is fully aligned with the European Union Regulatory Taxonomy, as a starting point for the effectiveness of this effort.

It is worth highlighting the Unicaja Group's commitment to this matter, which is of critical relevance for society in general. As proof of this, a specific roadmap is currently being implemented that will allow covering these requirements with full guarantees in the short term, taking advantage of the risks, but, above all, the opportunities offered by the transition to a net carbon-free economy.

Additionally, during recent fiscal years, the Unicaja Group has made significant progress in the area of Sustainable Finance, which has enabled the achievement of some objectives linked to the channeling of capital flows towards environmentally sustainable activities. Thus, the implementation of the requirements of Regulation (EU) 2019/2088 on the disclosure of information related to sustainability in the financial services sector, which establishes the basis for the design of investment and advisory products and services considering sustainability criteria, among other aspects, is noteworthy; progress has also been made with regard to the regulations on investor protection in the financial markets (MiFID), with the incorporation of sustainability issues in the suitability test, in those cases in which this is required.

As mentioned above, action plans were also drawn up for the complete integration of the new initiatives, with the appropriate measures taken to deal with them, starting with internal training measures aimed at the entire workforce and specific groups, which will enable the Group to fully outline its position in this area in the short term.

Delegated Regulation (EU) 2021/2178 - Annex VI - Template for Key Performance Indicators for Credit Institutions

TEMPLATE 0: SUMMARY OF KEY PERFORMANCE INDICATORS TO BE DISCLOSED BY CREDIT INSTITUTIONS IN ACCORDANCE WITH ARTICLE 8 OF THE TAXONOMY REGULATION

EUROS		Total environmentally sustainable assets (Turnover)	Total environmentally sustainable assets (Capex)	KPI (Turnover)	KPI (CapEx)	coverage ratio (% of total assets)	% of assets excluded from the GAR (Article 7.2 and 7.3 and Annex V, Section 1.1.2)	% of assets excluded from the GAR (Article 7.2 and 7.3 and Annex V, Section 1.1.4)
Main KPI	**Green Asset Ratio (GAR) in terms of stock**	1,241,695,135	1,717,271,571	2.02	2.79	62.26	25.23	37.74
EUROS		**Total environmentally sustainable activities (Turnover)**	**Total environmentally sustainable activities (Capex)**	**KPI (Turnover)**	**KPI (CapEx)**	**coverage ratio (% of total assets)**	**% of assets excluded from the GAR (Article 7.2 and 7.3 and Annex V, Section 1.1.2)**	**% of assets excluded from the GAR (Article 7.2 and 7.3 and Annex V, Section 1.1.4)**
Additional KPIs	**Green Asset Ratio (GAR) in terms of flow**	177,575,409	206,430,106	0.96	1.12	69.29	55.66	30.71
	Negotiation portfolio							
	Financial guarantees (FinGAR)	0	0	0	0			
	Assets under management (AuM)	107,009,973	145,565,937	2.9	3.95			
	Fee and commission income							

TEMPLATE 1: ASSETS FOR THE CALCULATION OF GAR - TURNOVER

EUROS	Disclosure reference date T																		
	Gross book value total	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)				
		Of which: to taxonomy-relevant sectors (taxonomy-eligible)					Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				
			Of which: environmentally sustainable (conforming to taxonomy)					Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)			
				Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional	Of which: facilitators
GAR - Assets covered in both numerator and denominator																			
Loans and advances, debt securities and equity instruments, not held for trading, eligible for GAR calculation	35,898,626,254	33,544,009,708	1,228,910,332	828,297,694	30,581,072	961,786,307	51,854,259	12,784,803	0	8,528,358	21,795,779	0	0	0	33,617,659,745	1,241,695,135	828,297,694	30,581,072	970,314,664
Financial companies	1,728,614,257	816,476,999	115,467,987	115,467,987	0	0	0	0	0	0	0	0	0	0	816,476,999	115,467,987	115,467,987	0	0
Credit institutions	1,613,431,363	779,849,366	115,467,987	115,467,987	0	0	0	0	0	0	0	0	0	0	779,849,366	115,467,987	115,467,987	0	0
Loans and advances	609,161,277	320,738,966	0	0	0	0	0	0	0	0	0	0	0	0	320,738,966	0	0	0	0
Debt securities, including statement on the use of funds	1,001,783,573	458,235,148	115,467,987	115,467,987	0	0	0	0	0	0	0	0	0	0	458,235,148	115,467,987	115,467,987	0	0
Equity instruments	2,486,512	875,252	0		0	0	0	0		0	0	0		0	875,252	0		0	0
Other financial companies	115,182,895	36,627,633	0	0	0	0	0	0	0	0	0	0	0	0	36,627,633	0	0	0	0
Of which: Investment services companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt securities, including statement on the use of funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity instruments	0	0	0		0	0	0	0		0	0	0		0	0	0		0	0
Of which: Management companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt securities, including statement on the use of funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

TEMPLATE 1: ASSETS FOR THE CALCULATION OF GAR - TURNOVER

EUROS	Disclosure reference date T																		
	Gross book value total	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)				
		Of which: to taxonomy-relevant sectors (taxonomy-eligible)					Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				
			Of which: environmentally sustainable (conforming to taxonomy)					Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)			
				Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional	Of which: facilitators
Equity instruments	0	0	0		0	0	0	0		0	0	0		0	0	0		0	0
Of which: Insurance companies	115,182,895	36,627,633	0	0	0	0	0	0	0	0	0	0	0	0	36,627,633	0	0	0	0
Loans and advances	9,089	2,363	0	0	0	0	0	0	0	0	0	0	0	0	2,363	0	0	0	0
Debt securities, including statement on the use of funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity instruments	115,173,806	36,625,270	0		0	0	0	0		0	0	0		0	36,625,270	0		0	0
Non-Financial Companies subject to reporting obligations under the Non-Financial Reporting Directive (NFRD)	2,287,637,105	845,157,817	400,612,638	0	30,581,072	248,956,600	51,854,259	12,784,803	0	8,528,358	21,795,779	0	0	0	918,807,854	413,397,441	0	30,581,072	257,484,957
Loans and advances	2,178,338,587	811,260,947	391,602,788	0	30,581,072	240,545,798	51,609,392	12,539,936	0	8,528,358	21,795,779	0	0	0	884,666,118	404,142,724	0	30,581,072	249,074,156
Debt securities, including statement on the use of funds	27,619,766	12,955,464	0	0	0	0	0	0	0	0	0	0	0	0	12,955,464	0	0	0	0
Equity instruments	81,678,751	20,941,406	9,009,850		0	8,410,801	244,867	244,867		0	0	0		0	21,186,273	9,254,716		0	8,410,801
Households	31,869,084,915	31,869,084,915	712,829,707	712,829,707	0	712,829,707									31,869,084,915	712,829,707	712,829,707	0	712,829,707
Of which: loans secured through residential real property	30,963,641,356	30,963,641,356	712,829,707	712,829,707	0	712,829,707									30,963,641,356	712,829,707	712,829,707	0	712,829,707
Of which: loans to renovate buildings	657,022,872	657,022,872	0	0	0	0									657,022,872	0	0	0	0
Of which: loans for vehicles	248,420,686	248,420,686	0	0	0	0									248,420,686	0	0	0	0

TEMPLATE 1: ASSETS FOR THE CALCULATION OF GAR - TURNOVER

EUROS	Disclosure reference date T																		
	Gross book value total	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)				
		Of which: to taxonomy-relevant sectors (taxonomy-eligible)					Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				
			Of which: environmentally sustainable (conforming to taxonomy)					Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)			
				Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional	Of which: facilitators
Local Government Financing	13,289,977	13,289,977	0	0	0	0	0	0	0	0	0	0	0	0	13,289,977	0	0	0	0
Financing for housing	13,289,977	13,289,977	0	0	0	0	0	0	0	0	0	0	0	0	13,289,977	0	0	0	0
Other local government financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Collateral obtained by taking possession: residential and commercial real estate	721,978,533	721,978,533	0	0	0	0	0	0	0	0	0	0	0	0	721,978,533	0	0	0	0
Other assets excluded from the numerator for GAR calculation (included in the denominator)	24,954,059,086	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Financial and Non-Financial Companies	10,664,256,784																		
SMEs and Non-Financial Companies (other than SMEs) not subject to reporting obligations under NFRD	10,509,116,419																		
Loans and advances	9,993,277,800																		
Of which: loans secured through commercial real property	1,520,715,664																		
Of which: loans to renovate buildings	0																		
Debt securities	390,583,857																		
Equity instruments	125,254,763																		

TEMPLATE 1: ASSETS FOR THE CALCULATION OF GAR - TURNOVER

EUROS	Disclosure reference date T																		
	Gross book value total	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)				
		Of which: to taxonomy-relevant sectors (taxonomy-eligible)					Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				
			Of which: environmentally sustainable (conforming to taxonomy)					Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)			
				Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional	Of which: facilitators
Counterparties in non-EU countries not subject to reporting obligations under the NFRD	155,140,365																		
Loans and advances	33,948,784																		
Debt securities	121,191,581																		
Equity instruments	0																		
Derivatives	1,222,395,339																		
Interbank demand loans.	185,344,588																		
Cash and other cash-related assets	513,349,875																		
Other assets (goodwill, raw materials, etc.)	12,368,712,500																		
TOTAL GAR ASSETS	**61,574,663,873**	**34,265,988,241**	**1,228,910,332**	**828,297,694**	**30,581,072**	**961,786,307**	**51,854,259**	**12,784,803**	**0**	**8,528,358**	**21,795,779**	**0**	**0**	**0**	**34,339,638,279**	**1,241,695,135**	**828,297,694**	**30,581,072**	**970,314,664**
Other assets not included in the GAR calculation	37,317,436,237																		
Sovereign issuers.	29,844,474,806																		
Exposure to central banks.	7,340,635,297																		
Negotiation portfolio	132,326,133																		
Total assets	**98,892,100,110**	**34,265,988,241**	**1,228,910,332**	**828,297,694**	**30,581,072**	**961,786,307**	**51,854,259**	**12,784,803**	**0**	**8,528,358**	**21,795,779**	**0**	**0**	**0**	**34,339,638,279**	**1,241,695,135**	**828,297,694**	**30,581,072**	**970,314,664**
Off-balance sheet exposures																			
Financial guarantees	10,873,921	16,560	20	0	0	0	0	0	0	0	0	0	0	0	16,560	20	0	0	0
Assets under management	21,440,477,904	438,840,208	19,931,553	0	777,253	10,058,331	263,513,743	10,569,281	0	6,298,051	245,599,408	0	0	0	1,311,642,307	48,990,789	0	777,253	26,379,455
of which debt securities	7,869	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

TEMPLATE 1: ASSETS FOR THE CALCULATION OF GAR - TURNOVER

EUROS	Disclosure reference date T																		
	Gross book value total	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)				
		Of which: to taxonomy-relevant sectors (taxonomy-eligible)					Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				
			Of which: environmentally sustainable (conforming to taxonomy)					Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)			
				Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional	Of which: facilitators
of which equity instruments	389,929,187	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

TEMPLATE 1: ASSETS FOR GAR CALCULATION - CAPEX

EUROS	Disclosure reference date T																		
	Gross book value total	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)				
		Of which: to taxonomy-relevant sectors (taxonomy-eligible)					Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				
			Of which: environmentally sustainable (conforming to taxonomy)					Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)			
				Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional	Of which: facilitators
GAR - Assets covered in both numerator and denominator																			
Loans and advances, debt securities and equity instruments, not held for trading, eligible for GAR calculation	35,898,626,254	33,282,283,564	1,708,827,915	828,297,694	32,076,422	1,310,933,009	32,728,022	8,443,656	0	6,953,246	21,795,779	0	0	0	33,336,807,364	1,717,271,571	828,297,694	32,076,422	1,317,886,255
Financial companies	1,728,614,257	219,138,818	115,467,987	115,467,987	0	0	0	0	0	0	0	0	0	0	219,138,818	115,467,987	115,467,987	0	0
Credit institutions	1,613,431,363	219,138,818	115,467,987	115,467,987	0	0	0	0	0	0	0	0	0	0	219,138,818	115,467,987	115,467,987	0	0
Loans and advances	609,161,277	8,656,743	0	0	0	0	0	0	0	0	0	0	0	0	8,656,743	0	0	0	0
Debt securities, including statement on the use of funds	1,001,783,573	210,482,075	115,467,987	115,467,987	0	0	0	0	0	0	0	0	0	0	210,482,075	115,467,987	115,467,987	0	0
Equity instruments	2,486,512	0	0		0	0	0	0		0	0	0		0	0	0		0	0
Other financial companies	115,182,895	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Of which: Investment services companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt securities, including statement on the use of funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity instruments	0	0	0		0	0	0	0		0	0	0		0	0	0		0	0

TEMPLATE 1: ASSETS FOR GAR CALCULATION - CAPEX

EUROS	Disclosure reference date T																		
	Gross book value total	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)				
		Of which: to taxonomy-relevant sectors (taxonomy-eligible)					Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				
			Of which: environmentally sustainable (conforming to taxonomy)					Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)			
				Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional	Of which: facilitators
Of which: Management companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt securities, including statement on the use of funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity instruments	0	0	0		0	0	0	0		0	0	0		0	0	0		0	0
Of which: Insurance companies	115,182,895	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loans and advances	9,089	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt securities, including statement on the use of funds	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Equity instruments	115,173,806	0	0		0	0	0	0		0	0	0		0	0	0		0	0
Non-Financial Companies subject to reporting obligations under the Non-Financial Reporting Directive (NFRD)	2,287,637,105	1,180,769,854	880,530,221	0	32,076,422	598,103,302	32,728,022	8,443,656	0	6,953,246	21,795,779	0	0	0	1,235,293,654	888,973,877	0	32,076,422	605,056,548
Loans and advances	2,178,338,587	1,131,397,833	840,292,960	0	32,076,42	573,366,967	32,474,410	8,190,044	0	6,953,246	21,795,779	0	0	0	1,185,668,021	848,483,004	0	32,076,42	580,320,213
Debt securities, including statement on the use of funds	27,619,766	4,990,616	0	0	0	0	0	0	0	0	0	0	0	0	4,990,616	0	0	0	0

TEMPLATE 1: ASSETS FOR GAR CALCULATION - CAPEX

EUROS	Disclosure reference date T																		
	Gross book value total	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)				
		Of which: to taxonomy-relevant sectors (taxonomy-eligible)					Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				
			Of which: environmentally sustainable (conforming to taxonomy)					Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)			
				Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional	Of which: facilitators
Equity instruments	81,678,751	44,381,406	40,237,261		0	24,736,335	253,612	253,612		0	0	0		0	44,635,017	40,490,873		0	24,736,335
Households	31,869,084,915	31,869,084,915	712,829,707	712,829,707	0	712,829,707									31,869,084,915	712,829,707	712,829,707	0	712,829,707
Of which: loans secured through residential real property	30,963,641,356	30,963,641,356	712,829,707	712,829,707	0	712,829,707									30,963,641,356	712,829,707	712,829,707	0	712,829,707
Of which: loans to renovate buildings	657,022,872	657,022,872	0	0	0	0									657,022,872	0	0	0	0
Of which: loans for vehicles	248,420,686	248,420,686	0	0	0	0									248,420,686	0	0	0	0
Local Government Financing	13,289,977	13,289,977	0	0	0	0	0	0	0	0	0	0	0	0	13,289,977	0	0	0	0
Financing for housing	13,289,977	13,289,977	0	0	0	0	0	0	0	0	0	0	0	0	13,289,977	0	0	0	0
Other local government financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Collateral obtained by taking possession: residential and commercial real estate	721,978,533	721,978,533	0	0	0	0	0	0	0	0	0	0	0	0	721,978,533	0	0	0	0
Other assets excluded from the numerator for GAR calculation (included in the denominator)	24,954,059,086	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Financial and Non-Financial Companies	10,664,256,784																		

TEMPLATE 1: ASSETS FOR GAR CALCULATION - CAPEX

EUROS	Disclosure reference date T																		
	Gross book value total	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)				
		Of which: to taxonomy-relevant sectors (taxonomy-eligible)					Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				
			Of which: environmentally sustainable (conforming to taxonomy)					Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)			
				Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional	Of which: facilitators
SMEs and Non-Financial Companies (other than SMEs) not subject to reporting obligations under NFRD	10,509,116,419																		
Loans and advances	9,993,277,800																		
Of which: loans secured through commercial real property	1,520,715,664																		
Of which: loans to renovate buildings	0																		
Debt securities	390,583,857																		
Equity instruments	125,254,763																		
Counterparties in non-EU countries not subject to reporting obligations under the NFRD	155,140,365																		
Loans and advances	33,948,784																		
Debt securities	121,191,581																		
Equity instruments	0																		
Derivatives	1,222,395,339																		
Interbank demand loans.	185,344,588																		
Cash and other cash-related assets	513,349,875																		

TEMPLATE 1: ASSETS FOR GAR CALCULATION - CAPEX

EUROS	Disclosure reference date T																			
	Gross book value total	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)					
		Of which: to taxonomy-relevant sectors (taxonomy-eligible)					Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)				Of which: to taxonomy relevant sectors (taxonomy-eligible)					
			Of which: environmentally sustainable (conforming to taxonomy)					Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)				Of which: environmentally sustainable (conforming to taxonomy)			
				Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional	Of which: facilitators
Other assets (goodwill, raw materials, etc.)	12,368,712,500																			
Total GAR assets	61,574,663,873	34,004,262,097	1,708,827,915	828,297,694	32,076,42	1,310,933,009	32,728,022	8,443,656	0	6,953,246	21,795,779	0	0	0	34,058,785,898	1,717,271,571	828,297,694	32,076,42	1,317,886,255
Other assets not included in the GAR calculation	37,317,436,237																			
Sovereign issuers.	29,844,474,806																			
Exposure to central banks.	7,340,635,297																			
Negotiation portfolio	132,326,133																			
Total assets	98,892,100,110	34,004,262,097	1,708,827,915	828,297,694	32,076,422	1,310,933,009	32,728,022	8,443,656	0	6,953,246	21,795,779	0	0	0	34,058,785,898	1,717,271,571	828,297,694	32,076,422	1,317,886,255
Off-balance sheet exposures																				
Financial guarantees	10,873,921	25,380	5,590	0	0	2,480	0	0	0	0	0	0	0	0	25,380	5,590	0	0	2,480
Assets under management	21,440,477,904	179,359,572	37,404,928	0	2,068,728	17,336,280	64,687,515	18,484,51	0	9,744,182	11,109,918	0	0	0	371,146,062	92,526,708	0	2,068,728	46,527,094
of which debt securities	7,869	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
of which equity instruments	389,929,187	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

TEMPLATE 2: GAR: INFORMATION BY SECTOR – TURNOVER

Breakdown by sector - NACE 4-digit level (code and name)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)			
	Non-Financial Companies (subject to NFRD reporting obligations)		SMEs and other Non-Financial Companies not subject to NFRD reporting obligations		Non-Financial Companies (subject to NFRD reporting obligations)		SMEs and other Non-Financial Companies not subject to NFRD reporting obligations		Non-Financial Companies (subject to NFRD reporting obligations)		SMEs and other Non-Financial Companies not subject to NFRD reporting obligations		Non-Financial Companies (subject to NFRD reporting obligations)		SMEs and other Non-Financial Companies not subject to NFRD reporting obligations	
	Gross book amount		Gross book amount		Gross book amount		Gross book amount		Gross book amount		Gross book amount		Gross book amount		Gross book amount	
	EUROS	Of which: environmentally sustainable (CCM)	EUROS	Of which: environmentally sustainable (CCM)	EUROS	Of which: environmentally sustainable (CCA)	EUROS	Of which: environmentally sustainable (CCA)	EUROS	Of which: environmentally sustainable (CCM)	EUROS	Of which: environmentally sustainable (CCM)	EUROS	Of which: environmentally sustainable (CCM + CCA + WMR + CE + P + BE)	EUROS	Of which: environmentally sustainable (CCM + CCA + WMR + CE + P + BE)
1711 - Manufacture of pulp and paper	2,729,172	417			465	465			0	0			2,729,637	883		
2013 - Manufacture of other inorganic chemical commodities	2,543,259	0			1,062,997	1,062,997			0	0			3,606,256	1,062,997		
2410 - Manufacture of basic iron, steel and ferro-alloy products	69,154,230	30,036,358			0	0			0	0			69,154,230	30,036,358		
2420 - Manufacture of steel tubes, pipes, hollow profiles and tube or pipe fittings	119,776	119,776			0	0			0	0			119,776	119,776		
3299 - Other manufacturing industries n.e.c.	1,432,701	648,873			0	0			715,131	0			2,147,832	648,873		
3513 - Distribution of electric power	342,522,108	200,658,213			0	0			0	0			342,522,108	200,658,213		
3521 - Gas production	24,599,231	6,112,137			527,395	527,395			0	0			25,126,627	6,639,532		
3522 - Distribution of gaseous fuels by pipeline	3,362	131			0	0			0	0			3,362	131		
3811 - Collection of non-hazardous waste	37,629,440	20,129,477			0	0			0	0			37,629,440	20,129,477		
4110 - Real estate development	5,678,955	2,485,472			0	0			0	0			5,678,955	2,485,472		
4120 - Construction of residential and non-residential buildings	9,326,722	0			0	0			0	0			9,326,722	0		

TEMPLATE 2: GAR: INFORMATION BY SECTOR – TURNOVER

Breakdown by sector - NACE 4-digit level (code and name)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)			
	Non-Financial Companies (subject to NFRD reporting obligations)		SMEs and other Non-Financial Companies not subject to NFRD reporting obligations		Non-Financial Companies (subject to NFRD reporting obligations)		SMEs and other Non-Financial Companies not subject to NFRD reporting obligations		Non-Financial Companies (subject to NFRD reporting obligations)		SMEs and other Non-Financial Companies not subject to NFRD reporting obligations		Non-Financial Companies (subject to NFRD reporting obligations)		SMEs and other Non-Financial Companies not subject to NFRD reporting obligations	
	Gross book amount		Gross book amount		Gross book amount		Gross book amount		Gross book amount		Gross book amount		Gross book amount		Gross book amount	
	EUROS	Of which: environmentally sustainable (CCM)	EUROS	Of which: environmentally sustainable (CCM)	EUROS	Of which: environmentally sustainable (CCA)	EUROS	Of which: environmentally sustainable (CCA)	EUROS	Of which: environmentally sustainable (CCM)	EUROS	Of which: environmentally sustainable (CCM)	EUROS	Of which: environmentally sustainable (CCM + CCA + WMR + CE + P + BE)	EUROS	Of which: environmentally sustainable (CCM + CCA + WMR + CE + P + BE)
4299 - Construction of other civil engineering projects n.e.c.	14,969,058	2,438,013			140,655	140,655			0	0			15,109,712	2,578,667		
4321 - Electrical installations	3,178,845	2,523,559			0	0			0	0			3,178,845	2,523,559		
4399 - Other specialized construction activities n.e.c.	54,718,859	42,623,333			0	0			0	0			54,718,859	42,623,333		
4711 - Retail sale in non-specialized stores, predominantly of food products, with emphasis on food products	0	0			0	0			21,080,648	0			21,080,648	0		
4751 - Retail sale of textiles in specialized stores	116,358	0			0	0			0	0			116,358	0		
5221 - Activities incidental to land transportation	89,146,956	0			0	0			0	0			89,146,956	0		
5510 - Hotels and similar accommodations	853,959	0			0	0			0	0			853,959	0		
6020 - Television programming and broadcasting activities	0	0			4,473	18			0	0			4,473	18		
6190 - Other telecommunications activities	333,151	52,603			3,296,440	2,967,673			0	0			3,629,591	3,020,276		
6202 - IT consulting activities	5,508,215	5,508,215			31,396	0			0	0			5,539,611	5,508,215		
6209 - Other information technology and computer-related services	8,127,775	2,651,016			46,790,438	8,085,600			0	0			54,918,212	10,736,616		
7732 - Rental of construction and civil engineering machinery and equipment	15,298	0			0	0			0	0			15,298	0		
8411 - General activities of the Public Administration	140,357,209	84,588,427			0	0			0	0			140,357,209	84,588,427		
TOTAL	845,157,817	400,612,638			51,854,259	12,784,803			21,795,779	0			918,807,854	413,397,441		

TEMPLATE 2: GAR: INFORMATION BY SECTOR– CAPEX

Breakdown by sector - NACE 4-digit level (code and name)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)			
	Non-Financial Companies (subject to NFRD reporting obligations)		SMEs and other Non-Financial Companies not subject to NFRD reporting obligations		Non-Financial Companies (subject to NFRD reporting obligations)		SMEs and other Non-Financial Companies not subject to NFRD reporting obligations		Non-Financial Companies (subject to NFRD reporting obligations)		SMEs and other Non-Financial Companies not subject to NFRD reporting obligations		Non-Financial Companies (subject to NFRD reporting obligations)		SMEs and other Non-Financial Companies not subject to NFRD reporting obligations	
	Gross book amount		Gross book amount		Gross book amount		Gross book amount		Gross book amount		Gross book amount		Gross book amount		Gross book amount	
	EUROS	Of which: environmentally sustainable (CCM)	EUROS	Of which: environmentally sustainable (CCM)	EUROS	Of which: environmentally sustainable (CCA)	EUROS	Of which: environmentally sustainable (CCA)	EUROS	Of which: environmentally sustainable (CCM)	EUROS	Of which: environmentally sustainable (CCM)	EUROS	Of which: environmentally sustainable (CCM + CCA + WMR + CE + P + BE)	EUROS	Of which: environmentally sustainable (CCM + CCA + WMR + CE + P + BE)
1711 - Manufacture of pulp and paper	2,729,280	549			549	549			0	0			2,729,828	1,097		
2013 - Manufacture of other inorganic chemical commodities	1,051,950	0			840,054	840,054			0	0			1,892,004	840,054		
2410 - Manufacture of basic iron, steel and ferro-alloy products	65,713,156	30,864,164			0	0			0	0			65,713,156	30,864,164		
2420 - Manufacture of steel tubes, pipes, hollow profiles and tube or pipe fittings	113,905	113,905			0	0			0	0			113,905	113,905		
3299 - Other manufacturing industries n.e.c.	0	0			0	0			715,131	0			715,131	0		
3513 - Distribution of electric power	611,328,994	594,564,327			0	0			0	0			611,328,994	594,564,327		
3521 - Gas production	62,920,162	55,159,915			546,231	546,231			0	0			63,466,393	55,706,146		
3522 - Distribution of gaseous fuels by pipeline	13,318	9,519			0	0			0	0			13,318	9,519		
3811 - Collection of non-hazardous waste	38,429,419	27,629,282			0	0			0	0			38,429,419	27,629,282		
4110 - Real estate development	5,936,352	572,895			676	676			0	0			5,937,027	573,570		
4120 - Construction of residential and non-residential buildings	9,326,722	0			0	0			0	0			9,326,722	0		
4299 - Construction of other civil engineering projects n.e.c.	5,161,597	2,263,260			80,983	80,983			0	0			5,242,580	2,344,243		
4321 - Electrical installations	1,950,354	1,950,354			0	0			0	0			1,950,354	1,950,354		
4399 - Other specialized construction activities n.e.c.	76,334,586	72,266,122			0	0			0	0			76,334,586	72,266,122		
4711 - Retail sale in non-specialized stores, predominantly of food products, with emphasis on food products	0	0			0	0			21,080,648	0			21,080,648	0		

TEMPLATE 2: GAR: INFORMATION BY SECTOR– CAPEX

Breakdown by sector - NACE 4-digit level (code and name)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)			
	Non-Financial Companies (subject to NFRD reporting obligations)		SMEs and other Non-Financial Companies not subject to NFRD reporting obligations		Non-Financial Companies (subject to NFRD reporting obligations)		SMEs and other Non-Financial Companies not subject to NFRD reporting obligations		Non-Financial Companies (subject to NFRD reporting obligations)		SMEs and other Non-Financial Companies not subject to NFRD reporting obligations		Non-Financial Companies (subject to NFRD reporting obligations)		SMEs and other Non-Financial Companies not subject to NFRD reporting obligations	
	Gross book amount		Gross book amount		Gross book amount		Gross book amount		Gross book amount		Gross book amount		Gross book amount		Gross book amount	
	EUROS	Of which: environmentally sustainable (CCM)	EUROS	Of which: environmentally sustainable (CCM)	EUROS	Of which: environmentally sustainable (CCA)	EUROS	Of which: environmentally sustainable (CCA)	EUROS	Of which: environmentally sustainable (CCM)	EUROS	Of which: environmentally sustainable (CCM)	EUROS	Of which: environmentally sustainable (CCM + CCA + WMR + CE + P + BE)	EUROS	Of which: environmentally sustainable (CCM + CCA + WMR + CE + P + BE)
4751 - Retail sale of textiles in specialized stores	4,278,377	0			0	0			0	0			4,278,377	0		
4771 - Retail sale of garments in specialized stores	211,749	0			0	0			0	0			211,749	0		
5110 - Passenger air transportation	3,982	0			0	0			0	0			3,982	0		
5221 - Activities incidental to land transportation	87,463,239	0			0	0			0	0			87,463,239	0		
5510 - Hotels and similar accommodations	5,234,733	0			0	0			0	0			5,234,733	0		
6020 - Television programming and broadcasting activities	0	0			50,756	354			0	0			50,756	354		
6190 - Other telecommunications activities	473,425	21,918			35,069	21,918			0	0			508,493	43,836		
6202 - IT consulting activities	13,597,862	13,597,862			78,489	0			0	0			13,676,351	13,597,862		
6209 - Other information technology and computer-related services	25,256,955	7,085,444			31,095,216	6,952,893			0	0			56,352,171	14,038,336		
7220 - Research and experimental development in social sciences and humanities	12,452	12,452			0	0			0	0			12,452	12,452		
7732 - Rental of construction and civil engineering machinery and equipment	724,902	0			0	0			0	0			724,902	0		
8411 - General activities of the Public Administration	126,363,055	66,414,500			0	0			0	0			126,363,055	66,414,500		
TOTAL	1,180,769,854	880,530,221			32,728,022	8,443,656			21,795,779	0			1,235,293,654	888,973,877		

TEMPLATE 3: KEY PERFORMANCE INDICATOR OF THE GAR IN TERMS OF STOCK - TURNOVER

% (compared to total assets included in the denominator)	Disclosure reference date T																		
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)					Proportion of total assets covered
	Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					
	EUROS	Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)					Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				
			Of which: destination of funds	Of which: transitional	Of which: facilitators			Of which: destination of funds	Of which: facilitators			Of which: destination of funds	Of which: facilitators			Of which: destination of funds	Of which: transitional /adaptive	Of which: facilitators	
GAR - Assets covered in both numerator and denominator																			
Loans and advances, debt securities and equity instruments, not held for trading, eligible for GAR calculation	93.44	3.42	2.31	0.09	2.68	0.14	0.04	0	0.02	0.06	0	0	0	93.65	3.46	2.31	0.09	2.7	36.3
Financial companies	47.23	6.68	6.68	0	0	0	0	0	0	0	0	0	0	47.23	6.68	6.68	0	0	1.75
Credit institutions	48.33	7.16	7.16	0	0	0	0	0	0	0	0	0	0	48.33	7.16	7.16	0	0	1.63
Loans and advances	52.65	0	0	0	0	0	0	0	0	0	0	0	0	52.65	0	0	0	0	0.62
Debt securities, including statement on the use of funds	45.74	11.53	11.53	0	0	0	0	0	0	0	0	0	0	45.74	11.53	11.53	0	0	1.01
Equity instruments	35.2	0		0	0	0	0		0	0	0		0	35.2	0		0	0	0
Other financial companies	31.8	0	0	0	0	0	0	0	0	0	0	0	0	31.8	0	0	0	0	0.12
Of which: Investment services companies																			0
Loans and advances																			0
Debt securities, including statement on the use of funds																			0
Equity instruments																			0
Of which: Management companies																			0
Loans and advances																			0

TEMPLATE 3: KEY PERFORMANCE INDICATOR OF THE GAR IN TERMS OF STOCK - TURNOVER

% (compared to total assets included in the denominator)	Disclosure reference date T																		
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)					
	Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered
	EUROS	Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)					Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				
			Of which: destination of funds	Of which: transitional	Of which: facilitators			Of which: destination of funds	Of which: facilitators			Of which: destination of funds	Of which: facilitators			Of which: destination of funds	Of which: transitional /adaptive	Of which: facilitators	
Debt securities, including statement on the use of funds																			0
Equity instruments																			0
Of which: Insurance companies	31.8	0	0	0	0	0	0	0	0	0	0	0	0	31.8	0	0	0	0	0.12
Loans and advances	26	0	0	0	0	0	0	0	0	0	0	0	0	26	0	0	0	0	0
Debt securities, including statement on the use of funds																			0
Equity instruments	31.8	0		0	0	0	0		0	0	0		0	31.8	0		0	0	0.12
Non-Financial Companies subject to reporting obligations under the Non-Financial Reporting Directive (NFRD)	36.94	17.51	0	1.34	10.88	2.27	0.56	0	0.37	0.95	0	0	0	40.16	18.07	0	1.34	11.26	2.31
Loans and advances	37.24	17.98	0	1.4	11.04	2.37	0.58	0	0.39	1	0	0	0	40.61	18.55	0	1.4	11.43	2.2
Debt securities, including statement on the use of funds	46.91	0	0	0	0	0	0	0	0	0	0	0	0	46.91	0	0	0	0	0.03
Equity instruments	25.64	11.03	0	0	10.3	0.3	0.3		0	0	0		0	25.94	11.33		0	10.3	0.08
Households	100	2.24	2.24	0	2.24									100	2.24	2.24	0	2.24	32.23
Of which: loans secured through residential real property	100	2.3	2.3	0	2.3									100	2.3	2.3	0	2.3	31.31
Of which: loans to renovate buildings	100	0	0	0	0									100	0	0	0	0	0.66
Of which: loans for vehicles	100	0	0	0	0									100	0	0	0	0	0.25
Local Government Financing	100	0	0	0	0	0	0	0	0	0	0	0	0	100	0	0	0	0	0.01

TEMPLATE 3: KEY PERFORMANCE INDICATOR OF THE GAR IN TERMS OF STOCK - TURNOVER

% (compared to total assets included in the denominator)	Disclosure reference date T																		
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)					
	Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered
	EUROS	Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)					Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				
			Of which: destination of funds	Of which: transitional	Of which: facilitators			Of which: destination of funds	Of which: facilitators			Of which: destination of funds	Of which: facilitators			Of which: destination of funds	Of which: transitional /adaptive	Of which: facilitators	
Financing for housing	100	0	0	0	0	0	0	0	0	0	0	0	0	100	0	0	0	0	0.01
Other local government financing																			0
Collateral obtained by taking possession: residential and commercial real estate	100	0	0	0	0	0	0	0	0	0	0	0	0	100	0	0	0	0	0.73
Total GAR assets	55.65	2.00	1.35	0.05	1.56	0.08	0.02	0	0.01	0.04	0	0	0	55.77	2.02	1.35	0.05	1.58	62.26

TEMPLATE 3: KEY PERFORMANCE INDICATOR OF GAR IN TERMS OF STOCK - CAPEX

% (compared to total assets included in the denominator)	Disclosure reference date T																		
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)					
	Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered
	EUROS	Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)					Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				
			Of which: destination of funds	Of which: transitional	Of which: facilitators			Of which: destination of funds	Of which: facilitators			Of which: destination of funds	Of which: facilitators			Of which: destination of funds	Of which: transitional /adaptive	Of which: facilitators	
GAR - Assets covered in both numerator and denominator																			
Loans and advances, debt securities and equity instruments, not held for trading, eligible for GAR calculation	92.71	4.76	2.31	0.09	3.65	0.09	0.02	0	0.02	0.06	0	0	0	94.33	4.78	2.31	0.09	3.67	36.3
Financial companies	12.68	6.68	6.68	0	0	0	0	0	0	0	0	0	0	12.68	6.68	6.68	0	0	1.75
Credit institutions	13.58	7.16	7.16	0	0	0	0	0	0	0	0	0	0	13.58	7.16	7.16	0	0	1.63
Loans and advances	1.42	0	0	0	0	0	0	0	0	0	0	0	0	1.42	0	0	0	0	0.62
Debt securities, including statement on the use of funds	21.01	11.53	11.53	0	0	0	0	0	0	0	0	0	0	21.01	11.53	11.53	0	0	1.01
Equity instruments	0	0		0	0	0	0		0	0	0		0	0	0		0	0	0
Other financial companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.12
Of which: Investment services companies																			0
Loans and advances																			0
Debt securities, including statement on the use of funds																			0
Equity instruments																			0
Of which: Management companies																			0
Loans and advances																			0
Debt securities, including statement on the use of funds																			0

TEMPLATE 3: KEY PERFORMANCE INDICATOR OF GAR IN TERMS OF STOCK - CAPEX

% (compared to total assets included in the denominator)	Disclosure reference date T																		
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)					
	Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered
	EUROS	Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)					Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				
			Of which: destination of funds	Of which: transitional	Of which: facilitators			Of which: destination of funds	Of which: facilitators			Of which: destination of funds	Of which: facilitators			Of which: destination of funds	Of which: transitional /adaptive	Of which: facilitators	
Equity instruments																			0
Of which: Insurance companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.12
Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Debt securities, including statement on the use of funds																			0
Equity instruments	0	0		0	0	0	0		0	0	0		0	0	0		0	0	0.12
Non-Financial Companies subject to reporting obligations under the Non-Financial Reporting Directive (NFRD)	51.62	38.49	0	1.4	26.15	1.43	0.37	0	0.3	0.95	0	0	0	54	38.86	0	1.4	26.45	2.31
Loans and advances	51.94	38.57	0	1.47	26.32	1.49	0.38	0	0.32	1	0	0	0	54.43	38.95	0	1.47	26.64	2.2
Debt securities, including statement on the use of funds	18.07	0	0	0	0	0	0	0	0	0	0	0	0	18.07	0	0	0	0	0.03
Equity instruments	54.34	49.26	0	0	30.28	0.31	0.31		0	0	0		0	54.65	49.57		0	30.28	0.08
Households	100	2.24	2.24	0	2.24									100	2.24	2.24	0	2.24	32.23
Of which: loans secured through residential real property	100	2.3	2.3	0	2.3									100	2.3	2.3	0	2.3	31.31
Of which: loans to renovate buildings	100	0	0	0	0									100	0	0	0	0	0.66
Of which: loans for vehicles	100	0	0	0	0									100	0	0	0	0	0.25
Local Government Financing	100	0	0	0	0	0	0	0	0	0	0	0	0	100	0	0	0	0	0.01
Financing for housing	100	0	0	0	0	0	0	0	0	0	0	0	0	100	0	0	0	0	0.01
Other local government financing																			0
Collateral obtained by taking possession: residential and commercial real estate	100	0	0	0	0	0	0	0	0	0	0	0	0	100	0	0	0	0	0.73

TEMPLATE 3: KEY PERFORMANCE INDICATOR OF GAR IN TERMS OF STOCK - CAPEX

% (compared to total assets included in the denominator)	Disclosure reference date T																
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)					Proportion of total assets covered
	Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					
	EUROS	Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)					Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)			
			Of which: destination of funds	Of which: transitional	Of which: facilitators			Of which: destination of funds	Of which: facilitators			Of which: destination of funds	Of which: facilitators			Of which: destination of funds	Of which: transitional /adaptive	Of which: facilitators	
Total GAR assets	55.22	2.78	1.35	0.05	2.13	0.05	0.01	0	0.01	0.04	0	0	0	55.31	2.79	1.35	0.05	2.14	62.26

TEMPLATE 4: KEY PERFORMANCE INDICATOR OF GAR IN TERMS OF CASH FLOW - TURNOVER

% (compared to total flow of eligible assets)	Disclosure reference date T														
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				TOTAL (CCM + CCA + WMR + CE + P + BE)					
	Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total new assets covered
		Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)					Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				
			Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional/adaptive	Of which: facilitators	
GAR - Assets covered in both numerator and denominator															
Loans and advances, debt securities and equity instruments, not held for trading, eligible for GAR calculation	82.53	4.83	3.54	0.32	3.72	0.11	0.09	0	0.01	82.64	4.92	3.54	0.32	3.73	13.57
Financial companies	49.76	1.58	1.58	0	0	0	0	0	0	49.76	1.58	1.58	0	0	2.84
Credit institutions	49.76	1.58	1.58	0	0	0	0	0	0	49.76	1.58	1.58	0	0	2.84
Loans and advances	52.64	0	0	0	0	0	0	0	0	52.64	0	0	0	0	2.28
Debt securities, including statement on the use of funds	37.88	8.11	8.11	0	0	0	0	0	0	37.88	8.11	8.11	0	0	0.56
Equity instruments															0
Other financial companies															0
Of which: Investment services companies															0
Loans and advances															0
Debt securities, including statement on the use of funds															0
Equity instruments															0
Of which: Management companies															0
Loans and advances															0

TEMPLATE 4: KEY PERFORMANCE INDICATOR OF GAR IN TERMS OF CASH FLOW - TURNOVER

% (compared to total flow of eligible assets)	Disclosure reference date T														
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				TOTAL (CCM + CCA + WMR + CE + P + BE)					
	Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total new assets covered
		Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)					Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				
			Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional/adaptive	Of which: facilitators	
Debt securities, including statement on the use of funds															0
Equity instruments															0
Of which: Insurance companies															0
Loans and advances															0
Debt securities, including statement on the use of funds															0
Equity instruments															0
Non-Financial Companies subject to reporting obligations under the Non-Financial Reporting Directive (NFRD)	37.23	11.63	0	2.92	4.67	1.01	0.84	0	0.06	38.24	12.46	0	2.92	4.73	1.5
Loans and advances	37.23	11.63	0	2.92	4.67	1.01	0.84	0	0.06	38.24	12.46	0	2.92	4.73	1.5
Debt securities, including statement on the use of funds															0
Equity instruments															0
Households	100	4.72	4.72	0	4.72					100	4.72	4.72	0	4.72	9.23
Of which: loans secured through residential real property	100	5	5	0	5					100	5	5	0	5	8.7
Of which: loans to renovate buildings	100	0	0	0	0					100	0	0	0	0	0.23
Of which: loans for vehicles	100	0	0	0	0					100	0	0	0	0	0.29
Local Government Financing															0

TEMPLATE 4: KEY PERFORMANCE INDICATOR OF GAR IN TERMS OF CASH FLOW - TURNOVER

% (compared to total flow of eligible assets)	Disclosure reference date T														
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				TOTAL (CCM + CCA + WMR + CE + P + BE)					
	Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total new assets covered
		Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)					Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				
			Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional/adaptive	Of which: facilitators	
Financing for housing															0
Other local government financing															0
Collateral obtained by taking possession: residential and commercial real estate	100	0	0	0	0	0	0	0	0	100	0	0	0	0	0.06
Total GAR assets	16.25	0.95	0.69	0.06	0.73	0.02	0.02	0	0	16.27	0.96	0.69	0.06	0.73	69.29

TEMPLATE 4: KEY PERFORMANCE INDICATOR OF GAR IN TERMS OF CASH FLOW - CAPEX

% (compared to total flow of eligible assets)	Disclosure reference date T														
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				TOTAL (CCM + CCA + WMR + CE + P + BE)					
	Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total new assets covered
		Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)					Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				
			Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional/adaptive	Of which: facilitators	
GAR - Assets covered in both numerator and denominator															
Loans and advances, debt securities and equity instruments, not held for trading, eligible for GAR calculation	73.29	5.68	3.54	0.35	3.91	0.16	0.04	0	0	73.44	5.72	3.54	0.35	3.91	13.57
Financial companies	4.46	1.58	1.58	0	0	0	0	0	0	4.46	1.58	1.58	0	0	2.84
Credit institutions	4.46	1.58	1.58	0	0	0	0	0	0	4.46	1.58	1.58	0	0	2.84
Loans and advances	1.42	0	0	0	0	0	0	0	0	1.42	0	0	0	0	2.28
Debt securities, including statement on the use of funds	16.93	8.11	8.11	0	0	0	0	0	0	16.93	8.11	8.11	0	0	0.56
Equity instruments															0
Other financial companies															0
Of which: Investment services companies															0
Loans and advances															0
Debt securities, including statement on the use of funds															0
Equity instruments															0
Of which: Management companies															0
Loans and advances															0
Debt securities, including statement on the use of funds															0

TEMPLATE 4: KEY PERFORMANCE INDICATOR OF GAR IN TERMS OF CASH FLOW - CAPEX

% (compared to total flow of eligible assets)	Disclosure reference date T														
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				TOTAL (CCM + CCA + WMR + CE + P + BE)					
	Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total new assets covered
		Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)					Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				
			Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional/adaptive	Of which: facilitators	
Equity instruments															0
Of which: Insurance companies															0
Loans and advances															0
Debt securities, including statement on the use of funds															0
Equity instruments															0
Non-Financial Companies subject to reporting obligations under the Non-Financial Reporting Directive (NFRD)	39.35	19.32	0	3.13	6.3	1.41	0.35	0	0.01	40.76	19.68	0	3.13	6.31	1.5
Loans and advances	39.35	19.32	0	3.13	6.3	1.41	0.35	0	0.01	40.76	19.68	0	3.13	6.31	1.5
Debt securities, including statement on the use of funds															0
Equity instruments															0
Households	100	4.72	4.72	0	4.72					100	4.72	4.72	0	4.72	9.23
Of which: loans secured through residential real property	100	5	5	0	5					100	5	5	0	5	8.7
Of which: loans to renovate buildings	100	0	0	0	0					100	0	0	0	0	0.23
Of which: loans for vehicles	100	0	0	0	0					100	0	0	0	0	0.29
Local Government Financing															0
Financing for housing															0

TEMPLATE 4: KEY PERFORMANCE INDICATOR OF GAR IN TERMS OF CASH FLOW - CAPEX

% (compared to total flow of eligible assets)	Disclosure reference date T														
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				TOTAL (CCM + CCA + WMR + CE + P + BE)					
	Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total new assets covered
		Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)					Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				
			Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional/adaptive	Of which: facilitators	
Other local government financing															0
Collateral obtained by taking possession: residential and commercial real estate	100	0	0	0	0	0	0	0	0	100	0	0	0	0	0.06
Total GAR assets	14.44	1.11	0.69	0.07	0.77	0.03	0.01	0	0	14.47	1.12	0.69	0.07	0.77	69.29

TEMPLATE 5: KEY PERFORMANCE INDICATOR FOR OFF-BALANCE SHEET EXPOSURES - TURNOVER (STOCK)

% (compared to total flow of eligible assets)	Disclosure reference date T																									
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				Pollution prevention and control (P)				Biodiversity and ecosystem protection and restoration (BE)				TOTAL (CCM + CCA + WMR + CE + P + BE)				
	Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				
	EUROS	Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)					Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)			
			Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional /adaptive	Of which: facilitators
Financial Guarantees (FinGuar KPI)	0.15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.15	0	0	0	0
Assets under management (AuM KPI)	2.05	0.09	0	0	0.05	1.23	0.05	0	0.03	1.15	0	0	0	1.19	0.04	0	0.02	0.5	0.04	0	0.02	6.12	0.23	0	0	0.12

TEMPLATE 5: KEY PERFORMANCE INDICATOR FOR OFF-BALANCE SHEET EXPOSURES - CAPEX (STOCK)

% (compared to total flow of eligible assets)	Disclosure reference date T																									
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				Pollution prevention and control (P)				Biodiversity and ecosystem protection and restoration (BE)				TOTAL (CCM + CCA + WMR + CE + P + BE)				
	Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				
EUROS		Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)	Of which: destination of funds known	Of which: transitional	Of which: facilitators		Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)	Of which: destination of funds known	Of which: facilitators		Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)	Of which: destination of funds known	Of which: facilitators		Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)	Of which: destination of funds known	Of which: facilitators		Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)	Of which: destination of funds known	Of which: facilitators		Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)	Of which: destination of funds known	Of which: transitional /adaptive	Of which: facilitators
Financial Guarantees (FinGuar KPI)	0.23	0.05	0	0	0.02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.23	0.05	0	0	0.02
Assets under management (AuM KPI)	0.84	0.17	0	0.01	0.08	0.3	0.09	0	0.05	0.05	0	0	0	0.27	0.09	0	0.05	0.27	0.09	0	0.05	1.73	0.43	0	0.01	0.22

TEMPLATE 5: KEY PERFORMANCE INDICATOR FOR OFF-BALANCE SHEET EXPOSURES - TURNOVER (FLOW)

% (compared to total flow of eligible assets)	Disclosure reference date T																													
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Sustainable use and protection of water and marine resources (WMR)				Transition to a circular economy (CE)				Pollution prevention and control (P)				Biodiversity and ecosystem protection and restoration (BE)				TOTAL (CCM + CCA + WMR + CE + P + BE)				
	Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)					Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)				
		Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)					Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)		
			Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional/adaptive	Of which: facilitators
Financial Guarantees (FinGuar KPI)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Assets under management (AuM KPI)	15.62	2.89	0	0.09	1.54	1.12	0.01	0	0	0.01	0	0	0	1.08	0	0	0	0.89	0	0	0	0.08	0	0	0	18.82	2.9	0	0.09	1.54

TEMPLATE 5: KEY PERFORMANCE INDICATOR OF OFF-BALANCE SHEET EXPOSURES - CAPEX (FLOW)

% (compared to total flow of eligible assets)	Disclosure reference date T																	
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Transition to a circular economy (CE)				TOTAL (CCM + CCA + WMR + CE + P + BE)				
	Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)	Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)				Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)	Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)			Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)	Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)			Proportion of total assets covered that finance sectors relevant to the taxonomy (Taxonomy-eligible)	Proportion of total assets covered that finance sectors relevant to the taxonomy (that conform to the Taxonomy)			
			Of which: destination of funds known	Of which: transitional	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: facilitators			Of which: destination of funds known	Of which: transitional/ adaptive	Of which: facilitators
Financial Guarantees (FinGuar KPI)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Assets under management (AuM KPI)	14.93	3.95	0	0.2	1.44	0.05	0	0	0	0.17	0	0	0	15.15	3.95	0	0.2	1.44

Delegated Regulation (EU) 2021/2178 - Annex XII - Standard templates for the disclosure of eligibility and alignment information for nuclear and fossil gas activities

TEMPLATE 1: NUCLEAR POWER AND FOSSIL GAS ACTIVITIES		
Row	**Nuclear energy activities**	**YES/NO**
1	The company conducts, finances or has exposures to research, development, demonstration and deployment of innovative power generation facilities that produce energy from nuclear processes with minimal fuel cycle waste.	NO
2	The company undertakes, finances or has exposures to the construction and safe operation of new nuclear facilities to produce electricity or process heat, including for urban heating purposes or industrial processes such as hydrogen production, as well as their safety upgrades, using the best available technologies.	NO
3	The company conducts, finances or has exposures to the safe operation of existing nuclear facilities that produce electricity or process heat, including for urban heating purposes or industrial processes such as the production of hydrogen from nuclear energy, as well as their safety upgrades.	YES
	Fossil gas activities	
4	The company carries out, finances or has exposures to the construction or operation of power generation facilities that produce electricity from gaseous fossil fuels.	YES
5	The company carries out, finances or has exposures to the construction, renovation and operation of combined heat/cold and power generation facilities using gaseous fossil fuels.	YES
6	The company carries out, finances or has exposures to the construction, renovation and operation of heat generation facilities that produce heat/cooling from gaseous fossil fuels.	NO

TEMPLATE 2 - TAXONOMY-COMPLIANT ECONOMIC ACTIVITIES (NUMERATOR) - TURNOVER							
Row	Economic activities	Amount and proportion (information should be presented in monetary amounts and as percentages)					
		(CCM + CCA)		Climate change mitigation		Adaptation to climate change	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of the economic activity that complies with the taxonomy referred to in Section 4.26 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of the economic activity that complies with the taxonomy referred to in Section 4.27 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of the economic activity that complies with the taxonomy referred to in Section 4.28 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of the economic activity that complies with the taxonomy referred to in Section 4.29 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of the economic activity that complies with the taxonomy referred to in Section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	47.7	0	0	0	47.7	0
6	Amount and proportion of the economic activity that complies with the taxonomy referred to in Section 4.31 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
7	Amount and proportion of other economic activities that conform to the taxonomy not mentioned in rows 1 to 6 in the denominator of the applicable KPI	1,241,695,086.84	2.02	1,228,910,331.82	2.00	12,784,755.02	0.02
8	**Total applicable KPI**	**1,241,695,134.55**	**2.02**	**1,228,910,331.82**	**2.00**	**12,784,802.73**	**0.02**

TEMPLATE 2.1 - ECONOMIC ACTIVITIES THAT CONFORM TO THE TAXONOMY (DENOMINATOR) - CAPEX							
Row	Economic activities	Amount and proportion (information should be presented in monetary amounts and as percentages)					
		(CCM + CCA)		Climate change mitigation		Adaptation to climate change	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of the economic activity that complies with the taxonomy referred to in Section 4.26 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of the economic activity that complies with the taxonomy referred to in Section 4.27 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of the economic activity that complies with the taxonomy referred to in Section 4.28 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of the economic activity that complies with the taxonomy referred to in Section 4.29 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of the economic activity that complies with the taxonomy referred to in Section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
6	Amount and proportion of the economic activity that complies with the taxonomy referred to in Section 4.31 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
7	Amount and proportion of other economic activities that conform to the taxonomy not mentioned in rows 1 to 6 in the denominator of the applicable KPI	1,717,271,570.85	2.79	1,708,827,914.69	2.78	8,443,656.16	0.01
8	**Total applicable KPI**	**1,717,271,570.85**	**2.79**	**1,708,827,914.69**	**2.78**	**8,443,656.16**	**0.01**

TEMPLATE 3 - TAXONOMY-COMPLIANT ECONOMIC ACTIVITIES (NUMERATOR) - TURNOVER								
Row	**Economic activities**	**Amount and proportion (information should be presented in monetary amounts and as percentages)**						
		(CCM + CCA)		**Climate change mitigation**		**Adaptation to climate change**		
		Amount	**%**	**Amount**	**%**	**Amount**	**%**
1	Amount and proportion of the economic activity that complies with the taxonomy referred to in section 4.26 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of the economic activity that complies with the taxonomy referred to in section 4.27 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of the economic activity that complies with the taxonomy referred to in section 4.28 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of the economic activity that complies with the taxonomy referred to in section 4.29 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of the economic activity that complies with the taxonomy referred to in section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	47.7	0	0	0	47.7	0
6	Amount and proportion of the economic activity that complies with the taxonomy referred to in section 4.31 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
7	Amount and proportion of other economic activities that conform to the taxonomy not mentioned in rows 1 to 6 in the numerator of the applicable KPI	1,241,695,086.84	100	1,228,910,331.82	98.97	12,784,755.02	1.03
8	**Total applicable KPI**	**1,241,695,134.55**	**100**	**1,228,910,331.82**	**98.97**	**12,784,802.73**	**1.03**

TEMPLATE 3.1 - ECONOMIC ACTIVITIES THAT FIT THE TAXONOMY (NUMERATOR) - CAPEX							
Row	Economic activities	Amount and proportion (information should be presented in monetary amounts and as percentages)					
		(CCM + CCA)		Climate change mitigation		Adaptation to climate change	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of the economic activity that complies with the taxonomy referred to in section 4.26 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of the economic activity that complies with the taxonomy referred to in section 4.27 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of the economic activity that complies with the taxonomy referred to in section 4.28 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of the economic activity that complies with the taxonomy referred to in section 4.29 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
5	Amount and proportion of the economic activity that complies with the taxonomy referred to in section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
6	Amount and proportion of the economic activity that complies with the taxonomy referred to in section 4.31 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the numerator of the applicable KPI	0	0	0	0	0	0
7	Amount and proportion of other economic activities that conform to the taxonomy not mentioned in rows 1 to 6 in the numerator of the applicable KPI	1,717,271,570.85	100	1,708,827,914.69	99.51	8,443,656.16	0.49
8	**Total applicable KPI**	**1,717,271,570.85**	**100**	**1,708,827,914.69**	**99.51**	**8,443,656.16**	**0.49**

TEMPLATE 4 - ECONOMIC ACTIVITIES ELIGIBLE ACCORDING TO THE TAXONOMY BUT NOT TAXONOMY COMPLIANT - TURNOVER							
Row	Economic activities	Amount and proportion (information should be presented in monetary amounts and as percentages)					
		(CCM + CCA)		Climate change mitigation		Adaptation to climate change	
		Amount	%	Amount	%	Amount	%
1	Amount and proportion of the economic activity eligible under the taxonomy but not conforming to the taxonomy referred to in section 4.26 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of the economic activity eligible under the taxonomy but not conforming to the taxonomy referred to in section 4.27 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of the economic activity eligible under the taxonomy but not conforming to the taxonomy referred to in section 4.28 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of the economic activity eligible under the taxonomy but not conforming to the taxonomy referred to in section 4.29 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	108,880,531.30	0.18	108,880,531.30	0.18	0	0
5	Amount and proportion of the economic activity eligible under the taxonomy but not conforming to the taxonomy referred to in section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	2,961,031.37	0	2,961,031.37	0	0	0
6	Amount and proportion of the economic activity eligible under the taxonomy but not conforming to the taxonomy referred to in section 4.31 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
7	Amount and proportion of other economic activities eligible according to the taxonomy but which do not conform to the taxonomy not mentioned in rows 1 to 6 above in the denominator of the applicable KPI	32,964,305,802.91	53.54	32,925,236,346.96	53.47	39,069,455.96	0.06
8	Amount and proportion of economic activities eligible under the taxonomy but which do not conform to the taxonomy in the denominator of the applicable KPI	33,076,147,365.58	53.72	33,037,077,909.62	53.65	39,069,455.96	0.06

TEMPLATE 4.1 - ECONOMIC ACTIVITIES ELIGIBLE ACCORDING TO TAXONOMY BUT NOT TAXONOMY COMPLIANT - CAPEX							
Row	**Economic activities**	**Amount and proportion (information should be presented in monetary amounts and as percentages)**					
		(CCM + CCA)		**Climate change mitigation**		**Adaptation to climate change**	
		Amount	**%**	**Amount**	**%**	**Amount**	**%**
1	Amount and proportion of the economic activity eligible under the taxonomy but not conforming to the taxonomy referred to in section 4.26 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
2	Amount and proportion of the economic activity eligible under the taxonomy but not conforming to the taxonomy referred to in section 4.27 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
3	Amount and proportion of the economic activity eligible under the taxonomy but not conforming to the taxonomy referred to in section 4.28 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
4	Amount and proportion of the economic activity eligible under the taxonomy but not conforming to the taxonomy referred to in section 4.29 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	16,764,841.33	0.03	16,764,841.33	0.03	0	0
5	Amount and proportion of the economic activity eligible under the taxonomy but not conforming to the taxonomy referred to in section 4.30 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	3,919,288.97	0.01	3,919,288.97	0.01	0	0
6	Amount and proportion of the economic activity eligible under the taxonomy but not conforming to the taxonomy referred to in section 4.31 of Annexes I and II of the Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0	0	0	0	0
7	Amount and proportion of other economic activities eligible according to the taxonomy but which do not conform to the taxonomy not mentioned in rows 1 to 6 above in the denominator of the applicable KPI	32,299,034,418.02	52.46	32,274,750,052.36	52.42	24,284,365.67	0.04
8	Amount and proportion of economic activities eligible under the taxonomy but which do not conform to the taxonomy in the denominator of the applicable KPI	32,319,718,548.32	52.49	32,295,434,182.65	52.45	24,284,365.67	0.04

TEMPLATE 5 - INELIGIBLE ECONOMIC ACTIVITIES ACCORDING TO TAXONOMY - TURNOVER			
Row	**Nuclear energy activities**	**Amount**	**Percentage**
1	Amount and proportion of the economic activity referred to in row 1 of Template 1 that is not eligible according to the taxonomy under section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0
2	Amount and proportion of the economic activity referred to in Row 2 of Template 1 that is not eligible according to the taxonomy under Section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0
3	Amount and proportion of the economic activity referred to in Row 3 of Template 1 that is not eligible according to the taxonomy under Section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	11,448,700.40	0.02
4	Amount and proportion of the economic activity referred to in Row 4 of Template 1 that is not eligible according to the taxonomy under Section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	12,641,273.35	0.02
5	Amount and proportion of the economic activity referred to in Row 5 of Template 1 that is not eligible according to the taxonomy under Section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0
6	Amount and proportion of the economic activity referred to in Row 6 of Template 1 that is not eligible according to the taxonomy under Section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0
7	Amount and proportion of other economic activities not eligible according to taxonomy not mentioned in Rows 1 to 6 above in the denominator of the applicable KPI	27,210,935,620.99	44.19
8	Total amount and proportion of ineligible economic activities according to taxonomy in the denominator of the applicable KPI	27,235,025,594.74	44.23

TEMPLATE 5.1 - INELIGIBLE ECONOMIC ACTIVITIES ACCORDING TO TAXONOMY - CAPEX			
Row	**Nuclear energy activities**	**Amount**	**Percentage**
1	Amount and proportion of the economic activity referred to in row 1 of Template 1 that is not eligible according to the taxonomy under section 4.26 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0
2	Amount and proportion of the economic activity referred to in Row 2 of Template 1 that is not eligible according to the taxonomy under Section 4.27 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0
3	Amount and proportion of the economic activity referred to in Row 3 of Template 1 that is not eligible according to the taxonomy under Section 4.28 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	14,310,875.49	0.02
4	Amount and proportion of the economic activity referred to in Row 4 of Template 1 that is not eligible according to the taxonomy under Section 4.29 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	8,109,496.11	0.01
5	Amount and proportion of the economic activity referred to in Row 5 of Template 1 that is not eligible according to the taxonomy under Section 4.30 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0
6	Amount and proportion of the economic activity referred to in Row 6 of Template 1 that is not eligible according to the taxonomy under Section 4.31 of Annexes I and II of Delegated Regulation (EU) 2021/2139 in the denominator of the applicable KPI	0	0
7	Amount and proportion of other economic activities not eligible according to taxonomy not mentioned in Rows 1 to 6 above in the denominator of the applicable KPI	27,493,457,604.09	44.65
8	Total amount and proportion of ineligible economic activities according to taxonomy in the denominator of the applicable KPI	27,515,877,975.70	44.69

Delegated Regulation (EU) 2021/2178 - Annex XII - Standard templates for the disclosure of eligibility and alignment information for nuclear and fossil gas activities

STANDARD TEMPLATE FOR THE DISCLOSURE OF INFORMATION REQUIRED UNDER ARTICLE 8 OF REGULATION (EU) 2020/852 (ASSET MANAGERS)

The weighted average value of all investments that are intended to finance, or are associated with, economic activities that conform to the taxonomy **in relation to the value of total assets covered by the key performance indicator**, with the following weightings for investments in companies:		The weighted average value of all investments that are intended to finance, or are associated with, economic activities that conform to the taxonomy, with the following weightings for investments in companies:	
On the basis of turnover (%):	3.2%	On the basis of turnover (monetary amount):	255,204,298
Ont the basis of CapEx (%):	3.3%	On the basis of CapEx (monetary amount):	264,132,491
The percentage of assets covered by the key performance indicator in relation to total investments (total assets under management). Except for investments in sovereign entities.		The monetary value of the assets covered by the key performance indicator. Except for investments in sovereign entities.	
Coverage ratio (%):	92.6%	Coverage (monetary amount):	7,915,027,825.37

Additional and supplementary disclosures: breakdown of key performance indicator denominator

The percentage of derivatives in relation to total assets covered by key performance indicator		Value in monetary terms of derivatives (EUR)	
	0.1%		5,050,284.57

The ratio of **exposures to EU financial and non-financial companies not subject to Articles 19 bis and 29 bis of Directive 2013/34/EU** to total assets covered by the key performance indicator:		Value of **exposures to EU financial and non-financial companies not subject to Articles 19 bis and 29 bis of Directive 2013/34/EU**:	
Non-financial companies:	1.6%	Non-financial companies:	123,528,362.28
Financial companies:	0.8%	Financial companies:	59,805,547.46

The ratio of **exposures to financial and non-financial companies from non-EU countries not subject to Articles 19 bis and 29 bis of Directive 2013/34/EU** to total assets covered by the key performance indicator:		Value of **exposures to financial and non-financial companies from non-EU countries not subject to Articles 19 bis and 29 bis of Directive 2013/34/EU**:	
Non-financial companies:	10.2%	Non-financial companies:	806,509,518.56
Financial companies:	3%	Financial companies:	238,441,751.32

The proportion of **exposures to financial and non-financial companies subject to Articles 19 bis and 29 bis of Directive 2013/34/EU** in the total assets covered by the key performance indicator:		Value of **exposures to financial and non-financial companies subject to Articles 19 bis and 29 bis of Directive 2013/34/EU**:	
Non-financial companies:	12.4%	Non-financial companies:	978,672,344.75
Financial companies:	13.5%	Financial companies:	1,065,288,420.88

The proportion of **exposures to other counterparties** in total assets covered by the key performance indicator:		Value of **exposures to other counterparties**:	
%	58.7%		4,642,781,880.12

The value of all investments that finance **economic activities not eligible under the taxonomy** in relation to the value of total assets covered by the key performance indicator:		Value of all investments that finance **economic activities not eligible under the taxonomy**:	
%	74.8%		5,921,976,619.47

The value of all investments that finance eligible economic activities according to the taxonomy, **but do not conform to the taxonomy,** relative to the value of total assets covered by the key performance indicator:		Value of all investments that finance economic activities eligible under the taxonomy, **but that do not conform to the taxonomy**	
%	22.3%		1,767,600,490.39
Additional and supplementary disclosures: breakdown of key performance indicator numerator			
The proportion of **taxonomy-compliant exposures to financial and non-financial companies subject to Articles 19 bis and 29 bis** in the total assets covered by the key performance indicator:		Value of **taxonomy-compliant exposures to financial and non-financial companies subject to Articles 19 bis and 29 bis**:	
Non-financial companies:		**Non-financial companies:**	
On the basis of turnover: %	1.2%	On the basis of turnover: EUR	98,512,782.40
On the basis of investments in fixed assets: %	2.4%	On the basis of investments in fixed assets: EUR	188,036,913.42
Financial companies:		**Financial companies:**	
On the basis of turnover: %	0%	On the basis of turnover: EUR	1,808.19
On the basis of investments in fixed assets: %	0%	On the basis of investments in fixed assets: EUR	432,365.82
The proportion of exposures that conform to the **taxonomy compared to other counterparties** in the total assets covered by the key performance indicator:		Value of **exposures that conform to the taxonomy compared to other counterparties**:	
On the basis of turnover: %	2%	On the basis of turnover: EUR	156,689,707.42
On the basis of investments in fixed assets: %	1%	On the basis of investments in fixed assets: EUR	75,663,211.86

Annex IV. Asset Manager Template		
Activities that conform to the taxonomy, provided that the assessment of social safeguards and absence of significant harm is positive:		
1) Climate change mitigation		
Turnover (%):	Transition activities (%)	0.13 %
3.21 %	Facilitating activities (%)	2.15 %
CapEx (%)	Transition activities (%)	0.27 %
3.34 %	Facilitating activities (%)	1.45 %
2) Adaptation to climate change		
Turnover (%):	Transition activities (%)	0%
0.01 %	Facilitating activities (%)	0.01 %
CapEx (%)	Transition activities (%)	0%
0%	Facilitating activities (%)	0%
3) Sustainable use and protection of water and marine resources		
Turnover (%):	Transition activities (%)	0%
0%	Facilitating activities (%)	0%
CapEx (%)	Transition activities (%)	0%
0%	Facilitating activities (%)	0%
4) Transition to a circular economy		
Turnover (%):	Transition activities (%)	0%
0%	Facilitating activities (%)	0%
CapEx (%)	Transition activities (%)	0%
0%	Facilitating activities (%)	0%
5) Pollution prevention and control		
Turnover (%):	Transition activities (%)	0%
0%	Facilitating activities (%)	0%
CapEx (%)	Transition activities (%)	0%
0%	Facilitating activities (%)	0%
6) Biodiversity and ecosystem protection and recovery		
Turnover (%):	Transition activities (%)	0%
0%	Facilitating activities (%)	0%
CapEx (%)	Transition activities (%)	0%
0%	Facilitating activities (%)	0%

Annexes

GUIDELINES FOR THE PREPARATION OF THE NON-FINANCIAL INFORMATION STATEMENT

Principles for the development of the Non-Financial Information Statement

This Statement has been completed with reference to the criteria of the Sustainability Reporting Standards of the Global Reporting Initiative GRI standards, as well as the Financial Services Sector Supplement of the GRI G4 Guidelines, relating to the definition of the content and quality of the report.

Reporting principles for defining the content of the report	Reporting principles relating to the definition of report quality
• The inclusion of stakeholders • The context of sustainability • Materiality • Completeness	• Accuracy • Balance • Clarity • Comparability • Reliability • Punctuality

THE PARTICIPATION OF STAKEHOLDERS

These are clearly identified and related to Unicaja's activity. The Group seeks to meet the demands and needs of these groups by improving and maintaining the quality of its services and actions. The reasonable expectations and interests of stakeholders are a basic point of reference for many of the decisions made in the preparation of the Non-Financial Information Statement.

THE CONTEXT OF SUSTAINABILITY

The Non-Financial Information Statement presents the company's performance in the broader context of sustainability and reflects how it contributes with concrete environmental, social and economic action.

MATERIALITY

The information contained covers aspects that reflect the group's significant social, environmental and economic impact. These are aspects that substantially influence the evaluations and decisions of its stakeholders.

COMPLETENESS

This Non-Financial Information Statement addresses the material aspects and their coverage in a way that reflects their significant economic, environmental and social effects in the period analyzed, corresponding to fiscal year 2023.

ACCURACY

Information on the management approach and economic, environmental and social indicators are presented in a sufficiently precise and detailed manner to enable stakeholders to assess the organization's performance.

BALANCE

Reflects both positive and negative aspects of the organization's performance in order to provide an informed assessment of overall performance.

CLARITY

The content is presented in a way that is understandable to the target stakeholders so that they can access and understand the information appropriately.

COMPARABILITY

The information is presented in such a way that stakeholders can analyze the evolution of the organization's performance, which can be analyzed in relation to that of other organizations.

RELIABILITY

The statement gathers, analyzes and discloses the information and the processes followed for its preparation, so that it can be submitted for evaluation and quality and materiality can be established.

PUNCTUALITY

This Non-Financial Information Statement is a continuation of those presented in previous years.

FOLLOW-UP ON TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD) RECOMMENDATIONS (GRI 2.28)

An effective and reliable disclosure policy is essential, both from the perspective of the financial institutions themselves and from that of the markets and the recipients of the financing and investment they channel, including for the exercise of their functions by the public authorities.

Particularly with regard to the financial risk associated with climate change, the general framework for dissemination of the entities must move from the static to the dynamic, particularly if the strategic importance attributed by financial entities, and by the Unicaja in particular, to sustainability is taken into consideration.

The recommendations on climate disclosures of the Task Force on Climate-related Financial Disclosures (TCFD) of the Financial Stability Board have become the global standard for climate disclosures.

In this regard, the Guidelines on Non-Financial Reporting: Supplement on Climate-Related Information (2019) of the European Commission, which complement Directive 2014/95/EU, accept its guiding nature. The European Central Bank, according to the Guidance on climate-related and environmental risks (2020), also explicitly refers to TCFD recommendations (supervisory Expectation no. 13.4, in particular)[3].

Consequently, Unicaja's strategic consideration of sustainability, pursuant to the provisions of the 2022-2024 Strategic Plan, and the progress made in 2022 and 2023 in implementing the Sustainable Finance Action Plan, allow us to report for the second time on Unicaja's monitoring of the TCFD recommendations. This report is without prejudice to the fact that, based on the effective management deployed and the corporate objectives, this information will be gradually expanded and improved in successive years, in step with the application of new regulatory milestones. Such progress notably includes the European Union Directive on Corporate Information on Sustainability, already mentioned in several passages of this Statement, and the ongoing developments in prudential matters.

In order to avoid repetition, and to provide the necessary background with the greatest clarity and specificity, the following table shows the sections of this Statement and the corporate website, as well as other corporate documents, that can be used to learn about the current positioning and effective management of climate risk in the Unicaja Group, including a mention of the metrics and objectives.

Category	TCFD Recommendations	References
Governance	a) Describe the board's monitoring of climate-related risks and opportunities. b) Describe management's role in assessing and managing climate-related risks and opportunities.	EINF, section "Climate risk management" Corporate website, section "Board of Directors and Support Committees/Sustainability Committee" Corporate website, section "Corporate Governance Policy"

[3] "Entities are expected to disclose financially significant climate-related risks in accordance with the European Commission's Guidelines on Non-Financial Reporting: Supplement on climate-related information. The Supplement includes the recommendations of the TCFD and provides guidance under the Non-Financial Disclosure Directive. The information that entities are expected to make public revolves around five key aspects: the business model, due diligence policies and processes, results, risks and their management, and key performance indicators (KPIs)."

Strategy	a) Describe the climate-related risks and opportunities identified by the organization in the short-, medium- and long-term. b) Describe the impact of climate-related risks and opportunities on the organization's activities, strategy and financial planning. c) Describe the resilience of the organization's strategy, taking into account different climate scenarios, including a scenario of 2°C or less.	EINF, section "Climate risk management" EINF, section "Indicators of Article 8 of the European Union (EU) Environmental Taxonomy Regulation". Corporate website, section "Green Bonds Framework" Corporate website, section "Green Bond Framework", "Green Bond Allocation and Impact Report" (2022, issued in 2023) Information of Prudential Relevance*
Risk management	a) Describe the organization's processes for identifying and assessing climate-related risks. b) Describe the organization's processes for managing climate-related risks. c) Describe how the processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	EINF, section "Global Risk Control" EINF, section "Climate risk management" Corporate website, section "Risk control information" Corporate website, section "Annual Corporate Governance Report" **
Metrics and objectives	a) Set out the metrics used by the organization to assess climate-related risks and opportunities in accordance with its strategy and risk management process. Describe the organization's processes for managing climate-related risks. b) State the Scope 1, Scope 2 and, if applicable, Scope 3 greenhouse gas emissions and the corresponding risks. c) Describe the objectives used by the organization to manage climate-related risks and opportunities and the results obtained with respect to these objectives.***	EINF, section "Climate risk management" EINF, section "Decarbonization" Corporate website, Section "Commitment to the environment and sustainability strategy"

*To be published subsequent to this Statement of Non-Financial Information.

**The 2022 Annual Corporate Governance Report is published at the same time as the Statement of Non-Financial Information.

UNITED NATIONS GLOBAL PACT (GRI 2.28)

Unicaja has been a signatory of the United Nations Global Compact since 2013 and a member of the Spanish Network of the United Nations Global Compact since 2017. As such, it undertakes to report annually on its performance in relation to the ten principles of conduct and effective action in the areas of human rights, labor standards, the environment and anti-corruption. It also expresses its support for the actions promoted by the United Nations Organization to achieve its objectives and goals, including all Sustainable Development Goals (SDGs).

UN GLOBAL COMPACT
APOYAMOS AL PACTO MUNDIAL

Esta es nuestra **Comunicación sobre el Progreso** en la aplicación de los principios del **Pacto Mundial de las Naciones Unidas.**

Agradecemos cualquier comentario sobre su contenido.

The following are the pages in which the Global Compact Principles are covered by the text.

PRINCIPLES		PAGES
Human rights	**Principle 1**: Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence.	12-27, 125, 203-204, 211, 217, 227-228
	Principle 2: Businesses should ensure they are not complicit in human rights abuses.	
Labor standards	**Principle 3**: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	185-186, 227-228
	Principle 4: Businesses should support the elimination of all forms of forced and compulsory labor.	203-204, 228
	Principle 5: Businesses should support the abolition of child labor.	
	Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.	14-15, 45, 55, 178, 182, 191-193, 227-228
Environment	**Principle 7**: Businesses should support a precautionary approach that favors the environment.	12-27, 34, 37, 67-76, 94-118, 121-134, 141-142, 209-226, 261-262
	Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.	
	Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	

Anti-corruption	**Principle 10**: Businesses should work against corruption in all its forms, including extortion and bribery.	12-27, 37, 133-134, 229-236

2023 CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS

SDG HIGHLIGHTS	SIGNIFICANT INITIATIVES	RELATED MATERIAL TOPICS
	• ISO 45001:2018 certification • Certification of COVID-19 Action Protocols • Solidarity in the Company Program. Collaboration Agreement with the Spanish Association Against Cancer (AECC)	• Diversity, equality and accessibility • Employment and work organization • Commitment to sustainable development • Social relations • Subcontracting and suppliers • Health and safety
	• Organization of the “Jornada Corresponsables 2023: Alliances as a key to sustainable production and consumption” under the title “Financial Education in the framework of the 2030 Agenda”. • Participation in the Aula de Mayores +55 of the University of Málaga (UMA), offering this group training on economic and financial issues from a practical perspective. • Collaboration with FAMP to bring financial education and digitalization to various segments of the population, especially women who need to find a job, through the European Internisa project. • Participation in Global Money Week, an initiative promoted by the Organisation for Economic Co-operation and Development (OECD), which this year has the slogan “Plan your money, plant your future”. • Renewal of the collaboration between Unicaja and FUNCAS to contribute to improving the level of knowledge of citizens on economic and financial matters. • Awards for the best financial education projects of the XIV Olympiad of the Edufinet Project. • Financial and digital inclusion of senior citizens through the “Edufinet Ambassadors” initiative, with a collaboration agreement with SECOT.	• Consumers and users of financial services • Commitment to sustainable development

	• Edufinet and the Sports Journalists Association of Málaga bring financial education to Andalusian sports groups. • XV Conference on Financial Education for Young People, offering secondary and high school students a clear vision of the world of economics. • Edufinet and the Academy of Social and Environmental Sciences of Andalusia agree to continue working together to promote financial education in Andalusia. • VI Financial Education Congress, which addressed the challenges that this discipline will have to face in view of the importance of sustainability. • Edufinet Financial Education Project, awarded in 2023, in the CECA Awards for its work to promote financial and digital education among the elderly. • Inauguration of the new Financial Education Center in Salamanca, in collaboration with Fundación Caja Duero and Funcas, to develop training activities on economic and financial issues to improve citizens' knowledge and skills. • Participation as a Special Partner in the International Training Center for Authorities and Leaders (CIFAL) in Málaga, a project within the framework of the United Nations Institute for Training and Research (UNITAR) • "EdufiWebinars", webinars on sustainability and financial education.	
	• Collaboration between Unicaja and FAMP to improve the financial education of unemployed women. • Main sponsor of the WOW.up program-competition, which aims to promote the creation of companies led by women, as well as to promote female leadership and talent. • Collaboration with the ADECCO Foundation in the labor market insertion of women at risk of social exclusion and in the labor market inclusion of women victims of gender violence	• Diversity, equality and accessibility • Employment and work organization • Social relations

	• Training in equality, especially for the management team • Initiatives to improve the work-life balance. • Leave of absence for child and family care with post reserved for the first two years • 21 hours paid leave per year • Protocols for gender-based harassment or discrimination • Code of Best Practices in the use of language	
	• Unicaja's integrated management system that promotes the implementation of a responsible and sustainable environmental management model, integrated into the Bank's strategy and processes. • Contracting energy with "Certificate with Guarantee of Origin" • Various energy efficiency actions carried out by the Group	• Climate change • Sustainable Use of Resources Circular Economy
	• Execution of the Sustainable Finance Action Plan to promote the integration of ESG criteria into its business model • Partnership with the ADECCO Foundation for the labor market integration of women at risk of social exclusion • Various collective bargaining agreements • Financial support for university studies for the youth group • Preparation of Economic Forecast Reports prepared by Analistas Económicos de Andalucía for Andalusia and Castilla y León	• Consumers and users of financial services • Employment and work organization • Commitment to sustainable development • Social relations • Subcontracting and suppliers

9 INDUSTRIA, INNOVACIÓN E INFRAESTRUCTURA	• New “digital managers” service, implemented in offices to assist customers in the use of digital channels • Laboratory together with the startup Divilo to provide SMEs and freelancers with solutions for digitizing their payments and collections. • Microcredits granted to entrepreneurs and start-ups • Long-term contract for the renovation and comprehensive management of the Bank’s technology platform, Kyndryl • Maintenance of ISO27701 privacy and data protection management system certification • Maintenance of ISO27001 information security standard certification • Driving innovation through new digital banking and sustainable finance • Collaboration with ICO, the Official Credit Institute • Commitment to sustainability within the 2022-24 Strategic Plan • Collaboration with Smart City Cluster to promote technology and innovation initiatives and projects • Loans associated with the promotion and development of clean energy. • Loans associated with the promotion of sustainability in agriculture.	• Consumers and users of financial services • Commitment to sustainable development
10 REDUCCIÓN DE LAS DESIGUALDADES	• Tenth anniversary of adherence to the UN Global Compact and strong commitment to sustainable development • Adherence to the Code of Best Practices on support measures for mortgage debtors at risk of vulnerability • Adherence to the sectorial strategic protocol to reinforce the social and sustainable commitment of the banking sector	• Consumers and users of financial services • Commitment to sustainable development

	• Adherence to the ICO Res.es Digital Kit line, to promote the technological transformation of SMEs and the self-employed • Adherence to the strategic sector protocol to strengthen the social and sustainable commitment of the banking sector, focused on financial and digital inclusion • Responsible banking: rental housing and social exclusion • Edufinet Project. Collaboration with FAMP to improve financial literacy of unemployed women • Second edition of the WOW.up program-contest, organized by the Association of Entrepreneurs of Southern Spain (CESUR), with the aim of promoting the creation of companies led by women, as well as fostering female leadership and talent in the entrepreneurial and social ecosystem. • Collaboration protocol signed with ONCE, to extend financial services to the rural world and promote the inclusion of the visually impaired • Collaboration once again with the ADECCO Foundation to collaborate in the labor market insertion of women at risk of social exclusion • Edufinet Project, through the Edufinet Ambassadors initiative, promotes financial and digital inclusion of senior citizens • Collaboration protocol for the delivery of training actions within the framework of the INTERNISA project to bridge the existing digital divide, especially among long-term unemployed women • Funds in investments that promote environmental or social characteristics • Adherence to the strategic sector protocol to strengthen the social and sustainable commitment of the banking sector, focused on financial and digital inclusion • Responsible banking: rental housing and social exclusion • Unicaja and Fundación Real Madrid collaborate in labor reinsertion and various socio-sports projects	

	• Agreement with the Biodiversity Foundation, under the Ministry for Ecological Transition and the Demographic Challenge, for the firm commitment to contribute to the creation of a green economy • Agreement with the Smart City Cluster to promote technology, innovation and sustainable finance projects within the framework of green and smart cities • Implementation of the products and services of the initial Next Generation EU portfolio and global sustainable offer: Energy renovation of buildings (ICO line) and Next Generation EU advance guarantee • Participation as a Special Partner in the International Training Center for Authorities and Leaders (CIFAL) in Málaga, a project within the framework of the United Nations Institute for Training and Research (UNITAR) • Collaboration with the Government of Castilla-La Mancha, to provide information and resources for housing rehabilitation • Agreement with INVICTA ELECTRIC to provide customers and employees with exclusive benefits when purchasing various models of electric scooters, bikes and motorcycles • Marketing of the Oxygen Mortgage, aimed at financing real estate with A and B energy certification • Energy Rehabilitation for Homeowners' Communities: collaboration with CASER for Next Generation Funds	• Consumers and users of financial services • Commitment to sustainable development
	• New offer of cards made from 100% recycled materials and with designs based on nature, which seeks to take advantage of resources to give them another life and thus advance in the transition to a circular economy • Customer service quality surveys through different channels (UniVía, ATMs etc.) or associated to transactions (Unicaja Escucha - "Unicaja Listens") • Adherence to Autocontrol, Association for Commercial Self-Regulation and Best Advertising Practices	• Consumers and users of financial services • Commitment to sustainable development

	• Joint Undertaking on Climate Action promoted by UNEP FI within the framework of COP25 • Implementation of the Integrated Management System • Sustainable financial products • “Extremadura is the Future” collaboration alliance aimed at boosting sustainable economy • Completion of the Sustainable Finance Action Plan, part of the Strategic and Transformation Plan 2022/24, during the first half of 2023 • Wide range of sustainable financial products and services, tailored to the needs of its customers	• Climate change • Commitment to sustainable development • Sustainable use of resources. Circular economy
	• Facilitating donations to humanitarian aid NGOs • Criminal risk prevention and non-compliance policy • Policy for the Prevention and Management of Conflicts of Interest of employees of the Unicaja Group • Unicaja Group’s Corruption and Bribery Prevention Policy • Customer Admission Policy • Money laundering prevention activities • Maintenance of Certification of the UNE 19601:2017 standard for Criminal Compliance Management Systems • Money laundering prevention activities	• Corruption and bribery • Fiscal responsibility • Commitment to sustainable development

	• Participation as a Special Partner in the International Training Center for Authorities and Leaders (CIFAL) in Málaga, a project within the framework of the United Nations Institute for Training and Research (UNITAR) • Agreement with the Andalusian Confederation of Entrepreneurs (CEA) for the implementation of the Business Observatory for the Achievement of the 2030 Agenda (OECA) • Support for the SDGs of the 2030 Agenda promoted by the Spanish Global Compact Network • Declaration of business leaders for renewed international cooperation • We reaffirm our commitment to the Ten Principles of the Global Compact and the #SDG of the #Agenda2030. We join the #TenemosUnPacto campaign to build a more sustainable, prosperous and resilient planet • Unicaja and Fundación Real Madrid collaborate in labor reinsertion and various socio-sports projects	• Commitment to sustainable development • Subcontracting and suppliers

Table 3. Contribution to SDGs

LINKING SUSTAINABLE DEVELOPMENT GOALS TO ESG CRITERIA

ENVIRONMENTAL

CLIMATE CHAGE RESOURCE DEPLETION WASTE POLLUTION ENERGY EFFICIENCY AND RENEWABLES

SOCIAL

HUMAN RIGHTS - MODERN FORMS OF FORCED LABOR - CHILD LABOR - WORKING CONDITIONS - RELATIONSHIP WITH THE COMMUNITY - GENDER EQUALITY - HEALTH AND SAFETY - DIVERSITY - SUPPLY CHAIN

GOVERNANCE

BUSINESS ETHICS - BRIBERY AND CORRUPTION - EXECUTIVE COMPENSATION - BOARD OF DIRECTORS DIVERSITY AND STRUCTURE - POLITICAL CONTRIBUTIONS AND DONATIONS - TAX STRATEGY

*Classification taken from the Global Compact White Paper No. 1 “Sustainable Finance and Agenda 2030: Investing in the transformation of the world”. Adapted to the commitments assumed by the Group.

GRI INDEX AND INFORMATION REQUESTED BY LAW 11/2018, OF DECEMBER 28, LINKED TO THE GRI STANDARDS AND ARTICLE 8 OF THE EUROPEAN UNION (EU) ENVIRONMENTAL TAXONOMY REGULATION

Code	Information required by Law 11/2018 (Statement of Non-Financial Information)	Link to GRI indicators (2021 unless otherwise stated)	Related material topics	Pages
0.	**General information**			30-37
0.1	**Business model**			63-84
0.1.a	Brief description of the group’s business model (business environment and organization)	2-1 Organizational details		30
		2-6 Activities, value chain and other business relationships FS 6 Breakdown of the portfolio for each line of business, by specific region, size (micro, SME, large company) and sector		30-37, 76-84

		2-9 Governance structure and composition		42-57
		2-2 Entities included in the Sustainability Report presentation		30-32
0.1.b	Geographic presence	2-1 Organizational details		30, 77
		2-6 Activities, value chain and other business relationships		30-37, 76-84
0.2.c	Organization's objectives and strategies	2-22 Sustainable Development Strategy Statement		5-6
		3-1 Process for determining material issues		12
		3-2 List of material items		23-27
0.2.d	Main factors and trends that affect future developments	2-29 Approach to stakeholder engagement		11-27
		2-4 Updating of information		9-11
0.2	**Manager**			
0.2.1	Mention in the report of the national, European or international reporting framework used for the selection of the non-financial key performance indicators included in each of the sections	3-2 List of material items		23-27
		2-3 Reporting period, frequency and contact point		9-11
		2-5 External verification		287
0.2.2	If the company complies with the non-financial reporting law by issuing a separate report, it should be expressly stated that any such information is part of the management report	--		9
1.	**Environmental issues**			
1.1	**General information**			
1.1.a	A description of the policies applied by the group with respect to these issues, including the due diligence procedures applied for the identification, assessment, prevention and mitigation of significant risks and impact and for verification and control, including what measures have been adopted	3-3 Management of material items	Climate change Sustainable use of resources. Circular economy	209-216

1.1.b	The results of these policies, including relevant non-financial key performance indicators that allow the monitoring and evaluation of progress and that favor comparability between societies and sectors, pursuant to the national, European or international reference frameworks used for each subject	3-3 Management of material items	Climate change Sustainable use of resources. Circular economy	216-220
1.1.c	The main risks related to these issues linked to the group's activities, including, where relevant and proportionate, its business relationships, products and services that may have an adverse effect on these areas and how the group manages these risks, explaining the procedures used to detect and assess them pursuant to the national, European or international frameworks of reference for each matter. Information should be included on the impact detected, providing a breakdown of this impact, in particular on the main short-, medium- and long-term risks	3-3 Management of material items	Climate change Sustainable use of resources. Circular economy	96-118
1.1.	**Detailed information**			
1.1.1	**Detailed general information**			
	1) Detailed information on the current and foreseeable effects of the company's activities on the environment and, where applicable, health and safety, environmental assessment or certification procedures 2) Resources dedicated to environmental risk prevention 3) The application of the precautionary principle, the amount of provisions and guarantees for environmental risks.	3-3 Management of material items		209-216
		308-1 (2016) New suppliers that have passed evaluation and selection filters pursuant to environmental criteria	Subcontracting and suppliers	215
1.1.2	**Pollution**			

	Measures to prevent, reduce or remediate emissions that seriously affect the environment; taking into account any form of activity-specific air pollution, including noise and light pollution	305-5 (2016) Reduction of GHG emissions	Climate change	Non-material
		305-6 (2016) Emissions of ozone-depleting substances (ODS)	Non-material	Non-material
		305 -7 (2016) Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	Non-material	
1.1.3	**Circular economy and waste prevention and management**			
	Prevention, recycling, reuse, other waste recovery and disposal measures, action to combat food waste	3-3 Management of material items	Sustainable use of resources. Circular economy	214-220
		301-3 (2016) Reused products and packaging materials	Sustainable use of resources. Circular economy	Non-material
		306-3 (2020) Waste generated	Sustainable use of resources. Circular economy	Non-material
1.1.4	**Sustainable use of resources**			
	Water consumption and water supply in accordance with local constraints	303-3 (2018) Water extraction	Non-material	Non-material
	Consumption of raw materials and measures taken to improve the efficiency of their use	301-1 (2016) Materials used by weight or volume	Sustainable use of resources. Circular economy	Non-material
		3-3 Management of material items	Sustainable use of resources. Circular economy	Non-material
	Direct and indirect energy consumption, measures taken to improve energy efficiency and the use of renewable energies	302-1 (2016) Energy consumption within the organization	Climate change	219
		3-3 Management of material items	Climate change	219-222
1.1.5	**Climate change**			
	Significant elements of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services that it produces	305-1 (2016) Direct GHG emissions (Scope 1)	Climate change	219, 224
		305-2 (2016) Indirect GHG emissions from energy generation (Scope 2)	Climate change	219, 224
		305-4 (2016) Intensity of GHG emissions	Climate change	221, 224- 225

	Measures taken to adapt to the consequences of climate change	3-3 Management of material items	Climate change	Non-material
	Voluntary reduction targets established in the medium and long term to reduce greenhouse gas emissions and the means implemented to that end	305-5 (2016) Reduction of GHG emissions	Climate change	Non-material
1.1.6	**Biodiversity protection**			Non-material
	Measures taken to preserve or restore biodiversity	304-1 (2016) Operations sites owned, leased or managed located within or adjacent to protected areas or areas of high biodiversity value outside protected areas	Non-material	
	Impacts caused by activities or operations in protected areas	304-2 (2016) Significant impact of activities, products and services on biodiversity	Non-material	
2	**Social and personnel issues**			
2.1	**General information**			
2.1.a	A description of the policies applied by the group with respect to these issues, including the due diligence procedures applied for the identification, assessment, prevention and mitigation of significant risks and impact and for verification and control, including what measures have been adopted	3-3 Management of material items	Employment and work organization Diversity, equality and accessibility Social relations	168-194
2.1.b	The results of these policies, including relevant non-financial key performance indicators that allow the monitoring and evaluation of progress and that favor comparability between societies and sectors, pursuant to the national, European or international reference frameworks used for each subject	3-3 Management of material items	Employment and work organization Diversity, equality and accessibility Social relations	168-194
2.1.c	The principal risks related to these issues associated with the group's activities, including, where relevant and proportionate, its business relationships, products or services	2-12 Role of the highest governance body in overseeing the management of impacts	Employment and work organization Diversity, equality and accessibility	89-90

	that may have negative effects in these areas, and how the group manages these risks, explaining the procedures used to detect and evaluate them in accordance with the national, European or international frameworks of reference for each subject. Information should be included on the impact detected, providing a breakdown of this impact, in particular on the main short-, medium- and long-term risks		Social relations	
2.2.	**Detailed information**			
2.2.1	**Employees**			
	Number and distribution of female employees by gender, age, country and professional category	2 -7 Employees	Employment and work organization	168-177
		405-1 (2016) Diversity in governing bodies and employees	Diversity, equality and accessibility	40-57
	Total number and distribution of employment contract types Average annual number of permanent contracts, temporary contracts and part-time contracts by gender, age and professional classification	2-7 Employees 202-2 (2016) Proportion of senior executives recruited from the local community	Employment and organization of work Diversity, equality and accessibility	168-177, 40-57
	Number of dismissals by gender, age and professional category	401-1 (2016) New employee hires and employee turnover	Employment and work organization	175-180
	Average salaries and their evolution broken down by gender, age and professional category or equal value	405-2 (2016) Ratio of basic salary and remuneration of women compared to men	Employment and organization of work Diversity, equality and accessibility	178-180
	Salary gap, remuneration for equal jobs or the social average	405-2 (2016) Ratio of basic salary and remuneration of women compared to men	Employment and organization of work Diversity, equality and accessibility	178-180
	Average remuneration of directors and executive managers, including variable remuneration, allowances, indemnities, payment to the systems of long-term savings forecast and	2-19 Remuneration policy	Diversity, equality and accessibility	50-53 ADRR*
		2-20 Process for determining remuneration	Diversity, equality and accessibility	

	any other perception disaggregated by sex	405-2 (2016) Ratio of basic salary and remuneration of women compared to men	Employment and organization of work Diversity, equality and accessibility	178-180
	Implementation of labor disconnection policies	3-3 Management of material items	Employment and work organization	177
	Employees with disabilities	405-1 (2016) Diversity in governing bodies and employees	Diversity, equality and accessibility	55, 181
2.2.2	**Work organization**			
	Organization of working time	3-3 Management of material items	Employment and work organization	182
	Number of hours of absenteeism	403-9 (2018) Work-related injuries	Employment and work organization	182-185
		403-10 (2018) Occupational diseases and illnesses	Employment and work organization	182-185
	Measures aimed at facilitating the enjoyment of work-life balance and encouraging both parents to be jointly involved in this work-life balance	401-3 (2016) Parental leave	Employment and work organization	178
		401-2 (2016) Benefits for full-time employees that are not provided to part-time or temporary employees	Employment and work organization	185-186
2.2.3	**Health and safety**			
	Occupational health and safety conditions	403-1 (2018) Occupational safety and health management system	Health and safety	182-185
		403-2 (2018) Hazard identification, risk assessment and incident investigation	Health and safety	182-185
		403-3 (2018) Occupational health services	Health and safety	182-185
		403-4 (2018) Employee involvement, consultation and communication on occupational health and safety	Health and safety	182-185
		403-5 (2018) Occupational health and safety training for employees	Health and safety	182-185
		403-6 (2018) Employee health promotion	Health and safety	182-185

	Occupational accidents, in particular their frequency and severity, as well as occupational diseases, all broken down by sex	403-9 (2018) Work-related injuries	Health and safety	182-185
		403-10 (2018) Occupational diseases and illnesses	Health and safety	182-185
2.2.4	**Social relations**			
	Mechanisms and procedures the company has in place to promote employee involvement in the management of the company in terms of information, consultation and participation	3-3 Management of material items	Social relations	185-186
	Organization of social dialog, including procedures for informing, consulting and negotiating with personnel	2-29 Approach to stakeholder engagement	Social relations	185-186
		403-4 (2018) Employee involvement, consultation and communication on occupational health and safety	Social relations	185-186
	Percentage of employees covered by collective agreements by country	2-30 Collective bargaining agreements	Social relations	185-186
	The balance of collective bargaining agreements, particularly in the field of occupational safety and health	403-4 (2018) Employee involvement, consultation and communication on occupational health and safety	Social relations	185-191
2.2.5	**Training**			
	Training policies implemented	404-2 (2016) Programs to improve employee skills and transition assistance programs	Employment and work organization	186-196
		404-3 (2016) Percentage of employees receiving regular performance and career development reviews	Employment and work organization	186-196
	Total number of training hours by professional category	404-1 (2016) Average number of training hours per year per employee	Employment and work organization	37, 185-191
2.2.6	**Universal accessibility**			
	Universal accessibility for people with disabilities	3-3 Management of material items	Diversity, equality and accessibility	191-192

2.2.7	**Equality**			
	Measures taken to promote equal treatment and opportunities for women and men	401-3 (2016) Parental leave	Diversity, equality and accessibility	191-192
	Equality plans (Section III of Organic Law 3/2007, of March 22, 2007, for effective gender equality), measures adopted to promote employment, protocols against sexual and gender-based harassment, integration and universal accessibility for people with disabilities	3-3 Management of material items	Diversity, equality and accessibility	191-192
	The policy against all types of discrimination and, where appropriate, diversity management.	406-1 (2016) Cases of discrimination and corrective action taken	Diversity, equality and accessibility	191-192, 227-229
3	**Respect for human rights**			
3.1	**General information**			
3.1.a	A description of the policies applied by the group with respect to these issues, including the due diligence procedures applied for the identification, assessment, prevention and mitigation of significant risks and impact and for verification and control, including what measures have been adopted	3-3 Management of material items	Subcontracting and suppliers	227-229
3.1.b	The results of these policies, including relevant non-financial key performance indicators that allow the monitoring and evaluation of progress and that favor comparability between societies and sectors, pursuant to the national, European or international reference frameworks used for each subject	3-3 Management of material items	Subcontracting and suppliers	227-229
3.1.c	The main risks related to these issues linked to the group's activities, including, where relevant and proportionate, its business relationships, products and services that may have an adverse effect on these areas and how the group manages these risks, explaining the procedures used to detect and assess them pursuant to the national, European or international frameworks of reference for each matter. Information should be included on the impact detected, providing a breakdown of this impact, in particular on the main short-, medium- and long-term risks	2-12 Role of the highest governance body in overseeing the management of impacts	Subcontracting and suppliers	227-229

3.2	Detailed information			
3.2.1	Implementation of human rights due diligence procedures, prevention of risks of human rights violations and, where appropriate, measures to mitigate, manage and redress possible abuses committed	2-23 Commitments and policies	Subcontracting and suppliers Diversity, equality and accessibility Social relations	203-205
		2-26 Mechanisms for seeking advice and raising concerns	Subcontracting and suppliers Diversity, equality and accessibility Social relations	203-205
		412-3 (2016) Significant investment agreements and contracts with human rights clauses or subject to human rights screening	Subcontracting and suppliers	Non-material
3.2.2	Complaints for cases of human rights violations	406-1 (2016) Cases of discrimination and corrective action taken	Subcontracting and suppliers Diversity, equality and accessibility Social relations	227-229
		2-27 Compliance with laws and regulations	Subcontracting and suppliers Diversity, equality and accessibility Social relations	227-229
3.2.3	Promotion and enforcement of the provisions of the core conventions of the International Labor Organization related to respect for freedom of association and the right to collective bargaining, the elimination of discrimination in respect of employment and occupation, the elimination of forced or compulsory labor and the effective abolition of child labor.	406-1 (2016) Cases of discrimination and corrective action taken	Subcontracting and suppliers Diversity, equality and accessibility Social relations	191-193, 227-229
		407-1 (2016) Operations and suppliers whose right to freedom of association and collective bargaining may be at risk	Subcontracting and suppliers	185-186
		408-1 (2016) Operations and suppliers with significant risk of child labor cases	Non-material	Non-material
		409-1 (2016) Operations and suppliers with significant risk of cases of forced or compulsory labor	Non-material	Non-material

4	**The fight against corruption and bribery**			
4.1	**General information**			
4.1.a	A description of the policies applied by the group with respect to these issues, including the due diligence procedures applied for the identification, assessment, prevention and mitigation of significant risks and impact and for verification and control, including what measures have been adopted	3-3 Management of material items	Corruption and bribery	229-236
4.1.b	The results of these policies, including relevant non-financial key performance indicators that allow the monitoring and evaluation of progress and that favor comparability between societies and sectors, pursuant to the national, European or international reference frameworks used for each subject	3-3 Management of material items	Corruption and bribery	229-236
		415-1 (2016) Contributions to political parties and/or political representatives	Corruption and bribery	208
4.1.c	The main risks related to these issues linked to the group's activities, including, where relevant and proportionate, its business relationships, products and services that may have an adverse effect on these areas and how the group manages these risks, explaining the procedures used to detect and assess them pursuant to the national, European or international frameworks of reference for each matter. Information should be included on the impact detected, providing a breakdown of this impact, in particular on the main short-, medium- and long-term risks	2-12 Role of the highest governance body in overseeing the management of impacts	Corruption and bribery	231-232
4.2	**Detailed information**			

4.2.1	Measures to prevent corruption and bribery	2-23 Commitments and policies	Corruption and bribery	231-232
		2-26 Mechanisms for seeking advice and raising concerns	Corruption and bribery	231-232
		205-1 (2016) Operations assessed for corruption-related risks	Corruption and bribery	232
		205-2 (2016) Communication and training on anti-corruption policies and procedures	Corruption and bribery	231-232
		205-3 (2016) Confirmed cases of corruption and actions taken	Corruption and bribery	232
4.2.2	Measures to combat money laundering	2-23 Commitments and policies	Corruption and bribery	232-236
		2-26 Mechanisms for seeking advice and raising concerns	Corruption and bribery	232-236
		205-2 (2016) Communication and training on anti-corruption policies and procedures	Corruption and bribery	233
4.2.3	Contributions to foundations and non-profit entities	201-1 (2016) Direct economic value generated and distributed 413-1 (2016) Operations with local community involvement, impact assessments and development programs	Corruption and bribery	37, 207-208
5	**Information about the Company**			
5.1	**General information**			
5.1.a	A description of the policies applied by the group with respect to these issues, including the due diligence procedures applied for the identification, assessment, prevention and mitigation of significant risks and impact and for verification and control, including what measures have been adopted	3-3 Management of material items	Commitment to sustainable development	135-144
5.1.b	The results of these policies, including relevant non-financial key performance indicators that allow the monitoring and evaluation of progress and that favor comparability between societies and sectors, pursuant to the national, European or international reference frameworks used for each subject	3-3 Management of material items	Commitment to sustainable development	135-144

5.1.c	The main risks related to these issues linked to the group's activities, including, where relevant and proportionate, its business relationships, products and services that may have an adverse effect on these areas and how the group manages these risks, explaining the procedures used to detect and assess them pursuant to the national, European or international frameworks of reference for each matter. Information should be included on the impact detected, providing a breakdown of this impact, in particular on the main short-, medium- and long-term risks	417-1 (2016) Product and service information and labeling requirements	Commitment to sustainable development	156
5.2	**Detailed information**			
5.2.1	**Company commitments to sustainable development**			
	Impact of the company's activity on employment and local development	203-1 (2016) Infrastructure investments and services supported.	Commitment to sustainable development	194-195
		204-1 (2016) Proportion of spending on local suppliers	Commitment to sustainable development	204-205
		413-1 (2016) Operations with local community participation, impact assessments and development programs	Commitment to sustainable development	196-202, 207-208
	Impact of the company's activity on local populations and in the territory	203-1 (2016) Infrastructure investments and services supported.	Commitment to sustainable development	194-196
		204-1 (2016) Proportion of spending on local suppliers	Commitment to sustainable development	204-205
		413-1 (2016) Operations with local community participation, impact assessments and development programs	Commitment to sustainable development	196-202, 207-208
		FS 13 Accessibility in depopulated or disadvantaged areas	Commitment to sustainable development	165-166
		FS 14 Initiatives to improve access to financial services for underprivileged groups	Commitment to sustainable development	166-167
	The relationships maintained with the actors of local communities and the modalities of dialog with them	2-29 Approach to stakeholder engagement	Identification of material aspects	12-27
	Association or sponsorship actions	2-28 Membership of associations	Partnership and sponsorship action	207-208

5.2.2	**Subcontracting and suppliers**			
	Inclusion in the purchasing policy for social, gender equality and environmental issues;	2-6 Activities, value chain and other business relationships	Subcontracting and suppliers	203-205
		308-1 (2016) New suppliers that have passed evaluation and selection filters pursuant to environmental criteria	Subcontracting and suppliers	215
		414-1 (2016) New suppliers that have passed evaluation and selection filters pursuant to social criteria	Subcontracting and suppliers	215
	Consideration in relations with suppliers and subcontractors of their social and environmental responsibility	308-1 (2016) New suppliers that have passed evaluation and selection filters pursuant to environmental criteria	Subcontracting and suppliers	203-204, 215
		414-1 (2016) New suppliers that have passed evaluation and selection filters pursuant to social criteria	Subcontracting and suppliers	203-204, 215
	Supervision and audit systems and their results	414-1 (2016) New suppliers that have passed evaluation and selection filters pursuant to social criteria	Subcontracting and suppliers	203-204, 215
		414-2 (2016) Negative social impact on the supply chain and action taken	Subcontracting and suppliers	203-204, 215

5.2.3	**Consumers**			
	Measures for consumer health and safety	416-1 (2016) Assessment of the health and safety impact of product or service categories	Consumers and users of financial services	156
	Claim systems, complaints received and their resolution	2-29 Approach to stakeholder engagement	Identification of material aspects	12-27
		418-1 (2016) Substantiated claims relating to breaches of customer privacy and the loss of customer data	Consumers and users of financial services	161-162
5.2.4	**Tax information**			
	Profits obtained on a country-by-country basis	201-1(2016) Direct economic value generated and distributed	Fiscal responsibility	35
	Taxes on profits paid	207-4 (2019) Country-by-country reporting	Fiscal responsibility	206
	Public subsidies received	201-4 (2016) Financial assistance received from the government	Fiscal responsibility	206
		207-1 (2019) Fiscal approach	Fiscal responsibility	226
		207-2 (2019) Fiscal governance, control and risk management	Fiscal responsibility	89-90
		207-3 (2019) Stakeholder engagement and management of tax-related concerns	Identification of material aspects	12-27

*ADRR: Annual Directors' Remuneration Report.

ARTICLE 8 OF THE EU ENVIRONMENTAL TAXONOMY REGULATION

Eligibility and alignment ratios, according to the corresponding purpose, of the European Union Environmental Taxonomy	**Pages**
	239-295

ANNEX III

ANNUAL CORPORATE GOVERNANCE REPORT

The Annual Corporate Governance Report of Unicaja Banco, S.A. for the fiscal year ended on December 31, 2023 has been appended hereto as an integral part of this consolidated management report.

ISSUER'S IDENTIFICATION DETAILS

End date of the year concerned: 12/31/2023

Tax identification number: A93139053

Company Name:

UNICAJA BANCO, S.A.

Registered office:

AV. ANDALUCIA N.10-12 (MALAGA)

A. OWNERSHIP STRUCTURE

A.1. Complete the following table on the share capital and voting rights attributed, including, if applicable, those corresponding to shares with loyalty voting rights, as of the closing date of the fiscal year:

State whether the Company's bylaws contain a provision for double voting for loyalty:

[ ] Yes

[✓] No

Date last modified	Share capital (euros)	Number of shares	Number of voting rights
January 14, 2022	663,708,369.75	2,654,833,479	2,654,833,479

Are there various classes of shares with different associated rights?

[ ] Yes

[✓] No

A.2. List the direct and indirect holders of significant shareholdings at the end of the year, excluding directors:

Name or company name of the shareholder	% voting rights attributed to shares		% voting rights through financial instruments		% total voting rights
	Direct	Indirect	Direct	Indirect	
FUNDACIÓN BANCARIA UNICAJA	30.24	0	0	0	30.24
TOMÁS OLIVO LÓPEZ	0	9.1	0	0	9.1
INDUMENTA PUERI, S.L.	0	8.54	0	0	8.54
NORGES BANK	7.44	0	0.03	0	7.47
FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	6.67	0	0	0	6.67
SANTA LUCÍA, S.A. CIA DE SEGUROS	5.03	0.14	0	0	5.17

Breakdown of the indirect stake:

Name or company name of the indirect owner	Name or company name of the direct owner	% voting rights attributed to shares	% voting rights through financial instruments	% total voting rights
TOMÁS OLIVO LÓPEZ	DESARROLLOS LA CORONELA, S.L.	9.1	0	9.1
INDUMENTA PUERI, S.L.	GLOBAL PORTFOLIO INVESTMENTS, S.L.	8.54	0	8.54

Indicate the most significant movements in the shareholding structure during the year.

Most significant movements

- On March 17, 2023, NORGES BANK announced that its direct and indirect shareholding had exceeded 3% of the share capital.
- On June 22, 2023, NORGES BANK announced that its direct and indirect shareholding had exceeded 5% of the share capital.
- On August 9, 2023, SANTA LUCIA, S.A. CIA DE SEGUROS announced that its direct and indirect shareholding had exceeded 3% of the capital stock.
- SANTA LUCIA. On October 25, 2023, SANTA LUCIA, S.A. CIA DE SEGUROS announced that its direct and indirect shareholding had exceeded 5% of the capital stock.
- On March 9, 2023, OCEANWOOD CAPITAL MANAGEMENT LLP announced that its shareholding, both direct and indirect, had exceeded 7% of the share capital.

On August 5 and 7, 2023, OCEANWOOD CAPITAL MANAGEMENT LLP announced the transfer of its entire direct and indirect shareholding in Unicaja Banco.

A.3. Regardless of the percentage, list the shareholding at year-end of the members of the Board of Directors who hold voting rights attributed to shares of the Company or through financial instruments, excluding the directors identified in section A.2 above:

Name or company name of the director	% of voting rights attributed to shares (including loyalty voting rights)		% voting rights through financial instruments		% total voting rights	Of the total % of voting rights attributed to the shares, indicate, if applicable, the % of additional voting rights attributed to loyalty voting shares	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
MANUEL AZUAGA MORENO	0.01	0	0	0	0.01	0	0
ISIDRO RUBIALES GIL	0	0	0	0	0	0	0
RAFAEL DOMÍNGUEZ DE LA MAZA	0	0	0	0	0	0	0

Name or company name of the director	% of voting rights attributed to shares (including loyalty voting rights)		% voting rights through financial instruments		% total voting rights	Of the total % of voting rights attributed to the shares, indicate, if applicable, the % of additional voting rights attributed to loyalty voting shares	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
FELIPE FERNÁNDEZ FERNÁNDEZ	0.01	0	0	0	0.01	0	0

% total voting rights held by members of the Board of Directors	0.02

The shareholdings of Isidro Rubiales Gil and Rafael Domínguez de la Maza do not reach the percentage of voting rights of two decimal places over the total.

Breakdown of the indirect stake:

Name or company name of the director	Name or company name of the direct owner	% of voting rights attributed to shares (including loyalty voting rights)	% voting rights through financial instruments	% total voting rights	Of the total % of voting rights attributed to the shares, indicate, if applicable, the % of additional voting rights attributed to loyalty voting shares
No data					

State the total percentage of voting rights represented on the board:

% total voting rights held by the Board of Directors	45.47

The total percentage of voting rights held by the Board of Directors includes: (i) the percentage of the total voting rights held, directly or indirectly, by the directors of the company (0.02%), regardless of whether they are significant shareholders and (ii) the percentage represented by the proprietary directors appointed by significant shareholders who do not directly hold the status of director and who are: Fundación Bancaria Unicaja (30.24%), Fundación Caja Asturias (6.67%), and Global Portfolio Investments, S.L. (8.54%).

A.4. Where appropriate, specify any family, business, contractual or corporate relationships among significant shareholders that the company is aware of, unless they are immaterial or are the result of the normal course of business and except those reported in Section A.6:

Related party's name or company name	Type of relationship	Brief description

No data		

A.5. Indicate, where appropriate, any business, contractual or corporate relationship among significant shareholders, and the company and/or group thereof, unless they are immaterial or are the result of the normal course of business:

Related party's name or company name	Type of relationship	Brief description
FUNDACIÓN BANCARIA UNICAJA	Corporate	Management Protocol for the financial stake of Fundación Bancaria Unicaja (FBU) in Unicaja Banco. This protocol regulates, among other areas, the following aspects: Basic strategic criteria governing FBU's management of its stake in Unicaja Banco. Relations between the FBU Board of Trustees and Unicaja Banco's governing bodies. General criteria for transactions between FBU and Unicaja Banco and mechanisms to avoid possible conflicts of interest.
FUNDACIÓN BANCARIA UNICAJA	Contractual	Tax consolidation agreement entered into between Fundación Bancaria Unicaja and Unicaja Banco on December 23, 2015. Its purpose is to regulate the rules and criteria applicable to the tax consolidation regime between FBU and Unicaja Banco.
FUNDACIÓN BANCARIA UNICAJA	Contractual	Trademark use license agreement between FBU and Unicaja Banco, entered into on December 23, 2015 and last updated on January 11, 2024. The purpose of this agreement is the assignment by FBU to Unicaja Banco of a license to use the trademark "Unicaja" in all its forms and manifestations.
FUNDACIÓN BANCARIA UNICAJA	Commercial	Internal Protocol of Relations between FBU and Unicaja Banco signed on December 1, 2016. Its purpose is (a) to establish the general criteria that will govern the transactions or the provision of services between the parties and (b) to ensure that Unicaja Banco's financial activity is managed independently of the social charity activities or other activities of FBU, avoiding in all cases conflicts of interest.
FUNDACIÓN BANCARIA UNICAJA	Contractual	Protocol on information flows signed on February 24, 2017 between FBU and Unicaja Banco, which aims to set forth the information flows between both entities, linked to their participation in accordance with Law 26/2013.

Related party's name or company name	Type of relationship	Brief description
FUNDACIÓN BANCARIA UNICAJA	Contractual	Lease agreement for the use of works of art in the Company's facilities, signed on December 30, 2021.
FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	Contractual	Agreement for the provision of services and collaboration on certain matters, last updated on July 1, 2021.
FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	Contractual	Lease agreement for a multipurpose pavilion located at the Luis Adaro fairgrounds in Gijón, in which Unicaja Banco is the lessee. Formalized on July 1, 2015.
FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	Contractual	Master lease agreement for non-housing use, in which Unicaja is the lessor. Contract signed on August 1, 2021 and renewed on December 15, 2023.

A.6. Describe any relationships, unless they are immaterial for both parties, between significant shareholders or shareholders represented on the board and the directors or the representatives thereof, in the case of directors that are legal entities.

Explain, where appropriate, how significant shareholders are represented. Specifically, indicate any directors who were appointed as representatives of significant shareholders, any whose appointments were promoted by significant shareholders or who were associated with significant shareholders and/or entities from their group. Also specify the nature of such relationships. In particular, indicate, where appropriate, the existence, identity and position of directors or director representatives of the listed company that are also members of the board of directors or director representatives of companies that hold significant shareholdings in the listed company or in entities in said significant shareholders' group.

Name or company name of the related director or representative	Name or company name of the related significant shareholder	Name of the significant shareholder's group company	Description of the relationship/position
RAFAEL DOMÍNGUEZ DE LA MAZA	INDUMENTA PUERI, S.L.	MAYORAL MODA INFANTIL, S.A.U.	GENERAL MANAGER
RAFAEL DOMÍNGUEZ DE LA MAZA	INDUMENTA PUERI, S.L.	WILMINGTON CAPITAL, S.L.	SOLE ADMINISTRATOR
RAFAEL DOMÍNGUEZ DE LA MAZA	INDUMENTA PUERI, S.L.	GLOBAL PORTFOLIO INVESTMENTS, S.L.	SOLE ADMINISTRATOR
RAFAEL DOMÍNGUEZ DE LA MAZA	INDUMENTA PUERI, S.L.	N/A	CEO
NATALIA SÁNCHEZ ROMERO	FUNDACIÓN BANCARIA UNICAJA	N/A	N/A
JOSE RAMÓN SÁNCHEZ SERRANO	FUNDACIÓN BANCARIA UNICAJA	N/A	N/A
MIGUEL GONZÁLEZ MORENO	FUNDACIÓN BANCARIA UNICAJA	N/A	N/A
JUAN ANTONIO IZAGUIRRE VENTOSA	FUNDACIÓN BANCARIA UNICAJA	N/A	N/A
FELIPE FERNÁNDEZ FERNÁNDEZ	FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	N/A	N/A

A.7. State whether shareholders' agreements affecting it have been communicated to the company in accordance with the provisions of articles 530 and 531 of the Capital Companies Act. If applicable, briefly describe them and list the shareholders that are bound by the agreement:

[ ] Yes
[✓] No

State whether the company is aware of the existence of concerted actions by its shareholders. If applicable, please describe them briefly:

[ ] Yes

[✓] No

Specifically state any modification or breach of these covenants, agreements or concerted actions that took place during the fiscal year:

A.8. State whether there is any individual or legal person that exercises or may exercise control over the company in accordance with Article 5 of the Securities Market Law. If so, please identify them:

[ ] Yes
[✓] No

A.9. Fill in the following table regarding the company's treasury stock:

At the end of the year:

Number of direct shares	Number of indirect shares (*)	% total share capital
2,840,973	86,293	0.11

(*) Through:

Name or company name of the direct owner of the shares	Number of direct shares
UNIÓN DEL DUERO COMPAÑÍA DE SEGUROS DE VIDA, S.A.	86,293
Total	86,293

As of December 31, 2023, Unicaja Banco directly owns 100% of Unión del Duero Compañía de Seguros de Vida, S.A. S.A.

Explain any major changes that took place in the year:

Explain the significant variations

As announced through Other Relevant Information on November 24, 2023, the Bank entered into a Liquidity Agreement with Renta 4 Banco, S.A. on November 6, 2023, by virtue of which, once the prior share acquisition period had concluded, 2,425,000 shares were deposited in the securities account associated with the Liquidity Agreement.

A.10. Describe the conditions and duration of the authorization by the shareholder meetings of the Board of Directors to issue, repurchase or transfer treasury shares:

Pursuant to the resolutions adopted by the Ordinary General Shareholders' Meeting held on March 31, 2021, the Board of Directors is authorized, as broadly as required by law, for the derivative acquisition and/or acceptance as guarantee of own shares of Unicaja Banco, S.A., in compliance with the requirements and limitations established in the legislation in force from time to time, under the following terms:

a. Methods of acquisition: On one or more occasions, the acquisition may be made by purchase and sale or any other onerous title admitted by law.

b. Maximum number of shares to be acquired: The sum of the par value of the shares to be acquired and that of any already directly or indirectly owned shares will not exceed the maximum percentage legally permitted from time to time.

c. Maximum and minimum countervalues: The equivalent value at which the aforementioned transactions may be carried out will be the listed value of the shares of Unicaja Banco, S.A. (the "Company") in the last transaction in which the Company did not act on its own account on the Continuous Market (including the block market), with a maximum change of ten percent (increase or decrease).

d. Duration of the authorization: five (5) years from the date of this agreement, terminating on March 31, 2026.

It is expressly stated for the record that the shares acquired as a result of this authorization may be used both for their disposal under any title or redemption and for the application of the remuneration systems discussed in the third paragraph of Article 146, Point 1, (a) of the Capital Companies Act or to cover any remuneration plan based on shares or linked to the share capital.

Furthermore, the Controlled Companies are authorized for the purposes of the second paragraph of Article 146, Section (a) of the Capital Companies Act, to acquire shares in the Parent Company, under the same terms and with the same limits as those set out in the preceding agreement.

The Ordinary General Shareholders' Meeting on March 31, 2021 also delegated the power to issue securities convertible into Company shares, for a maximum amount of 500,000,000 euros or its equivalent in another currency to the Board of Directors, with powers to increase the capital by the necessary amount and exclude the shareholders' preemptive. These securities may be issued on one or more occasions, at any time, within a maximum period of five years, where at the date of the approval of this report this option had not been exercised.

A.11. Estimated floating capital:

	%
Estimated floating capital	32.68

The Company's estimated floating capital, after subtracting from the Company's share capital at December 31, 2023, the capital held by the direct and indirect holders of significant shareholdings (Section A.2), the members of the Board of Directors (Section A.3) and the capital held by the Company in treasury stock (Section A.9).

A.12. State whether there are any restrictions (statutory, legislative or any other nature) on the transmission of securities and/or any restrictions on voting rights. Specifically, mention any type of restrictions that might hinder a company take over through the acquisition of its shares on the market, as well as any prior notice or authorization schemes that cover acquisitions and transfers of the company's financial instruments and are applicable under sectoral legislation.

[ ] Yes
[✓] No

Description of restrictions

There are no statutory restrictions on the free transferability of the Company's securities.
Regarding legal restrictions, Law 10/2014, of June 26, on the regulation, supervision and solvency of credit institutions, establishes in its Article 17 "Duty of notification of the acquisition or increase of significant shareholdings: Any natural or legal person (hereinafter, the potential acquirer) who, acting alone or jointly with others has decided either to directly or indirectly acquire a significant shareholding in a Spanish credit institution, or to directly or indirectly increase their shareholding in same in such a way that the percentage of voting rights or capital held is equal to or greater than 20%, 30% or 50%, or that, by virtue of the acquisition, could come to control the credit institution (hereinafter, the proposed acquisition) should notify the Bank of Spain in advance, indicating the amount of the intended shareholding and including all of the information that may be determined by regulations. This information will be relevant to the assessment and proportionate and appropriate to the nature of the prospective acquirer and the proposed acquisition."

Article 25 of Royal Decree 84/2015, of February 13, 2015, implementing Law 10/2014, of June 26, 2014 on the regulation, supervision and solvency of credit institutions, states that the Bank of Spain will evaluate proposed acquisitions of significant shareholdings and will submit a proposal for a decision to the European Central Bank for the latter to decide whether to oppose the acquisition. It also establishes the requirements and deadlines for the evaluation.
There are no legal or statutory restrictions on the exercise of voting rights.

A.13. State whether the General Meeting has agreed to adopt neutralization measures against a takeover bid by virtue of the terms of Law 6/2007.

[ ] Yes
[✓] No

If applicable, explain the measures approved and the terms under which the inefficiency of the restrictions will occur:

A.14. State whether the company has issued securities that are not traded on a regulated market in the European Union.

[ ] Yes
[✓] No

If applicable, specify the different classes of shares and, for each class thereof, the rights and obligations to which they are entitled:

B. GENERAL SHAREHOLDERS' MEETING

B.1. Give details, providing details where appropriate, of any differences vis-à-vis the rules of minimum requirements envisaged in the Capital Companies Act with regard to the quorum of the general meeting:

[ ] Yes
[✓] No

B.2. Specify, providing details where appropriate, any differences vis-à-vis the rules envisaged in the Capital Companies Act for the adoption of corporate resolutions.

[ ] Yes
[✓] No

B.3. Outline the regulations applicable to changes in the company's bylaws. Specifically, indicate the majorities established for changing the Company's bylaws, as well as, where appropriate, the regulations established for protecting the rights of shareholders in the face of changes to these bylaws.

The Bylaws and the Regulations of the General Meeting of the Company contain a to the to the system established in the Capital Companies Act with regard to the rules applicable to the modification of bylaws and, specifically, to the majorities required for modification and the protection of the rights of the shareholders.

It is hereby stated for the record that, being a credit institution, the amendment of the bylaws of the Entity is subject to the administrative authorization of the Bank of Spain, under the terms set forth in art. 10 of Royal Decree 84/2015, of February 13, implementing Law 10/2014. of June 26. on the regulation, supervision and solvency of credit institutions. However, having notified the Bank of Spain for registration in the Register of Credit Institutions, the following are exempt from this authorization: (a) changes to the registered office within the national territory, (b) share capital increases, (c) to incorporate textually legal or regulatory precepts of an imperative or prohibitive nature into the bylaws, or to comply with judicial or administrative resolutions and (d) those other amendments for which the Bank of Spain, in response to a prior consultation formulated to that effect by the bank concerned, has considered it unnecessary, due to their insignificance, to go through the authorization process.

As Unicaja Banco is a significant credit institution subject to the supervision of the ECB through the Single Supervisory Mechanism (SSM), Bank of Spain authorization needs to be previously submitted, except in cases that only require the aforesaid communication.

B.4. Enter the attendance data for the general meetings held in the year to which this report refers and those of the two previous years:

	Attendance data				
Date of the general meeting	% of physical presence	% represented	% voting remotely		Total
			Electronic	Others	
March 31, 2021	0	23.45	0	51.24	74.69
Of which is floating capital	0	14.26	0	0.4	14.66
04/01/2021	0	23.84	0	50.14	73.98
Of which is floating capital	0	14.98	0	0.26	15.24
03/31/2022	4.03	72.63	0.01	0	76.67
Of which is floating capital	3.81	22.12	0.01	0	25.94
03/30/2023	12.55	73.53	0.01	0	86.09
Of which is floating capital	3.94	27.11	0.01	0	31.06
11/14/2023	9.53	62.69	0.01	0	72.23
Of which is floating capital	0.97	11	0.01	0	11.98

The data included corresponding to 03/31/2021 represents the attendance of the Extraordinary General Shareholders’ Meeting held on March 31, 2021.

The data included corresponding to 04/01/2021 represents the attendance of the Ordinary General Shareholders’ Meeting held on March 31, 2021, as a control on the National Securities Market Commission form does not allow the same date to be repeated.

The data relating to the shareholding in floating capital is approximate, as the holdings of significant foreign shareholders are held through nominees.

In relation to the participation data of the General Shareholders' Meetings held in 2021, it is reported that, pursuant to the provisions of Royal Decree-Law 8/2020 of March 17, 2020 on extraordinary urgent measures to face the economic and social impact of Covid-19 and Royal Decree-Law 34/2020 of November 17, 2020 on urgent measures to support the business solvency and the energy sector and on tax matters, the Board of Directors agreed that the General Shareholders' Meetings in those fiscal years would be held exclusively by telematic means, in other words, without the physical attendance of shareholders or proxies. Therefore, in the column “Others”, for the data of the General Meetings held in 2021, the shareholders present by telematic means are included.

B.5. State whether there have been any items on the agenda at the general meetings held during the year that were not approved by the shareholders for any reason:

[✓] Yes
[ ] No

Agenda items that have not been approved and percentage of votes against or reason why the item was not approved

At the Ordinary General Shareholders' Meeting held on March 30, 2023, items 5.5 and 5.6. relating to the ratification of two independent directors who had been appointed by the Board of Directors by cooptation were not approved.

B.6. State whether there is any restriction in the bylaws that states that a minimum number of shares need to be held in order to attend the general meeting or to vote remotely:

[✓] Yes
[ ] No

Number of shares required to attend the general shareholders' meeting	1,000
Number of actions required to vote remotely	1

Pursuant to Article 9.3 of the Company's Bylaws, the General Shareholders' Meeting may only be attended by shareholders who hold at least 1,000 shares and have the shares representing such capital recorded in the corresponding registry at least five days prior to the date on which the meeting is to be held. Holders of smaller number of shares may group together until they reach at least that number, at which point they can appoint their representative.

B.7. State whether it has been established that certain decisions, other than those established by Law, that involve an acquisition, disposal, the contribution of essential assets to another company or other similar corporate operations must be submitted to the general shareholders' meeting for approval:

[✓] Yes
[ ] No

B.8. Specify the address and how to access the information on corporate governance and other information on the general shareholders' meetings that must be provided to the shareholders on the Company's website:

Information about corporate governance is published by the Company on the corporate website www.unicajabanco.com On the home page, under the heading "Corporate Governance and Remuneration Policy", sections with information on corporate governance are available at the following URL: https://www.unicajabanco.com/es/gobierno-corporativo-y-politica-de-remuneraciones/ gobierno-corporativo-y-politica-de-remuneraciones/junta-general-de-accionistas.

Under the sub-heading "General Shareholders' Meeting" it is always possible to consult the Regulations of the General Shareholders' Meeting and obtain information about exercising the right to information and the requirements and procedures for accrediting ownership of shares, the right to attend the General Shareholders' Meeting and the exercise or delegation of the right to vote. Various information regarding the General Meetings held is also provided, including: The resolutions adopted and voting, calls to meeting, resolutions proposed, the total number of shares and the voting rights on the date of the call to meeting, attendance card and remote voting or proxy voting form. In accordance with the regulations on listed companies, the Company adds a direct access on the home page that provides specific information on the meeting from the announcement of the General Meeting.

C. STRUCTURE OF THE COMPANY'S MANAGEMENT

C.1. Board of Directors

C.1.1 Maximum and minimum number of directors envisaged in the bylaws and the number set by the general meeting:

Maximum number of directors	15
Minimum number of directors	8
Number of directors set by the meeting	15

The Extraordinary General Shareholders' Meeting held on March 31, 2021 adopted the resolution to establish the number of members of the Board of Directors at 15. The Extraordinary General Shareholders' Meeting held on November 14, 2023 adopted the resolution to leave unfilled and temporarily maintain the vacancy caused by the resignation of David Vaamonde Juanatey, while the Company had initiated a process to select a new independent director, which could not be completed as of the date of this Extraordinary General Shareholders' Meeting. The Board of Directors was expressly authorized to coopt a new person to fill this vacancy, submitting their appointment to the next General Meeting of Shareholders for ratification, if necessary.

C.1.2 Fill in the following table with the members of the board:

Name or company name of the director	Representative	Type of director	Position on the board	Date of first appointment	Date of last appointment	Election procedure
MANUEL AZUAGA MORENO		Other external	CHAIR	December 01, 2011	03/31/2022	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
ISIDRO RUBIALES GIL		Executive	CEO	September 19, 2023	11/14/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
MIGUEL GONZÁLEZ MORENO		Proprietary director	VICE-CHAIR	January 27, 2023	03/30/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
NATALIA SÁNCHEZ ROMERO		Proprietary director	DIRECTOR SECRETARY	March 30, 2023	03/30/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
ROCÍO FERNÁNDEZ FUNCIA		Independent	INDEPENDENT COORDINATING DIRECTOR	September 06, 2023	11/14/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
NURIA ALIÑO PÉREZ		Independent	DIRECTOR	October 20, 2023	11/14/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
MARÍA LUISA ARJONILLA LÓPEZ		Independent	DIRECTOR	April 29, 2020	04/29/2020	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING

Name or company name of the director	Representative	Type of director	Position on the board	Date of first appointment	Date of last appointment	Election procedure
ANTONIO CARRASCOSA MORALES		Independent	DIRECTOR	September 05, 2023	11/14/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
RAFAEL DOMÍNGUEZ DE LA MAZA		Proprietary director	DIRECTOR	March 31, 2022	03/31/2022	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
FELIPE FERNÁNDEZ FERNÁNDEZ		Proprietary director	DIRECTOR	July 30, 2021	07/30/2021	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
INÉS GUZMÁN ARRUE		Independent	DIRECTOR	September 21, 2023	11/14/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
JUAN ANTONIO IZAGUIRRE VENTOSA		Proprietary director	DIRECTOR	March 30, 2023	03/30/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
CAROLINA MARTÍNEZ CARO		Independent	DIRECTOR	March 31, 2022	03/31/2022	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
JOSE SANCHEZ RAMON SERRANO		Proprietary director	DIRECTOR	March 30, 2023	03/30/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING

Total number of directors	14

State the dismissals that, either through resignation or by resolution of the general meeting, have occurred in the Board of Directors during the period reported:

Name or company name of the director	Type of director at the time of termination	Date of last appointment	Date of removal	Specialized committees on which they were a member	State whether the termination occurred before the end of the mandate
MANUEL MENÉNDEZ MENÉNDEZ	Executive	July 30, 2021	09/19/2023		YES
JUAN FRAILE CANTÓN	Proprietary director	March 31, 2022	03/30/2023	Appointment and Sustainability Committees	YES
TERESA SÁEZ PONTE	Proprietary director	March 31, 2022	03/30/2023	Risk and Technology and Innovation Committees	YES
JORGE DELCLAUX BRAVO	Independent	July 30, 2021	04/21/2023	Audit and Compliance, Risk and Sustainability Committees.	YES
MARÍA GARAÑA CORCES	Independent	July 30, 2021	03/30/2023	Appointment, Remuneration and Technology and Innovation Committees.	YES
PETRA MATEOS-APARICIO MORALES	Proprietary director	March 31, 2022	03/30/2023	Remuneration and Technology and Innovation Committees.	YES
MANUEL MUELA MARTÍN-BUITRAGO	Proprietary director	March 31, 2022	03/30/2023	Audit and Compliance and Sustainability Committees.	YES
DAVID VAAMONDE JUANATEY	Independent	July 30, 2021	08/01/2023	The Risk Committee	YES

Reason for the termination when it has taken place before the end of the tenure and other observations, information on whether the director sent a letter to the other members of the board and, in the case of resignations of non-executive directors, an explanation or opinion regarding the director terminated by the general shareholders' meeting

On December 16, 2022. the Company. through the publication of Other Relevant Information announced that the Board of Directors had taken cognizance of and accepted the resignation that, in order to facilitate any process of renewal of the representatives of the shareholder in whose representation he was appointed (Fundación Bancaria Unicaja), had presented the proprietary director Juan Fraile Cantón. This would take effect at the moment in which the regulatory authorizations were obtained and the acceptance of the candidate to be appointed at the proposal of Fundación Bancaria Unicaja to replace him took place.

On January 19, 2023, the Entity announced through the publication of Other Relevant Information that by means of a letter addressed to all the members of the Board of Directors, the independent director María Garaña Corces had given notification of her resignation as a director of the Company, effective at the conclusion of the following Ordinary General Shareholders' Meeting. The deferral of the effects of the resignation will allow the director to contribute to the operation of the Board and the Committees of which she was a member, in relation to the actions to be taken until the meeting is held. In her letter, she justified her resignation on the grounds of time availability and the need for increased additional dedication in order to perform her duties as a director.

In order to move forward in a more agile and efficient manner in the definition of the Bank's governance model, in line with the provisions of the common merger project between Unicaja Banco and Liberbank, on June 1, 2023, the Company announced through the publication of Inside Information that the Board of Directors had unanimously accepted the resignation of Manuel Menéndez Menéndez from the position of Chief Executive Officer, to become effective when the appointment of the person succeeding him as a board member takes place, at which time the resignation of Menéndez as member of the Board of Directors would also become active, thus guaranteeing the full functionality of the Bank's management until this appointment and immediately initiating the process for the selection and subsequent appointment of the new Chief Executive Officer. As a result, the resignation became effective on September 19, 2023, when Isidro Rubiales Gil accepted his appointment as executive director, once the regulatory authorizations were received.

(CONTINUED IN SECTION H.1)

C.1.3 Fill in the following tables regarding the members of the board and their different categories:

EXECUTIVE DIRECTORS		
Name or company name of the director	Position in the company's organization chart	Position
ISIDRO RUBIALES GIL	CEO	Rubiales holds a degree in Economics and Business Administration, specializing in Public Finance. With more than thirty years of extensive professional experience in the financial sector, he has developed his entire career in Unicaja Banco, occupying various senior management positions and with very diverse responsibilities in relevant areas of the Bank. Especially noteworthy is his work as Accounting Director, Control Division Manager. General Manager of Control, Strategy and Supervisory Relations, serving as Deputy General Manager to the Chairperson of Control and Supervisory Relations since July 2021. He has been a member of the Board of Directors of companies belonging to the Unicaja Banco Group, including Unicaja Gestión de Activos Inmobiliarios, S.L. Unigest SGIIC SAU, Gestión de Inmuebles Adquiridos, S.L. and Unicartera Internacional. He is currently represents Unicaja Banco's director on the Board of Directors of Caser, SA -,Caja de Seguros Reunidos, Compañía de Seguros y Reaseguros, S.A.

Total number of executive directors	1
% of the total members of the board	7.14

EXTERNAL PROPRIETARY DIRECTORS		
Name or company name of the director	Name or company name of the significant shareholder they represent or that proposed their appointment:	Position
RAFAEL DOMÍNGUEZ DE LA MAZA	GLOBAL PORTFOLIO INVESTMENTS, S.L.	Rafael Domínguez holds a degree in Business Management from the San Telmo International Institute as well as taking the Owner President Management OPM Program from Harvard Business School. He has held important positions on the Board of Directors of the listed companies CAVOLO Inversiones SICAV, Wilmington SICAV and Patton Investments SICAV. He has also been a proprietary director of Masmovil Ibercom, S.A. He has spent his entire professional career in the Mayoral Group, holding various positions of responsibility and management in different companies of the family group. He is also sole director of Global Portfolio Investments, S.L. and Wilmington Capital, S.L., managing director of Indumenta Pueri, S.L. since May 2022 and General Manager of Mayoral Moda Infantil, S.A.U., a company in which he has held various management positions since 1989, expanding the business in more than 50 countries.
MIGUEL GONZÁLEZ MORENO	FUNDACIÓN BANCARIA UNICAJA	Miguel González Moreno is Professor of Applied Economics (retired) at the University of Granada with a degree in Economics and Business Administration from the University of Málaga, and a PhD in Economics and Business Administration from the University of Alcalá de Henares. He has undertaken extensive academic and research activity in the Universities of Málaga, Alcalá and Granada and in other areas such as the National Institute of Public Administration of the Ministry of Public Administration, the Institute of Fiscal Studies of the Ministry of Finance and the FIES Foundation (now FUNCAS) of the Spanish Confederation of Savings Banks. In the financial sector, he has been a member of the Board of Directors of Caja Rural de Granada and of its Executive, Risk (of which he was also Chairman) and Audit and Regulatory Compliance Committees.
NATALIA SÁNCHEZ ROMERO	FUNDACIÓN BANCARIA UNICAJA	Natalia Sánchez Romero holds a degree in Economics and Business Administration from the University of Málaga and an AMP (Advanced Management Program) from the Instituto de Empresa. She is currently Executive Vice President and Secretary General of the Confederation of Entrepreneurs of Málaga (CEM), and Trustee and Secretary of the CEM Foundation, Culture, Economy and Environment. She is a member of the Executive Committee and the Board of Directors of the Andalusia Confederation of Businesspeople (CEA) and sits on the Boards of Directors of the Spanish Confederation of Small and Medium-Sized Enterprises (CEPYME) and the Spanish Confederation of Business Organizations (CEOE). She is also a member of the Executive Committee of the Málaga Chamber of Commerce and of the Andalusia Council of Chambers of

EXTERNAL PROPRIETARY DIRECTORS		
Name or company name of the director	Name or company name of the significant shareholder they represent or that proposed their appointment:	Position
		Commerce, among other bodies. She is also a member of the Board of Directors of the Port Authority of Málaga and a member of the Social Council of the University of Málaga, the Andalusia Economic and Social Council (CES Andalusia), the Social Council of the City of Málaga, the Executive Committee of the MADECA Foundation (for whom she is the Secretary), the Executive Committee of the CIEDES Foundation and the CIFAL Association. She was a member of the Avalunión SGR Board of Directors from 2013 until the creation of Garántia, SGR in 2017.
JUAN ANTONIO IZAGUIRRE VENTOSA	FUNDACIÓN BANCARIA UNICAJA	Juan Antonio Izaguirre Ventosa holds a degree in Economics and Business Administration from Universidad Complutense de Madrid, where he was awarded the extraordinary prize and the first national prize for the best academic career. His main professional experience stems from his positions as an inspector of credit institutions of the Bank of Spain and as an associate professor at the Universidad Autónoma de Madrid, teaching Cost Accounting and Financial Statements Analysis. In the academic field, he has taught and directed several courses and seminars at the Bank of Spain, the Madrid School of Economists, the Tax Inspection School and at a number of specialist companies in the sector. In the private banking sector, he has served as Financial Controller of the Chase Manhattan Bank Group. He has also been a professor at the National Institute of Public Administration, a member of the Auditors Registry and a certified public accountant.
JOSE RAMÓN SÁNCHEZ SERRANO	FUNDACIÓN BANCARIA UNICAJA	Jose Ramón Sánchez Serrano studied both Business Administration and Management and Tourism in parallel at the University of Málaga. He holds a Cum Laude PhD in Economics from the University of Málaga. He subsequently extended his studies with various postgraduate programs including a Master's Degree in Accounting Auditing at the Instituto de Empresa, a Specialist Degree in Business Auditing and Accounting at the University of Alcalá de Henares and a Master's Degree in International Cooperation and Development at the University of Málaga, among others. In terms of training, Mr. Sánchez Serrano has continued his academic preparation with other more recent executive programs, such as the Mergers and Acquisitions program at Columbia Business School and the EMBA program at the City University of London (Bayes Business School). At present, his professional experience in the private sector takes the form of his position as an Account Auditor in the firm EUDITA, having carried out numerous audit and economic-financial consultancy works for companies in both the private and public sectors. He is also a member of working groups of the Instituto de Contabilidad y Auditoría de Cuentas (ICAC), a Ministry of Economy, Trade and Enterprise body. Regarding his teaching and scientific research

EXTERNAL PROPRIETARY DIRECTORS		
Name or company name of the director	Name or company name of the significant shareholder they represent or that proposed their appointment:	Position
		experience at the university level, he is an Associate Professor of the Department of Finance and Accounting at the University of Málaga and previously at the University of Deusto and a regular collaborator of the Training Department of the General Council of Economists of Spain. He is also a member of several professional associations and research institutions, such as the Spanish Institute of Financial Analysts or the Chair of Economics and Sustainable Finance at the University of Málaga, among others, and is the author of numerous articles published in highly-regarded scientific journals and books on financial accounting and auditing published by prestigious publishers.
FELIPE FERNÁNDEZ FERNÁNDEZ	FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	Felipe Fernández holds a degree in Economics and Business Administration from the University of Bilbao. He was Professor of Statistics and Econometric Analysis at Oviedo University's School of Business and Economics. He has held the position of General Manager at Caja de Ahorros de Asturias as well as several executive positions in the Asturias Regional Administration. He has also been Director of Administration and Finance at EDP España, S.A.U. and director at Instituto Medicina Oncológica y Molecular de Asturias, S.A. and Lico Leasing, S.A. He currently holds the position of director in the following companies: EDP España S.L.U.; Cementos de Tudela Veguín, S.A.; Cimento Verde do Brasil, S.A.; Masaveu Inmobiliaria, S.A. In addition, he is also a member of the General Supervisory Board of EDP Energías de Portugal, S.A. and a trustee of Fundación Caser. At Liberbank he was Corporate Business Area Manager and has been a Company Director since 2013.

Total number of proprietary directors	6
% of the total members of the board	42.86

INDEPENDENT PROPRIETARY DIRECTORS	
Name or company name of the director	Position
MARÍA LUISA ARJONILLA LÓPEZ	María Luisa Arjonilla holds a degree in Biological Sciences from the Universidad Complutense de Madrid. With extensive experience in the technology sector applied to banking and financial markets, she has held the position of Director of Technology and Commercial Banking Operations at Banco Santander, Director of Technology at Banco Popular and previously held the same position at Barclays Bank España. In Euro Automatic Cash, entidad de pago S.L. she was appointed non-executive Director. Part of her professional career has been in areas closely linked to technology, working as Product Manager at Alnova Technologies and as a consultant and manager at Accenture. She has also taught in the field of technology, as an associate professor in the Computer Science Department of the Polytechnic School (Universidad Carlos III) and as a lecturer on a Master's Program on Digital Transformation at the University of Salamanca, as well as working with the Instituto de Estudios Bursátiles. She continues to collaborate with AFI Escuela's specialized executive programs in technology. Recently, she has taken two specialization courses in the area of technology at Stanford University and Michigan University, respectively. She is currently Director of Corporate Technology at Proeduca Altus Group and a member of its Steering Committee.
ROCÍO FERNÁNDEZ FUNCIA	Rocio Fernández holds a degree in Economics and Business Administration from the Universidad Complutense de Madrid, with a double major in Auditing and Finance. Her professional career has been at PwC, joining the Audit Division in 1990 where she remained for 12 years before setting up a new business unit. She became the partner in charge of the Capital Markets and Accounting Advisory Services (CMAAS) group of PwC in Spain since 2005. As a specialist in international accounting standards, financial reporting and issuance in domestic and international securities markets, she has been part of the global executive of the Capital Markets and Accounting Advisory Services business and an executive manager of PwC EMEA's Transactions business. She was a member of the group of experts created by the Bank of Spain for the conversion process to International Financial Reporting Standards for the Spanish financial sector. She has participated in a large number of financing operations of Spanish entities, IPOs, private placements to foreign investors, capital increases and takeover bids, as well as bond issues and exchanges in both Spanish and international capital markets. She is a member of the Official Register of Auditors (ROAC), the Institute of Chartered Accountants (ICJC) and the Institute of Directors-Administrators (IC-A). She is currently an independent director on the Boards of Directors of Avanza Previsión, S.A., a Spanish insurance company, and Cofides, S.A., SME, a public-private company that finances the internationalization of the Spanish economy, promoting the development and reinforces the solvency of companies affected by COVID-19. She is chairwoman of the Avanza Previsión Audit Committee and the Cofides Audit and Risk Committee, as well as a member of the Cofides Sustainability Committee.
NURIA ALIÑO PÉREZ	Nuria Aliño holds a degree in Economics and Business Administration, with a specialization in Finance, as well as a law degree from Universidad Pontificia de Comillas (ICADE E-3). She has more than 25 years of experience in the financial industry in both developed countries (for BBVA) and developing countries (for IFC - World Bank Group and the Inter-American Development Bank), where her work involves mergers and acquisitions, structured finance, project finance, capital markets, venture capital, sustainable finance and impact investments, among other responsibilities. She has served as an advisor on digital strategy for Banco BHD and has accompanied the expansion of software companies such as Mambu, a cloud banking platform, and Veridas, a digital identity verification company. She has served on the Board of Directors of other technology companies such as Altitude Software and Social Point and was a member of the Advisory Board of venture capital firms such as Nauta Capital and Prax Capital Fund. She is currently an independent director and member of the Audit Committee and the Risk Committee of CREDICORP LTD and an independent director of SOLTEC POWER HOLDINGS, S.A., holding the positions of chairwoman of the Sustainable Development

INDEPENDENT PROPRIETARY DIRECTORS	
Name or company name of the director	Position
	Committee and member of the Audit and Appointments and Remuneration Committees. She is also a senior consultant in Digital Finance and Sustainability at IFC-World Bank Group and teaches advanced seminars at the private IE University.
ANTONIO CARRASCOSA MORALES	Antonio Carrascosa holds a degree in Economics and Business Administration from Universidad Complutense de Madrid and a Master's degree in Public Administration from Harvard University. He is a commercial technician and State economist. He has had a long career in the financial sector, having held, among other relevant positions, those of executive director of the Single Resolution Board, European banking resolution authority, managing director of the Fund for Orderly Bank Restructuring, Director General of Economic Policy at the Ministry of Economy, Director General of Entities of the National Securities Market Commission and Deputy Director General of Financial-International Affairs of the Ministry of Economy. In the private sector, he was Director of Financial Sector Compliance at PricewaterhouseCoopers Spain. Representing the State, he has been a member of the Boards of Directors at ICEX, AENA, Expansión Exterior SA, the National Mint (FNMT), Caja Postal Argentaria and the Insurance Compensation Consortium. He is currently an associate professor at the University of Navarra and since 2022 he has been collaborating as an external advisor to the International Monetary Fund and the World Bank on advisory projects for authorities in various countries (Georgia, Iceland, Angola, Egypt, etc.) in financial crisis management. He is also a member of the Advisory Board of FUNCAS and contributes to several newspapers such as *Expansión* and *El País*, writing articles on economic and financial issues.
INÉS GUZMÁN ARRUE	Ms. Guzman is a professional with an outstanding track record in technology and business transformation. She holds a Bachelor's degree in Computer Engineering from the University of Deusto and a Master's degree in Executive MBA from IE Instituto de Empresa. She furthered her education through management development programs at IESE Business School and IMD in Lausanne, Switzerland and completed a Program for Board Members at ESADE, reflecting her ongoing commitment to learning and leadership. At Accenture, she has held various positions of responsibility at a national and international level, excelling in key sectors such as telecommunications, media, platforms and technology. She has led global and local units, contributing to notable achievements such as the opening of the European communications market and digital transformation through Artificial Intelligence. Her management experience has spanned different sectors, holding positions as General Manager with global responsibility for the Digital and Operations unit for the Telecommunications and Media sectors, as well as leading the UK and Ireland business for these sectors. She has also been the General Manager responsible for the Operations unit for Europe and Latin America in the Telecommunications, Media, Platforms and Technology sectors, as well as the General Manager of this unit for Spain and Portugal, as well as holding prominent roles as General Manager with global responsibility for the CRM (Customer Relationship Management) business. Ms. Guzman has actively participated in key Accenture committees, such as the Accenture Global Committee (GLC), the Global Steering Committee of the Operations unit, the Global Steering Committee of the Digital Unit, the Global Steering Committee of the Telecommunications and Media Sectors Unit, the Executive Committee of Spain, Portugal and Israel and others, showing her commitment to business excellence and corporate social responsibility. In addition to her career, she has been a Master of Ceremonies and speaker at industry events. She has also been the Keynote Speaker at the IE Business School MBA Graduation, sharing her knowledge with the next generation of leaders. Outside of work, she devotes time to the #HourOfCode initiative, promoting digital literacy and technology skills in future generations.

INDEPENDENT PROPRIETARY DIRECTORS	
Name or company name of the director	Position
CAROLINA MARTÍNEZ CARO	Carolina Martínez Caro holds a degree in Law and a Diploma in Business Administration from the Universidad Pontificia de Comillas (ICADE, E-1) and a Master's degree in Community Law, specializing in Finance, from the Institut d'Etudes Européennes de Bruxelles. Throughout her career, she has continued her training through executive development programs in different business schools around the world, such as IESE (Barcelona), Wharton BS (Philadelphia), CEIBSS (Shanghai) or Haas BS (San Francisco). She has also participated in director programs organized by companies such as PwC, SPENCERS STUART and DELOITTE, among others. A professional with more than 30 years of experience in the financial industry, Ms. Martinez Caro contributed to the development in Spain of Merrill Lynch Private Banking, first, and then Bank of America, where she became Senior Vice President-Investments. She then joined the Swiss bank Julius Baer when it arrived in Spain, where, as its CEO, she led the implementation and subsequent growth of the parent company in the Spanish and Portuguese markets, positioning the brand as one of the first Wealth Management Banks in the Iberian market. In this capacity, she was a member of the Executive Committee of the organization at the European level. She is currently an independent director of the renewable energy company H2PLT, chairing its Audit Committee and of the Spanish Association Against Cancer (AECC). She is also an Advisor to the Board of Directors of Philippine conglomerate LH Paragon Inc, a member of the Advisory Board at law firm FinReg360, Senior Advisor to Forbes Global Properties and a member of the Board of Trustees of the ITER Foundation. Finally, Carolina Martinez Caro is an external and independent advisor to several Family Offices, both domestic and foreign, bringing her extensive experience to these Family Boards in areas as varied as M&A, portfolio management, transfer to the next generation and the development of philanthropy.

Total number of independent directors	6
% of the total members of the board	42.86

Indicate whether any director considered independent receives from the company, or from the group thereof, any sum or benefit for any reason beyond a director's remuneration, or whether any independent director has or has had, in the last year, a business relationship with the company or any company in the group thereof, be this on their own behalf or as a significant shareholder, director or senior manager of an entity that has or has had such a relationship.

If this is the case, a reasoned statement from the board should be included as to why it considers that this director is able to perform their duties as an independent director.

Name or company name of the director	Description of the relationship	Reasoned statement
No data		

OTHER EXTERNAL DIRECTORS			
External directors will be identified and the reasons why they cannot be considered proprietary or independent and their links with the company, its directors or its shareholders will be described:			
Name or company name of the director	Reasons	Company, manager or shareholder with whom they have a relationship	Position
MANUEL AZUAGA MORENO	In fiscal year 2023, Manuel Azuaga was promoted from Executive Chairman to non-executive Chairman, at which time he was upgraded to the category of Other External.	N/A	Azuaga holds a degree in Philosophy and Arts from the University of Málaga. He was formerly Risk Manager at Caja Rural de Málaga. He was also Director of Audit and Internal Control, Assistant Manager of Planning and Management Control, Organization and Human Resources of Caja de Ahorros y Préstamos de Antequera. He was Chairman of Aeropuertos Españoles y Navegación Aérea, S.A. (AENA) and a member of the Board of Directors of the following companies: Deóleo, S.A., Autopista del Sol Concesionaria Española, S.A., Lico Corporación, S.A., Cía. Andaluza de Rentas e Inversiones, S.A. (CARISA), Sacyr Vallehermoso, S.A., Unicorp Vida, Compañía de Seguros y Reaseguros, S.A. and Banco Europeo de Finanzas, S.A., among others. He assumed the positions of Assistant Manager of

OTHER EXTERNAL DIRECTORS			
External directors will be identified and the reasons why they cannot be considered proprietary or independent and their links with the company, its directors or its shareholders will be described:			
Name or company name of the director	Reasons	Company, manager or shareholder with whom they have a relationship	Position
			Planning and Management Control, General Secretary, Regional Business Director, Director of the Investee Companies Division and General Manager of Montes de Piedad and Caja de Ahorro de Ronda, Cádiz, Almería, Málaga, Antequera (UNICAJA). He was also Chairman of the Board of Directors of Banco de Caja España de Inversiones, Salamanca y Soria, S.A. and General Manager, Vice-Chairman and Chief Executive Officer of Unicaja Banco, S.A. He is currently Executive Chairman of Unicaja Banco since June 2016, having been a director since December 2011. He is also Chairman of the Board of Directors of Cecabank, S.A., Director of CECA, Trustee of the Fundación de las Cajas de Ahorro (FUNCAS) and representative of Unicaja Banco on the Board of Directors of the Asociación CIFAL Málaga.

Total number of independent directors	1
% of the total members of the board	7.14

State any changes to the position of each director that have occurred during the period:

Name or company name of the director	Date of the change	Previous category	Current category
MANUEL AZUAGA MORENO	09/29/2023	Executive	Other external

C.1.4 Fill in the following table with information on the women directors over the past four fiscal years, as well as their position:

	Number of women directors				% of the total number of directors in each category			
	2023	2022	2021	2020	2023	2022	2021	2020
Executive directors					0	0	0	0
Proprietary directors	1	2	2	2	16.67	28.57	28.57	40
Independent directors	5	4	3	3	83.33	66.66	50	60
Other external directors					0	0	0	0
Total	6	6	5	5	42.86	40	33.33	41.67

C.1.5 Does the company have diversity policies regarding the company's Board of Directors, for example in terms of age, gender, disability or training and professional experience? Small and medium-sized enterprises, according to the definition in the Account Auditing Act, must report, at least, the diversity policy they have established regarding gender.

[✓] Yes
[ ] No
[ ] Partial policies

If so, describe these diversity policies, their targets, the measures thereof, how they are applied and what results they achieved in the year. The specific measures adopted by the Board of Directors and the appointments and remuneration committee to achieve a balanced and diverse group of directors must also be stated.

Should the company not use any diversity policies, explain why not.

A description of the policies, their targets, the measures thereof, how they are applied and their results.

The Company's Board of Directors has implemented a Diversity Policy, which recasts and develops the diversity-related provisions of the Bylaws, the Board Regulations and other policies in force at the Company in a single text.

The purpose of the Policy 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, among others, issues such as professional training and experience, age, gender and disability and the measures to be adopted for their implementation, if applicable.

(CONTINUED IN SECTION H.1)

C.1.6 Explain the measures, if any, that the Appointment Committee has established, to ensure that the selection procedures do not suffer from implicit biases that hinder the selection of female directors, that the company deliberatively seeks and includes women who meet the desired professional profile among the potential candidates, and that allow a balanced presence between men and women. Also indicate whether these measures include the promotion of the company's having a significant number of female senior management personnel:

Explanation of measures

In accordance with Article 16.5 of the Company's bylaws, the Board of Directors must ensure that the procedures for the selection of directors not only favor diversity, but also ensure it in the areas established in the new wording of Article 529 bis of the Capital Companies Act, in particular, facilitating the selection of female directors in a number that allows for a balanced presence of women and men.

Pursuant to Article 32.5 of the Board Regulations, the duties of the Appointment Committee include assessment of the skills, diversity, balance of knowledge and experience required on the Board of Directors, as well as establishing a representation target for the underrepresented gender on the Board of Directors and developing guidelines on how to achieve this target.

The policy for the assessment of the suitability of the members of the Board of Directors, General Managers and similar, and other Key Personnel for the development of Unicaja Banco's financial activity, states that the Appointment Committee is in charge of preparing the skills matrix of the Board of Directors in which the overall composition of the Board is analyzed by comparing the actual skills with those required to adequately understand the Company's activities, in line with the target matrix. The Appointment Committee is also responsible for ensuring that the procedures for the selection of Board members favor diversity of experience and knowledge, facilitate the selection of Directors of the least represented sex and, in general, do not suffer from implicit biases that could imply any discrimination whatsoever.

Unicaja Banco has a Director Selection and Appointment Policy approved by the Board of Directors, which aims to ensure that the selection procedures for the members of the board are oriented to favor a balanced composition of the board and its committees. Unicaja Banco applies the policy on the occasion of the selection of directors to fill any vacancies that may arise.

The principles that govern the policy include the following:
1) Effectiveness: Every effort will be made to select the best possible candidate for the position to be filled by the Company, taking into account the current and future needs of the Company.
2) Fairness and diversity: The selection system for board members shall be guaranteed to be impartial and transparent, free from implicit bias, particularly based on gender or disability, providing equal opportunities to all qualified candidates and facilitating the selection of candidates from an under-represented gender. In selecting members of the governing body, we will seek to incorporate a broad set of qualities and competencies to achieve a diversity of views and experiences and to promote independent opinions and sound decision making within the governing body, all in accordance with the Diversity Policy.

3) Adequate skills and performance: Directors shall have sufficient specialist knowledge and experience to carry out their activities and functions within the Company.

Based on the above and on current regulations, the number of female directors will reach 40% by the end of 2022 and will be maintained through to the end of 2023.

(CONTINUED IN SECTION H.1)

When, despite any measures that might have been adopted, there are few or no female directors or senior management personnel, explain the reasons behind this:

Explanation of reasons

With regard to the number of senior managers, it should be noted that the Bank ensures equity in the selection and promotion processes, ensuring the flow of talent, whether male or female, at all levels of the organization.

For this purpose, as of December 31, 2023, the percentage of women in senior management is 15.38% and 45.02% in middle management.

C.1.7 Explain the Appointments Committee's conclusions on the verification of compliance with the policy aimed at promoting an appropriate composition of the Board of Directors.

In February 2024, the Appointment Committee prepared the report on the application of the Director Selection and Appointment Policy and the Diversity Policy, concluding that the individual and collective suitability assessment processes carried out in 2023 were undertaken in accordance with the criteria, principles and systems established in the aforementioned policies.

In particular, the candidate evaluations analyzed the impact in terms of diversity of knowledge, technical skills, experience, and gender, without implying discrimination based on age or disability, using the matrix of skills, knowledge and experience, ensuring that the overall composition and balance of skills of the Board of Directors was appropriate. The Committee confirmed that individually and collectively the Board of Directors is suitable for the performance of its duties and that it has the capacity to take decisions independently for the benefit of the Company, as well as that the various areas of expertise required are duly covered.

C.1.8 Explain, if applicable, the reasons why no proprietary directors were appointed at the behest of shareholders whose shareholding is less than 3% of share capital:

Name or company name of the shareholder	Justification
No data	

State whether there has been any provision for formal requests for representation on the board of shareholders whose shareholding is equal to or greater than others who have been designated a proprietary director at their request. If so, explain why these requests were not accommodated:

[ ] Yes

[✓] No

C.1.9 Specify the powers and authorities the Board of Directors has delegated to the directors or committees of the board, if any, including those pertaining to the ability to issue or repurchase shares:

Name or company name of the director or committee	Brief description
ISIDRO RUBIALES GIL	Isidro Rubiales has been delegated broad powers of representation and administration for the exercise of his position as Chief Executive Officer of the Company.

C.1.10 Identify the members of the board, if any, who hold positions as administrators, representatives of administrators, or executives in other companies that form part of the group of the listed company:

Name or company name of the director	Company name of the group company	Position	Do they have executive functions?
No data			

C.1.11 List any director, administrator or manager positions or representatives thereof held by directors or representatives of directors who are members of the Board of Directors of the company in other companies, regardless of whether they are listed companies:

Identification of the director or representative	Company name of the entity, listed or not	Position
MANUEL AZUAGA MORENO	CECABANK, S.A.	CHAIR
MANUEL AZUAGA MORENO	SPANISH CONFEDERATION OF SAVINGS BANKS (CECA)	DIRECTOR
MANUEL AZUAGA MORENO	FOUNDATION OF SAVINGS BANKS (FUNGOS)	TRUSTEE
MANUEL AZUAGA MORENO	ASOCIACIÓN CIFAL MÁLAGA	OTHERS
ISIDRO RUBIALES GIL	CAJA DE SEGUROS REUNIDOS COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A. (CASER)	BOARD REPRESENTATIVE
NATALIA SÁNCHEZ ROMERO	MÁLAGA CONFEDERATION OF BUSINESSPEOPLE	VICE-CHAIRWOMAN
NATALIA SÁNCHEZ ROMERO	ANDALUSIA CONFEDERATION OF BUSINESSPEOPLE (CEA)	OTHERS
NATALIA SÁNCHEZ ROMERO	SPANISH CONFEDERATION OF BUSINESS ORGANIZATIONS (CEOE)	BOARD REPRESENTATIVE
NATALIA SÁNCHEZ ROMERO	SPANISH CONFEDERATION OF SMALL AND MEDIUM-SIZED ENTERPRISES (CEPYME)	OTHERS
NATALIA SÁNCHEZ ROMERO	MÁLAGA CHAMBER OF COMMERCE	OTHERS
NATALIA SÁNCHEZ ROMERO	ANDALUSIA COUNCIL OF CHAMBERS OF COMMERCE	OTHERS
NATALIA SÁNCHEZ ROMERO	MÁLAGA PORT AUTHORITY	BOARD REPRESENTATIVE
NATALIA SÁNCHEZ ROMERO	SOCIAL COUNCIL OF THE UNIVERSITY OF MÁLAGA	BOARD REPRESENTATIVE

Identification of the director or representative	Company name of the entity, listed or not	Position
NATALIA SÁNCHEZ ROMERO	ECONOMIC AND SOCIAL COUNCIL OF ANDALUSIA (CES ANDALUCÍA)	OTHERS
NATALIA SÁNCHEZ ROMERO	SOCIAL COUNCIL OF THE CITY OF MÁLAGA	OTHERS
NATALIA SÁNCHEZ ROMERO	CEM-CULTURAL, ECONOMIC AND ENVIRONMENTAL FOUNDATION	TRUSTEE
NATALIA SÁNCHEZ ROMERO	CSEA FOUNDATION, ANDALUSIA CONFEDERATION OF BUSINESSPEOPLE	TRUSTEE
NATALIA SÁNCHEZ ROMERO	FUNDACIÓN MADECA	OTHERS
NATALIA SÁNCHEZ ROMERO	ASOCIACIÓN CIFAL MÁLAGA	OTHERS
NATALIA SÁNCHEZ ROMERO	FUNDACIÓN CIEDES	OTHERS
ROCÍO FERNÁNDEZ FUNCIA	AVANZA PREVISIÓN, COMPAÑÍA DE SEGUROS, S.A.	DIRECTOR
ROCÍO FERNÁNDEZ FUNCIA	COMPAÑÍA ESPAÑOLA DE FINANCIACIÓN DEL DESARROLLO COFIDES, S.A. SME	DIRECTOR
ROCÍO FERNÁNDEZ FUNCIA	COTTON INVERSIONES, S.L.	SOLE ADMINISTRATOR
NURIA ALIÑO PÉREZ	SOLTEC POWER HOLDINGS, S.A.	DIRECTOR
NURIA ALIÑO PÉREZ	CREDICORP LTD	DIRECTOR
RAFAEL DOMÍNGUEZ DE LA MAZA	GLOBAL PORTFOLIO INVESTMENTS S.L.	SOLE ADMINISTRATOR
RAFAEL DOMÍNGUEZ DE LA MAZA	WILMINGTON CAPITAL S.L.	SOLE ADMINISTRATOR
RAFAEL DOMÍNGUEZ DE LA MAZA	INDUMENTA PUERI, S.L.	CEO
RAFAEL DOMÍNGUEZ DE LA MAZA	MAYORAL MODA INFANTIL S.A.U.	OTHERS
RAFAEL DOMÍNGUEZ DE LA MAZA	RAFANACHI, S.L.	SOLE ADMINISTRATOR
RAFAEL DOMÍNGUEZ DE LA MAZA	AMADEL CAPITAL, S.L.	SOLE ADMINISTRATOR
FELIPE FERNÁNDEZ FERNÁNDEZ	MASAVEU INMOBILIARIA, S.A.	DIRECTOR
FELIPE FERNÁNDEZ FERNÁNDEZ	EDP ESPAÑA, S.A.U.	DIRECTOR
FELIPE FERNÁNDEZ FERNÁNDEZ	CEMENTOS TUDELA VEGUIN, S.A.	DIRECTOR
FELIPE FERNÁNDEZ FERNÁNDEZ	FUNDACIÓN CASER	TRUSTEE
FELIPE FERNÁNDEZ FERNÁNDEZ	CIMENTO VERDE DO BRASIL, S.A.	DIRECTOR
FELIPE FERNÁNDEZ FERNÁNDEZ	EDP ENERGÍAS DE PORTUGAL, S.A.	BOARD REPRESENTATIVE
INÉS GUZMÁN ARRUE	SUGAVAL, S.L.	DIRECTOR
CAROLINA MARTÍNEZ CARO	FUNDACIÓN ITER	TRUSTEE
CAROLINA MARTÍNEZ CARO	SPANISH ASSOCIATION AGAINST CANCER (ACC)	DIRECTOR
CAROLINA MARTÍNEZ CARO	H2PLT, S.A.	DIRECTOR
JOSE RAMÓN SÁNCHEZ SERRANO	EUDITA CYE AUDITORES, S.A.	JOINT AND SEVERAL ADMINISTRATOR

Identification of the director or representative	Company name of the entity, listed or not	Position
JOSE RAMÓN SÁNCHEZ SERRANO	SYP ECONOMISTAS ABOGADOS Y AUDITORES, S.L.P.	JOINT ADMINISTRATOR
JOSE RAMÓN SÁNCHEZ SERRANO	EUDITA GCM AUDITORES Y CONSULTORES, S.L.	JOINT AND SEVERAL ADMINISTRATOR
JOSE RAMÓN SÁNCHEZ SERRANO	EUDITA AGRUPACIÓN EUROPEA DE AUDITORES A.I.E.	BOARD REPRESENTATIVE
JOSE RAMÓN SÁNCHEZ SERRANO	ESPINOSA Y SÁNCHEZ, CONSULTORES Y ECONOMISTAS, S.L.P.	JOINT AND SEVERAL ADMINISTRATOR

The following is a description of the positions that have been reported as “OTHER” or “REPRESENTATIVE OF DIRECTOR”, or those in which having marked “DIRECTOR” or “VICE-CHAIRPERSON” the position, although equivalent, has another denomination in the corresponding Bank.

- Manuel Azuaga Moreno is a member of the Board of Directors of the CIFAL Málaga Association, representing Unicaja Banco.
- Isidro Rubiales Gil represents the director Unicaja Banco at Caja de Seguros Reunidos Compañía de Seguros y Reaseguros S.A. (CASER).

- Natalia Sánchez Romero:
- Executive Vice President and General Secretary of the Málaga Confederation of Businesspeople (CEM):
- Member of the Executive Committee (Accountant) and of the Board of Directors of the Andalusia Confederation of Businesspeople (CEA);
- Member of the Board of Directors and General Assembly of the Spanish Confederation of Small and Medium-Sized Enterprises (CEPYME);
- Member of the Board of Directors and General Assembly of the Spanish Confederation of Business Organizations (CEOE), representing CEM. CEPYME and ATA:
- Member of the Executive Committee and the Plenary of the Málaga Chamber of Commerce;
- Member of the Plenary of the Andalusia Council of Chambers of Commerce;
- Member of the Board of Directors of the Málaga Port Authority, representing Business Organizations:
- Member of the Social Council of the University of Málaga, representing Business Organizations:
- Member of the Economic and Social Council of Andalusia (CES Andalucía)
- Secretary/member of the Fundación MADECA Executive Committee, representing CEM.
- Member of the Executive Committee of the CIEDES Foundation.
- Member of the Social Council of the City of Málaga and:
- Member of the Board of Directors of the Asociación CIFAL.

- Rafael Domínguez de la Maza is General Manager of Mayoral Moda Infantil, S.A.U.
- Felipe Fernández Fernández represents the director Draursa, S.A. on the General and Supervisory Board of EDP Energías de Portugal, S.A.
- José Ramón Sánchez Serrano represents the director Eudita CYE Auditores, S.A. in Eudita Agrupación Europea de Auditores, A.I.E.

Of the above positions, only the following are remunerated:

- Manuel Azuaga Moreno: Cecabank, S.A. and CECA.
- D Natalia Sánchez Romero: Málaga Confederation of Businesspeople (CEM) and the Málaga Port Authority.
- D Nuria Aliño Pérez: Soltec Power Holdings, S.A. and Credicorp Ltd.
- Rocío Fernández Funcia: Avanza Previsión, Compañía de Seguros, S.A. and Compañía Española de Financiación del Desarrollo Cofides, S.A. SME.
- Rafael Domínguez de la Maza: Indumenta Pueri, S.L.
- Felipe Fernández Fernández: Cementos de Tudela Veguin, S.A., Masaveu Inmobiliaria, S.A., EDP España, S.A. and EDP Energías de Portugal, S.A.
- Carolina Martínez Caro: H2PLT, S.A.

Specify, if applicable, any other remunerated activities of the directors or representatives of the directors, whatever their nature, other than those mentioned in the table above.

Identification of the director or representative	Other remunerated activities
MARÍA LUISA ARJONILLA LÓPEZ	Director of Corporate Technology at Proeduca Altus Group.
CAROLINA MARTÍNEZ CARO	CEO of CMC Family Advisors, Advisor to the Board of Directors of Holding LH Parangon Inc., Senior Advisor to Forbes Global Properties LLC and member of the Advisory Board of FinancialReg360, S.L.
ANTONIO CARRASCOSA MORALES	Member of the Advisory Board of FUNCAS and External Advisor to the International Monetary Fund and the World Bank.
JOSE RAMÓN SÁNCHEZ SERRANO	Professional activity at Eudita CYE Auditores, S.A. and professor at the University of Málaga.

C.1.12 State and, where appropriate, explain, if the company has established rules for the maximum number of company boards that its directors may form a part of, identifying, where appropriate, where it is regulated:

[✓] Yes
[ ] No

Explanation of these rules and identification of the regulating document:

Article 15.3 of the Regulations of the Board of Directors establishes that Board members may not sit on more Boards of Directors than is possible under applicable banking regulations. In particular, Article 26 of Law 10/2014, of June 26, on the regulation, supervision and solvency of credit institutions, on the definition of incompatibilities and limitations, states that except in certain cases, they may not simultaneously hold more positions than those provided for in one of the following combinations: (i) one executive position together with two non-executive positions or (ii) four non-executive positions. Executive positions are understood to be, in all circumstances, those who perform management functions in the company, regardless of the legal relationship that attributes these functions to them. Specific provisions are also established in order to determine how the calculation of positions should be undertaken in the case of positions held within the group itself or in commercial companies in which the company has a significant shareholding.

Incompatibilities are also provided for in Rule 34 of Bank of Spain Circular 2/2016 of February 2, 2016, as applicable to credit institutions, on supervision and solvency, which completes the adaptation of the Spanish legal system to Directive 2013/36/EU and Regulation (EU) No. 575/2013. At an international level, the European Central Bank's Suitability Assessment Guidelines and the guidelines on the assessment of the suitability of members of the management body and key function holders (EBA/GL/2021/06) are also applicable to Credit Institutions.

C.1.13 State the amounts of the following items related to the overall remuneration of the Board of Directors:

Remuneration accrued in the year by the Board of Directors (thousands of euros)	2,752
Amount of funds accumulated by current directors for long-term savings systems with consolidated economic rights (thousands of euros)	790
Amount of funds accumulated by current directors for long-term savings systems with unconsolidated economic rights (thousands of euros)	74
Amount of funds accumulated by former directors for long-term savings systems (thousands of euros)	

C.1.14 Identify the members of senior management who are not executive directors, and state the total remuneration accrued by them during the year:

Name or Company name	Role(s)
PABLO GONZÁLEZ MARTÍN	FINANCE DEPARTMENT
FRANCISCO JAVIER PÉREZ GAVILÁN	CREDIT RISK AND ESG GENERAL MANAGEMENT
JOSÉ MARÍA DE LA VEGA CARNICERO	HUMAN AND MATERIAL RESOURCES GENERAL MANAGEMENT
VICENTE ORTI GISBERT	GOVERNING BODIES GENERAL MANAGEMENT
JESÚS NAVARRO MARTÍN	INTERNAL AUDIT GENERAL MANAGEMENT
CÉDRIC BLANCHETIÈRE	GLOBAL RISK CONTROL AND SUPERVISORY RELATIONS MANAGER
ROSARIO ARACENA JIMÉNEZ	NON-CORE AND REAL ESTATE GENERAL MANAGEMENT
AGUSTÍN LOMBA SORRONDEGUI	PLANNING AND DATA DEPARTMENT
JESÚS RUANO MOCHALES	CORPORATE BUSINESS GENERAL MANAGEMENT
SEVERINO JESÚS MÉNDEZ SUÁREZ	TRANSFORMATION GENERAL MANAGEMENT
MANUEL GUERRERO WERNER	CEO'S OFFICE AND STRATEGY DEPARTMENT
ROCÍO AYALA BLANCA	LEGAL GENERAL MANAGEMENT
FERNANDO JESÚS RÍOS CAÑADAS	COMMUNICATION AND IMAGE GENERAL MANAGEMENT

Number of women in senior management	2
Percentage of the total members of senior management	15.38

Total remuneration of senior management (thousands of euros)	4.071

The total amount of remuneration of senior management corresponds to the amounts accrued by 22 members of senior management who have performed their duties at some time during the year, even if they do not have this status at the closing date.

C.1.15 State whether there have been any changes to the board's regulations during the year:

[ ] Yes

[✓] No

C.1.16 What are the procedures for selecting, appointing, re-electing and removing directors? Specify the competent bodies, the formalities to be carried out and the criteria used in each of the procedures.

The procedures for the selection, appointment, re-election, evaluation and removal of directors are regulated, in addition to the applicable regulations, in the Company Bylaws, the Regulations of the Board of Directors, the Policy for the Evaluation of the Suitability of the Board of Directors, the General Managers and similar and other Key Personnel for the development of the financial activity. The internal regulations on the suitability of directors are completed with the Diversity Policy, the Director Selection and Appointment Policy, the Succession Policy, the Procedure for Assessing the Functioning of the Board of Directors and its committees and of certain positions.

These procedures are also subject to the European Central Bank's suitability assessment. Acceptance of the position entails the finalization of the procedure following the approval by the banking authority of the proposed appointment, which must be approved at a General Shareholders' Meeting.

The Appointment Committee evaluates the competencies, knowledge and experience required on the Board, defines the functions and aptitudes required of the candidates and evaluates the dedication required for the performance.

- Selection

The following procedure will be followed in the selection of candidates for directors:

1. The Appointment Committee will take into account the balance of knowledge, ability, diversity and experience of the Board of Directors, being responsible for preparing the Board of Directors' skills matrix, which analyzes the overall composition of the Board by comparing the actual skills with those required to adequately understand the Company's activities, ensuring the progressive renewal of the Board, as well as that the procedures for selecting Board members, favor diversity of experience and knowledge, facilitate the selection of Directors of the less represented sex and, in general, do not suffer from implicit biases that may imply any discrimination whatsoever.

It also describes the skills required for a specific appointment, assessing the functions to be performed and the time commitment foreseen for the performance of the duties. This is based on the needs to be covered at any given time and also takes into account the objective of representation of the less represented sex on the Board of Directors and the guidelines established on this matter in the Diversity Policy.

The Appointment Committee is responsible for identifying potential candidates to fill these positions, taking into account the needs and objectives.

2. Any director or significant shareholder may request the Appointment Committee consider potential candidates to fill vacancies on the Board of Directors, if it deems them suitable in its opinion.

Depending on the type of vacancy to be filled, the following additional considerations will be taken into account:

(i) Proprietary directors: shareholders who duly demonstrate ownership of a number of shares or voting rights that would entitle them to appoint Board Members may propose, in order to fill vacancies and appoint proprietary directors on their behalf.

(ii) Independent directors: in the first instance, the Appointment Committee shall turn to external sources (i.e. "headhunters" or independent experts). However, consideration may be given to potential candidates identified by the directors themselves or by shareholders who, in addition to meeting the corresponding suitability criteria, meet the criteria for the definition of independent director derived from the applicable regulations and recommendations.

(iii) Executive Director: the Appointment Committee, after confirming the required profile, which will take into account the experience and personal skills required, as well as the rest of the necessary conditions of suitability for the full exercise of the functions of the position, may split the identification and analysis of candidates in two ways: internal, through the evaluation of internal candidates, and external, by conducting an external search for candidates that fit the profile.

The Board of Directors may proceed to co-opt the appointment of directors, where legal and statutory requirements are met.

(CONTINUED IN SECTION H.1)

C.1.17 Explain to what extent the annual evaluation of the board has led to major changes in the internal organization and in the procedures applied to its activities:

Description of the changes

In accordance with the provisions of Recommendation 36 of the Code of Good Governance of Listed Companies, Article 35 of the Board Regulations and the "Procedure for Assessing the Operation of the Board of Directors of Unicaja Banco S.A. and its Committees, and of certain positions", the Board of Directors will have the support of an external consultant at least every three years.

For this reason, as fiscal year 2019 was the last fiscal year in which an independent external consultant had been appointed, for the assessment of fiscal year 2022, after verifying its independence. In February 2023, the Appointment Committee selected Deloitte as the external consultant to support the evaluation of the performance of fiscal year 2022.

Following the issuance of the performance evaluation report for fiscal year 2022, the Board of Directors considered that it was not appropriate to prepare an Action Plan derived from this performance evaluation, due to the changes that have occurred in the composition of the Board of Directors and its Committees since the end of fiscal year 2022, when the number of directors remaining on the Board of Directors since then was reduced, and the progress made in governance during 2023. In early 2024, the Appointment Committee proposed a new assessment with the participation of all the directors currently on the Board, in line with the procedure followed in 2022 with the support of an external consultant. In February 2024, the report on the evaluation and operation of the Board and its Committees for fiscal year 2023 was issued. Following the results of the report, the Appointment Committee has prepared an action plan for fiscal year 2024, approved by the Board of Directors, aimed at: i) improving aspects related to Board information, ii) optimizing the development of the meetings of the governing bodies and iii) holding extraordinary meetings to deal with specific matters that, due to their relevance, require it.

In both cases, the perimeter of this evaluation specifically included the Board as a whole, and individually the position of the executive chairperson, the chief executive officer, the secretary/vice secretary of the board, the coordinating director and the individual contribution of each director. Each of its support committees and individually the positions of chairperson and secretary of each committee.

Describe the evaluation process and the areas evaluated that the Board of Directors has carried out with the assistance, if any, by an external consultant, with regard to the function and composition of the board and the committees thereof and any other area or aspect that has been evaluated.

Description of the evaluation process and areas evaluated

As indicated in the previous section, for the evaluation of the organization and operation of the 2022 fiscal year, the Company had the support of an external consultant (Deloitte). For fiscal year 2023, the same procedure has been followed as in 2022 with external support.

The scope to be assessed specifically comprised the Board of Directors as a whole and individually, the position of the executive chairman, the chief executive officer, the secretary/vice-secretary of the board, the coordinating director and the individual contribution of each director. Each of its support committees and individually the positions of chairperson and secretary of each committee.

A questionnaire was used to carry out this evaluation, in which each section is left open so that, if so desired, comments can be made beyond the answers to each of the questions posed.

The areas evaluated are as follows:
i) The quality and efficiency of the Board of Directors
ii) Diversity in the composition and competencies of the Board of Directors
iii) Functioning and composition of its committees
iv) Individualized analysis of each of the committees
v) Performance of the chairperson, the chief executive officer, the coordinating director and the secretary of the board, as well as the chairs and secretaries of the committees.

Once completed by the directors, the results were evaluated and finally the Appointment Committee prepared a report and a proposed action plan that was submitted to the Board.

C.1.18 For those years in which the assessment was aided by an external consultant, itemize the business relations that the consultant or any company in the consultant's group might have with the company or any company in its group.

The last evaluation process assisted by an external expert was for fiscal year 2022, when the firm Deloitte was hired. The total amount invoiced and paid by Unicaja Banco to Deloitte in 2022 amounted to 5,701,760.97 euros. Regarding the firm's independence, the consultant stated: i) that it has established risk control, independence and conflict of interest policies that ensure its independence; ii) that the fees billed by Deloitte Legal to the Unicaja Group in 2022 were less than 1% of its turnover and iii) that it had not previously performed this service for Unicaja.

C.1.19 Specify the situations in which directors must resign.

In accordance with the terms of Article 14 of the Regulations of the Board of Directors, directors must make their position available to the Board of Directors and formalize, if the Board deems convenient, the corresponding resignation in the following cases:

a. When they cease to hold the positions, offices or functions with which their appointment as directors was associated
b. When they are involved in any of the cases of incompatibility or prohibition provided by law
c. When the board itself so requests by a majority of at least two thirds of its members; 1) if they are seriously reprimanded by the board for having infringed their obligations as directors, following a proposal or report from the Appointment Committee or 2) when their remaining on the board may jeopardize the interests of the Company.
d. At the request of the Bank of Spain, the European Central Bank or any other authority with competence in the matter.
e. When, following a report from the Appointments Committee, the board deems it appropriate in those cases that may damage the credit and reputation of the Company, when the director has ceased to meet the legal requirements of repute, experience and good governance established in Article 24 of Law 10/2014 and its implementing rules, or, in particular, when the director is being prosecuted for criminal proceedings. In particular, if a director is indicted or tried for any of the offenses set out in corporate legislation, the Board of Directors will examine the case as soon as possible and, in view of the specific circumstances, decide whether the director should continue in office. The Board of Directors shall give a reasoned account of all the foregoing in the Annual Corporate Governance Report and, if appropriate, to the Bank of Spain, European Central Bank or other competent authority.

Proprietary directors shall also present their resignation in the relevant number when the shareholder that they represent transfers or reduces their shareholding.

Whether by resignation or otherwise, when a Director ceases to hold office before the end of their term of office, they should explain the reasons in a letter that should be sent to all of the members of the Board. Notwithstanding the fact that notice of their termination shall be passed on to the market through the National Securities Market Commission website, the reason for the termination will be included in the Annual Corporate Governance Report.

C.1.20 Are reinforced majorities, as opposed to legal majorities, required for any type of decision?

[ ] Yes

[✓] No

If Yes, describe the differences.

C.1.21 Explain whether there are specific requirements, which are different from those for directors, when being appointed Chairperson of the Board of Directors:

[ ] Yes

[✓] No

C.1.22 Do the bylaws or the regulations for the board establish an age limit for directors?

[ ] Yes

[✓] No

C.1.23 Do the bylaws or the regulations for the board establish a limited tenure or other, stricter requirements beyond those established by law for independent directors and those established in regulations?

[ ] Yes

[✓] No

C.1.24 State whether the bylaws or the regulations for the board establish specific regulations for delegating a vote to the Board of Directors to other directors, how to do so and specifically the maximum number of delegations a single director can receive, as well as whether any limit has been established in terms of the categories in which a vote can be delegated, beyond those restrictions imposed by law. If so, briefly explain these regulations.

Article 18.8 of the Company's bylaws states that all directors may cast their vote and grant a proxy in favor of another director, although non-executive directors may only do so in favor of another non-executive director. Representation will be granted on a special basis for the meeting of the Board of Directors to which it refers.

Article 15.2.(b) of the Regulations of the Board of Directors states that in the event that a director is unable to attend the meetings to which they have been summoned, they shall instruct the director to whom, if any, they have granted their proxy.

On the other hand, by virtue of the provisions of Article 28.5 of the Board of Directors Regulations, the Chairman will decide, in case of doubt, on the validity of the proxies granted by directors who do not attend the meeting. These proxies may be granted by letter or any other written means which, in the judgment of the chairperson, ensures the certainty of the representation.

The internal regulations do not establish a maximum limit on the number of delegations that a director may hold.

C.1.25 State the number of meetings that the Board of Directors has held during the year. Also state, where appropriate, the number of times that the board has met without the attendance of the chairperson. For the purposes of this calculation, representations made with specific instructions will be considered as attendance.

Number of board meetings	27
Number of board meetings that were held without the attendance of the chairperson	1

State the number of meetings held by the coordinating director with the other directors, without the attendance or representation of any executive director:

Number of meetings	3

State the number of meetings that the different board committees have held during the year:

Number of meetings of the Audit and Compliance Committee	12
Number of meetings of the Risk Committee	9
Number of meetings of the Appointment Committee	37
Number of meetings of the Remuneration Committee	12
Number of meetings of the Sustainability Committee	5
Number of Technology and Innovation Committee meetings	5

The Board of Directors held 27 meetings in 2023. In addition, the Board of Directors adopted a resolution, on one occasion by written procedure and without a meeting. The Audit and Compliance Committee and the Risk Committee also adopted resolutions on one occasion by written procedure and without a meeting, with the Appointment Committee doing so on two occasions. The number of reported meetings held by the coordinating director with the rest of the directors, without the attendance or representation of any executive director, was held by the current coordinating director, Rocío Fernández Funcia.

C.1.26 Specify how many meetings were held by the Board of Directors during the year and information on member attendance:

Number of meetings attended by at least 80% of the directors	27
% attendance in person of the total votes held during the year	99.41
Number of meetings attended in person or representations made with specific instructions for all of the directors	25
% of votes cast via in-person attendance and representations made with specific instructions out of the total number of votes during the year	99.41

C.1.27 State whether the individual and consolidated financial statements that are presented to the board for their formulation have been certified beforehand:

[ ] Yes

[✓] No

Identify, where appropriate, the individual or individuals who certified the company's individual and consolidated financial statements in order for them to be drawn up by the board:

C.1.28 Explain the mechanisms established, if any, by the Board of Directors so the financial statements that the Board of Directors presents to the General Shareholders' Meeting are drawn up in accordance with accounting regulations.

Unicaja has an Internal Control over Financial Reporting System (ICFR), described in detail in Section F of this Annual Corporate Governance Report. Through this system, Unicaja's management is able to reasonably ensure that the financial information is prepared in accordance with applicable accounting standards and is free of material misstatements. See Section F for more information in this regard.

The Audit and Compliance Committee is also responsible for maintaining relations with the external auditors in order to, among other things, receive information on the process of auditing the financial statements. On this basis and prior to the preparation of the Company's financial statements, the external auditors present the conclusions of their work to the Audit and Compliance Committee, along with a draft audit opinion which, subject to the outcome of the audit procedures that may be pending execution at that date, represents the opinion of the external auditors on the financial statements that will be prepared by the Board of Directors and submitted to the General Shareholders' Meeting for approval.
Another of the competencies established for the Audit and Compliance Committee is that of submitting reports and proposals to the Board of Directors on matters within its competence. Therefore, in the event that the advance audit opinion contains qualifications, the Audit and Compliance Committee will send a written report to the Board of Directors to inform it of this fact and assess the possibility of modifying the financial statements and correcting the qualifications disclosed in the advance audit opinion, ensuring that the financial statements prepared by the Board of Directors represent a true and fair view of the Company's net worth and financial position.

C.1.29 Is the secretary of the board a director?

[✓] Yes

[ ] No

If the secretary is not a director, fill in the following table:

C.1.30 State the specific mechanisms the company has established to preserve the independence of external auditors as well as the mechanisms established to preserve the independence of financial analysts, investment banks and rating firms, if any, including how legal provisions were effectively implemented.

As provided for in Article 25.3 of the Company's bylaws, Article 11.1 of the Regulations of the Board of Directors and Article 4 of the Regulations of the Audit Committee, the Audit and Compliance Committee is responsible for the following functions related to the auditor:

i) Submit proposals for the selection, appointment, re-election and replacement of the auditor to the Board for submission to the General Shareholders' Meeting, taking responsibility for the selection process, as well as the conditions of their engagement, and to regularly request from the auditor information on the audit plan and its execution, in addition to preserving their independence in the performance of their duties.

ii) Define a procedure for selecting the auditor, specifying the criteria or parameters to be assessed.

iii) Establish the appropriate relations with the auditor to receive information on matters that could threaten their independence, for examination by the Committee, and any others related to the process of carrying out the auditing of accounts, and, where appropriate, the authorization of services other than those prohibited, in accordance with the terms established in the applicable regulations. Receive other communications provided for in auditing legislation and auditing standards. In all circumstances, the auditor must annually provide the following: a) a written declaration of independence from the Company or companies directly or indirectly related to it and b) detailed and individualized information on the additional services of any kind provided to these companies by the auditor or by the persons or companies linked to the auditor, in accordance with the provisions of the regulations governing the activity of auditing accounts.

iv) Prior to the issuance of the accounts audit report, issue an annual report expressing an opinion on whether the independence of the accounts auditor is compromised. In all circumstances, this report must give a reasoned assessment of the provision of each of the additional services referred to in the preceding section.

v) In the event the auditor resigns, examine the reasons for doing so.

vi) Ensure that the auditor's remuneration for their work does not compromise their quality or independence.

vii) Discuss any significant weaknesses in the internal control system detected in the course of the audit with the auditor, without breaching their independence and submitting, where appropriate, recommendations or proposals to the Board of Directors and the corresponding deadline for follow-up.

viii) Ensure that the Company notifies the National Securities Market Commission of the change of auditor as a relevant fact and accompanies it with a statement on the possible existence of disagreements with the outgoing auditor and, if applicable, their content.

ix) Ensure that the auditor holds an annual meeting with the full Board of Directors to inform them about the work carried out and the evolution of the company's accounting and risk situation.

x) Ensure that the Company and the auditor comply with current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and, in general, all other regulations established related to the independence of the auditors.

With respect to 2023, the corresponding reports of the external auditor and the Audit and Compliance Committee on the independence of the external auditor have been prepared, with this duly confirmed. The Audit and Compliance Committee has concluded that the services performed by the external auditor related to the audit of accounts and other non-audit services comply with the requirements of the Audit Law and Regulation (EU) No. 537/2014, applicable to public interest entities, to be compatible with the audit of the financial statements and that these services do not present significant threats to the auditor's independence.

Finally, regarding relations with the auditor, it should be noted that the Company has a Policy on the appointment of the auditor, approval of services and other aspects of independence of the Unicaja Group's auditor, which establishes the rules and procedures for relations with the auditors regarding appointment, approval of services other than auditing as required by Regulation (EU) No. 537/2014, and other matters that are the responsibility of Unicaja's Audit and Compliance Committee.

With regard to the Rating Agencies, the Investor Relations Department, which internally coordinates the process, gives instructions to the different company departments to provide all of the information available and which they have requested. Due to their own work system, the information providers are never in contact with the final assessment team. With regard to financial analysts and investment banks, prior to contracting the service that may be required, the Bank analyzes their professional assessment in the respective sector, including their experience and independence, after which it merely provides the financial reporting they request and makes available to them any means they might require for the performance of the requested action, thus guaranteeing that the process has the conditions to ensure compliance with best practices in matters of independence and that no conflicts of interest are generated. In all circumstances, the appointment of these experts is carried out through a contracting process in which a letter of engagement including the confidentiality clauses applicable to the specific work is signed.

C.1.31 State whether the Company has changed its external auditor during the year. If applicable, identify the incoming and outgoing auditors:

[ ] Yes
[✓] No

If there have been disagreements with the outgoing auditor, explain their content:

[ ] Yes
[✓] No

C.1.32 Does the audit firm perform any other non-audit work for the company and/or the group thereof? If so, state the amount of fees received for this work and the percentage that this amount represents of the fees invoiced to the company and/or its group for audit work.

[✓] Yes
[ ] No

	Company	Group companies	Total
Amount paid for work other than auditing (thousands of euros)	213	0	213
Amount for non-auditing work/Amount for auditing work (%)	10.46	0	9.03

The amount of other non-audit work (thousands of euros) includes services provided by PricewaterhouseCoopers Auditores, S.L. in relation to the fiscal year 2023 that are not directly required by current legislation. The calculation criteria and the perimeter of Group companies considered are those established in the Audit Law and Article 4.2 of Regulation (EU) 537/2014.

C.1.33 State whether the audit report on the financial statements for the previous year has any qualifications. If applicable, state the reasons given to the shareholders at the General Meeting by the chairperson of the audit committee to explain the content and the scope of these qualifications.

[ ] Yes
[✓] No

C.1.34 How many consecutive years has the current audit firm audited the company's individual and/or consolidated financial statements? Please also state the percentage that represents the number of years audited by the current audit firm over the total number of years in which the financial statements have been audited:

	Individual	Consolidated
Number of consecutive years	13	13

	Individual	Consolidated
Number of years audited by the current auditing firm / Number of years that the company or its group has been audited (in %)	100	100

C.1.35 State if there is (and if applicable provide details) of a procedure to ensure that the directors have the necessary information to prepare the meetings of the governing bodies with sufficient time:

[✓] Yes
[ ] No

Details of the procedure
Article 15.2 of the Regulations of the Board of Directors establishes that in the performance of their duties, directors are obliged to inform themselves and adequately prepare for the meetings of the Board and of the Committees and other corporate bodies to which they belong, among other duties. For these purposes, they have the duty to demand and the right to obtain the appropriate and necessary information that may be useful for the fulfillment of their obligations. In accordance with the provisions of Article 25.3 of the Board Regulations, the Chairperson will ensure that the Directors receive sufficient information prior to the meetings to deliberate on the items on the agenda. In this regard. To this end, Unicaja Banco has an on-line platform to securely and confidentially provide directors with the material necessary for the preparation of the meetings of the Board of Directors and its Committees. Furthermore, Article 19 of the Regulations of the Board of Directors states that the directors are vested with the broadest powers to inquire into any aspect of the Company, to examine its books, records, documents and other background information on corporate operations and to inspect all its facilities. In order not to hinder the Company's day-to-day management, the exercise of the powers of information will be channeled through the Chairperson or the Secretary of the Board of Directors, who will respond to the directors' requests by directly providing them with the information, offering them the relevant contact people at the appropriate level of the organization or arranging the measures so that they can carry out the desired examination and inspection procedures *in situ*. The company will establish the appropriate channels so that the directors can obtain the necessary advice for the fulfillment of their duties including, if the circumstances so require, external advice at the company's expense. In particular, the Company will also offer directors refresher programs when circumstances so require. 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 and another reinforced plan for the members of the Audit and Regulatory Compliance and Risk Committees.

C.1.36 Has the company established rules that require its directors to report when certain situations that affect them arise and to resign if necessary if they may be detrimental to the company's credit or reputation, regardless of whether or not these situations are unrelated to their performance at the company? If so, please explain.

[✓] Yes

[ ] No

Explain the rules.

Pursuant to Article 14.2.(e) of the Regulations of the Board of Directors, the directors should place their position at the disposal of the Board of Directors and formalize, if the Board deems it appropriate, the corresponding resignation, where, following a report from the Appointment Committee, the Board deems it appropriate in those cases that may damage the credit and reputation of the Company, if the director has ceased to meet the legal requirements of repute, experience and good governance as set forth in Article 24 of Law 10/2014 and its implementing rules, or, in particular, where the director is being prosecuted for criminal proceedings. The Company also has a Policy for the assessment of Suitability in which it obliges the members of the Board of Directors to immediately inform the Company of any circumstance affecting their commercial and professional repute, honesty, integrity, knowledge, experience and required competencies.

In particular, if a director is indicted or tried for any of the offenses set out in corporate legislation, the Board of Directors will examine the case as soon as possible and, in view of the specific circumstances, decide whether the director should continue in office. The Board of Directors shall give a reasoned account of all of the foregoing in the Annual Corporate Governance Report and, if appropriate, to the Bank of Spain, the European Central Bank or the relevant authority.

C.1.37 Unless there were special circumstances that have been recorded, state whether the board has been informed or has otherwise become aware of any situations affecting a director that could be detrimental to the company's credit and reputation, even if the situation is unrelated to their performance at the company.

[ ] Yes
[✓] No

C.1.38 Explain any significant agreements the company might have celebrated that have entered into force, be they amended or concluded in the case of a change in company control resulting from a takeover bid, and the effects thereof.

None

C.1.39 Identify (individually when referring to directors and jointly in the remaining cases) and give a detailed indication of the agreements between the company and its administrative and management positions and employees that have compensations or guarantee or protection clauses for when such directors resign or are improperly dismissed or if the contractual relation ends due to a takeover bid or other type of operation.

Number of beneficiaries	22
Type of beneficiary	Description of the agreement
CEO Members of the Steering Committee. Other employees	The Chief Executive Officer shall be entitled to receive, in the cases regulated in his contract, as compensation for the non-competition agreement, an economic compensation equivalent to one year's fixed monetary remuneration at the time of termination of the contract, the amount of which would be paid upon termination of the non-competition period. As for the members of the Steering Committee and other employees: Compensation, for some members of the Steering Committee (3) and other employees (16), for a termination of the contract not attributable to the employee of the equivalent of between one and three years' annual remuneration.

Apart from the cases envisaged in the regulations, state whether these contracts need to be communicated and/or approved by the bodies of the company or its group. If this is the case, specify the procedures, the expected circumstances and the nature of the bodies responsible for their approval or for making the notification:

	Board of Directors	General Shareholders' Meeting
Body that authorizes the clauses	√	

	Yes	No
Is the General Shareholders' Meeting informed of the clauses?	√	

The General Shareholders' Meeting is informed through this Report, which in turn forms part of the management report contained in the Financial Statements.

C.2. Board of Directors' Committees

2.1 List all of the Board of Directors' committees, their members and the proportion of executive, proprietary, independent and other external directors that comprise them:

AUDIT AND REGULATORY COMPLIANCE COMMITTEE		
Name	Position	Category
ROCÍO FERNÁNDEZ FUNCIA	CHAIR	Independent
MARÍA LUISA ARJONILLA LÓPEZ	BOARD MEMBER	Independent
CAROLINA MARTÍNEZ CARO	BOARD MEMBER	Independent
JOSE RAMÓN SÁNCHEZ SERRANO	BOARD MEMBER	Proprietary director
RAFAEL DOMÍNGUEZ DE LA MAZA	SECRETARY	Proprietary director

% of executive directors	0
% of proprietary directors	40
% of independent directors	60
% of other external directors	0

Explain the functions, including as appropriate, any beyond those established by law, that are attributed to this committee and describe its procedures and its rules of organization and operation. For each of these functions, specify the most important actions taken during the year and how the committee has effectively executed each of the functions attributed to it, either by law or in the bylaws or other corporate resolutions.

Its organization and operation are regulated in Article 25 of the Company's bylaws, Article 31 of the Regulations of the Board of Directors and the Regulations of the Audit and Compliance Committee. The latter was approved by the Board of Directors on February 21, 2018 (available through Unicaja Banco's corporate website ("www.unicajabanco.com"), which implements the regulation contained in the bylaws and in the Regulations of the Board of Directors, assuming the principles of Technical Guide 3/2017 of June 27, 2017 as applicable to the National Securities Market Commission, on audit committees of public interest entities, following its recommendations.

1) Functions attributed thereto:

(a) Regarding computer systems and internal control:

i. Continuous supervision of the preparation and presentation process and the integrity of the financial reporting related to the Company and its Group. This supervisory work may be performed on an ad hoc basis at the request of the Board.

ii. Supervising compliance with regulatory requirements, the proper delimitation of the scope of consolidation and the correct application of accounting criteria, submitting, where appropriate, recommendations or proposals to the Board aimed at safeguarding the integrity of the financial reporting.
iii. Supervising, analyzing and commenting on the financial reporting that the Company shall periodically make public and submit to regulatory or supervisory bodies, with senior management, the internal auditor or, if applicable, with the auditor. This shall be undertaken in order to confirm that the information is reliable, understandable, relevant and that the accounting criteria of the financial statements have been followed and, to this end, consider the advisability of a limited review by the auditors, and subsequently report to the Board of Directors prior to their being approved or drawn up.

iv. Monitoring the effectiveness of the internal control over financial reporting (ICFR) system, including receiving reports from internal control and internal audit managers and concluding on the level of assurance and reliability of the system with proposals for improvement.
v. Supervising the functioning of the mechanism (Compliance Channel) that allows employees, among others, to report in a confidential manner any irregularities of potential importance, especially in the rules of conduct, financial and accounting, that they may notice within the Bank, proposing appropriate action to improve its functioning and reduce the risk of committing irregularities in the future.
vi. Ensuring that the financial reporting published on the Company's corporate website is continuously updated and matches that drawn up by the Board of Directors of the Company and published, if applicable and when obligated to do so, on the web page of the Spanish Securities Market Commission.
vii. Reporting, in advance, to the Board of Directors on all matters provided for by law, in the Bylaws, in the Board Regulations or in the Committee's own Regulations, and, in particular, on the financial information that the Company must periodically disclose, the creation or acquisition of shares in special purpose vehicles or entities domiciled in countries or territories that are considered to be tax havens.
viii. Through the Chairperson, maintaining a continuous dialog with the person responsible for the financial reporting function.

(CONTINUED IN SECTION H.1)

Identify the directors who are members of the audit committee who have been appointed based on their knowledge and experience in accounting, auditing or both and state the date of appointment of the Chairman of this committee to their position.

Names of the directors with experience	ROCÍO FERNÁNDEZ FUNCIA / JOSE RAMÓN SÁNCHEZ SERRANO
Date of appointment of the chairperson to their position	September 29, 2023

RISK COMMITTEE		
Name	Position	Category
ANTONIO CARRASCOSA MORALES	CHAIR	Independent
NURIA ALIÑO PÉREZ	BOARD MEMBER	Independent
JUAN ANTONIO IZAGUIRRE VENTOSA	SECRETARY	Proprietary director

% of executive directors	0
% of proprietary directors	33.33
% of independent directors	66.67
% of other external directors	0

Explain the functions that are delegated or attributed to this committee that are not described in Section C.1.9, describing its procedures and its rules of organization and operation. For each of these functions, specify the most important actions taken during the year and how the committee has effectively executed each of the functions attributed to it, either by law, in the bylaws or in other corporate resolutions.

Its organization and operation are regulated in Article 26 of the Bylaws and Article 34 of the Regulations of the Board of Directors.
1) Functions attributed thereto:
i. Advising the Board on the Company's overall current and future risk appetite and its strategy in this area, assisting the Board in monitoring the implementation of this strategy.
ii. Ensuring that all risk control and management systems work properly and, in particular, that any significant risks that affect the Company are properly identified, managed, and quantified.
iii. Ensuring that all risk control and management systems properly mitigate the risks within the framework of the policy defined by the Board of Directors.
iv. Examining whether the pricing of assets and liabilities offered to clients fully takes into account the Company's business model and risk strategy. If the Committee finds that the prices do not adequately reflect the risks in accordance with the business model and risk strategy, it will submit a plan to remedy this deficiency to the Board of Directors.
v. Together with the Board of Directors, determining the nature, amount, format and frequency of the information on risks that the committee and the Board of Directors will receive.
vi. Working together on the establishment of rational remuneration policies and practices. To this end, the Risk Committee will examine, without prejudice to the functions of the Remuneration Committee, if the envisaged incentives policy takes the risk, capital, liquidity, and the probability and opportunity of profit into account.
vii. Actively taking part in drawing up the Company's risk management policy, ensuring that it identifies at least the following:
(a) The different types of financial and non-financial risks (including, among others: operational, technological, legal, social, environmental, political and reputational) that the Company faces, contingent liabilities and other off-balance sheet risks being counted among the financial and economic risks
(b) The level of risk that the Company considers acceptable
(c) The measures envisaged to mitigate the impact of the risks identified, should they materialize
(d) The information and internal control systems that will be used to control and manage the aforementioned risks, including all contingent liabilities and off-balance sheet risks.

2) Procedures, rules of organization and operation:

The Risk Committee shall consist of a minimum of three and a maximum of five directors, to be appointed by the Board of Directors from among the directors who do not perform executive functions and who possess the appropriate knowledge, ability and experience to fully understand and control the Company's risk strategy and risk appetite. Most of them, and in all cases the Chairman/Chairwoman, should be independent directors.

The Board of Directors will appoint a Chairman/Chairwoman of the Committee from among the independent directors who are members of the Committee, as well as a Secretary, who does not need to be a member of the Committee.

It will meet at least quarterly and as often as necessary, in the opinion of the Chairman/Chairwoman, for the fulfillment of the duties entrusted to it or when so requested by two of its members.

The Chairman/Chairwoman of the Committee will report on the decisions adopted by the Committee at the first plenary meeting of the Board following the meeting of the Committee. The Committee prepares an annual action plan for the year and a similar report on its operation to be presented to the Board of Directors.

(CONTINUED IN SECTION H.1)

Appointment Committee		
Name	Position	Category
MARÍA LUISA ARJONILLA LÓPEZ	CHAIR	Independent
ROCÍO FERNÁNDEZ FUNCIA	BOARD MEMBER	Independent
JOSE RAMÓN SÁNCHEZ SERRANO	SECRETARY	Proprietary director

% of executive directors	0
% of proprietary directors	33.33
% of independent directors	66.67

of other external directors	0

Explain the functions, including as appropriate, any beyond those established by law, that are attributed to this committee and describe its procedures and its rules of organization and operation. For each of these functions, specify the most important actions taken during the year and how the committee has effectively executed each of the functions attributed to it, either by law or in the bylaws or other corporate resolutions.

Its organization and operation are regulated in Article 27 of the Bylaws and Article 32 of the Regulations of the Board of Directors.

1) Functions attributed thereto:
i. Evaluating the skills, diversity, balance of knowledge and experience required on the Board of Directors. For these purposes, it will determine the functions and aptitudes required of the candidates to fill each vacancy and evaluate the dedication necessary for the proper performance of their duties.
ii. Identifying and recommending, by means of the corresponding report, in the case of executive directors and proprietary directors, or proposal, in the case of independent directors, candidates to fill vacancies on the Board, with a view to their approval by the Board of Directors or by the General Shareholders' Meeting.
iii. Periodically and at least once a year, assessing the structure, size, composition and performance of the Board of Directors, making recommendations to the Board regarding possible changes.
iv. Evaluating periodically and at least once a year the suitability of the various members of the Board of Directors and of the Board as a whole, reporting to the Board accordingly.
v. Ensuring that non-executive directors have sufficient time available for the proper performance of their duties.
vi. Reporting on proposals for the appointment and removal of Senior Management, as well as the basic conditions of their contracts.
vii. Examining and organizing the succession of the Chairperson of the Board of Directors and the Company's chief executive, if one exists, and, if applicable, make proposals to the Board of Directors so that the succession takes place in an organized and well-planned manner.
viii. Annually review compliance with the Director Selection Policy and report thereon in the Annual Corporate Governance Report.
ix. Periodically reviewing the Board of Directors' policy on the selection and appointment of Senior Management and make recommendations.
x. Establishing a representation target for the underrepresented gender on the Board of Directors and develop guidelines on how to achieve this target.
xi. Reporting on the appointments of the Vice-Chairperson of the Board, the Chief Executive Officer, the Coordinating Director and the Chairmen/Chairwomen of the Committees.
xii. Reporting on the appointment and removal of the Secretary and Vice-Secretary of the Board of Directors.

(CONTINUED IN SECTION H.1)

REMUNERATION COMMITTEE

Name	Position	Category
CAROLINA MARTÍNEZ CARO	CHAIR	Independent
ANTONIO CARRASCOSA MORALES	BOARD MEMBER	Independent
JUAN ANTONIO IZAGUIRRE VENTOSA	SECRETARY	Proprietary director

% of executive directors	0
of proprietary directors	33.33
% of independent directors	66.67
% of other external directors	0

Explain the functions, including as appropriate, any beyond those established by law, that are attributed to this committee and describe its procedures and its rules of organization and operation. For each of these functions, specify the most important actions taken during the year and how the committee has effectively executed each of the functions attributed to it, either by law or in the bylaws or other corporate resolutions.

Its organization and operation are regulated in Article 27 bis of the Bylaws and Article 33 of the Regulations of the Board of Directors.

1) Functions attributed thereto:
i. Verifying compliance with the remuneration policy established by the company.
ii. Preparing the decisions related to remuneration, including those that have repercussions for the Company's risk and risk management, that must be adopted by the Board of Directors.
iii. Proposing the remuneration policy for directors and senior management to the Board of Directors, as well as the individual remuneration and other contractual conditions of the executive directors and senior management, ensuring that they are complied with.
iv. Preparing a specific report, which will accompany the Board of Directors' remuneration policy proposal.
v. Periodically reviewing the remuneration policy that is applied to directors and senior management, including the remuneration systems with shares and their application, ensuring that their individual remuneration is proportionate to that paid to the other directors and the senior management of the company.
vi. Ensuring that any conflicts of interest do not affect the independence of the external advice provided to the Committee.
vii. Verifying the information on remuneration for Board Members and Senior Management contained in the various corporate documents, including the annual report on the remuneration of the Board Members.

2) Procedures, rules of organization and operation:
The Remuneration Committee shall be made up of a minimum of three and a maximum of five directors who do not perform executive functions in the Bank. Most of them, and in all cases the Chairman/Chairwoman, should be independent directors. The members of the Remuneration Committee will be appointed by the Board of Directors, taking into account the knowledge, experience and skills required for the duties to be performed.
The Board of Directors shall appoint a committee chairperson from among the independent directors belonging to the Committee. It will also appoint a Secretary, who does not have to be a member of the Board, who will assist the Chairperson and provide for the proper functioning of the Committee, duly recording the proceedings of the meetings in the minutes.
The committee will meet with the frequency determined by the committee and whenever called to meeting by its chairperson or requested by two of its members.

The Chairperson of the Committee will report on the decisions adopted by the Committee at the first plenary meeting of the Board following the meeting of the Committee. Annually, the Committee prepares an action plan for the year and an annual report on its operation which it presents to the Board of Directors.

(CONTINUED IN SECTION H.1)

SUSTAINABILITY COMMITTEE		
Name	Position	Category
NURIA ALIÑO PÉREZ	CHAIR	Independent
INÉS GUZMÁN ARRUE	BOARD MEMBER	Independent
NATALIA SÁNCHEZ ROMERO	SECRETARY	Proprietary director

% of executive directors	0
% of proprietary directors	33.33
% of independent directors	66.67
% of other external directors	0

Explain the functions that are delegated or attributed to this committee that are not described in Section C.1.9 and describe its procedures and its rules of organization and operation. For each of these functions, specify the most important actions taken during the year and how the committee has effectively executed each of the functions attributed to it, either by law, in the bylaws or in other corporate resolutions.

Functions:
i) Overseeing that the Company's practices related to sustainability are in line with the strategy, the established policies and the commitments acquired

ii) Reporting on the Sustainability Policies to be submitted to the Board of Directors for approval, in order to promote the inclusion of the corporate culture and fulfill the mission of promoting the social interest, taking into account the different stakeholders
iii) Ensuring the integrity of the content of sustainability reports, as well as compliance with applicable regulations and international reference standards. Regarding the non-financial information contained in the annual management report, evaluating its content prior to its review and report by the Audit and Regulatory Compliance Committee, for its subsequent formulation by the Board of Directors.
iv) Monitor the processes of identification, evaluation, control and management of risks in the area of sustainability
v) Evaluate the periodic sustainability reports submitted by the relevant areas of the Company
vi) Be aware of the texts, reports or communications from supervisory bodies related to sustainability and issue the corresponding reports and/or proposals, as the case may be
vii) Advise the Board of Directors in decision-making on sustainability matters, with the Audit and Regulatory Compliance and the Risk Committees providing whatever assistance may be required within the framework of their respective competencies, and acting in coordination with both Committees.
viii) Make proposals to the Board of Directors regarding sustainability.

Operating rules:
The Sustainability Committee's rules of operation are set out below:
1. The Sustainability Committee shall comprise a minimum of three and a maximum of five directors, appointed by the Board of Directors for a period not exceeding their term of office, without prejudice to the possibility of their being re-elected indefinitely, to the extent that they are also re-elected as directors. All of the members of the Sustainability Committee should be directors who do not perform executive functions in the Company. The members of the Sustainability Committee are to be appointed by the Board of Directors, taking into account the knowledge, experience and skills required for the duties to be performed.

2. The Board of Directors shall appoint a chairperson of the Sustainability Committee from among the independent directors who are members of the committee. A secretary will also be appointed, who does not have to be a member committee. They will assist the chairperson and provide for the proper functioning of the committee, duly recording the proceedings in the minutes of the meeting. The minutes of each meeting will be taken by the secretary or whoever is performing their duties and provided to all board members.

3. The committee will meet with the frequency determined by the committee and whenever called to meeting by its chairperson or requested by two of its members. Notice of meetings shall be given at least two working days prior to the date set for the meeting. On an annual basis, the committee will draw up an action plan for the year, which it will make available to the board.
4. The Sustainability Committee shall seek external advice where it is deemed necessary for the performance of its duties.
5. The chairperson of the committee shall report on the decisions adopted by the committee at the first plenary meeting of the board following the meeting of the committee.
6. The committee will submit an annual report on its operation to the Board of Directors.

3) The main matters and issues dealt with by the Committee during 2023, in its different areas of activity, were as follows:

(i) Corporate Governance: At the first session of 2023, the committee approved its Action Plan for the year.

(ii) Sustainability Strategy (ESG): The committee was informed of the monitoring of the carbon footprint estimate, the exposure to transition risk and physical risk, and the corporate objectives relating to sustainability. The committee also informed the Board of the proposed metrics related to the Sustainability of the AFP, the Sustainability aspects of the 2022 Prudential Relevance Report and the 2022 Statement of Non-Financial Information.

(iii) Policies: The committee reported favorably on the revision of the CSR Policy and the Environmental, Energy and Climate Change Policy and the approval of the Policy on exclusions to financing for environmental and social risks.

On the same date of approval of this report, the board approved an amendment to the Regulations of the Board of Directors, incorporating the functions, composition, operating rules and other aspects of the Sustainability Committee.

TECHNOLOGY AND INNOVATION COMMITTEE		
Name	Position	Category
INÉS GUZMÁN ARRUE	CHAIR	Independent
CAROLINA MARTÍNEZ CARO	BOARD MEMBER	Independent
FELIPE FERNÁNDEZ FERNÁNDEZ	SECRETARY	Proprietary director

% of executive directors	0

% of proprietary directors	33.33
% of independent directors	66.67
% of other external directors	0

Explain the functions that are delegated or attributed to this committee that are not described in Section C.1.9, describing its procedures and its rules of organization and operation. For each of these functions, specify the most important actions taken during the year and how the committee has effectively executed each of the functions attributed to it, either by law, in the bylaws or in other corporate resolutions.

1) Functions attributed thereto:
i. Assisting the Board of Directors in making decisions affecting technology, information and data management and the Company's telecommunications structures, reporting on strategic plans and actions and submitting the appropriate proposals.
ii. Overseeing the optimization of technological support for information processing and the development of systems and applications, ensuring their proper operation and data security.
iii. Monitoring the process of technological transformation of the Company, with particular attention to its impact on the business model.
iv. Following technological risk, in general.
v. Ensuring the identification of potential avenues for innovation present in the Company, as well as to supervise and monitor innovation initiatives that have an impact on the business model.
vi. Providing whatever assistance is required, within the framework of their respective competencies, by the Audit and Compliance Committee and by the Risk Committee, working together with both committees to the extent necessary for the exercise of their own competencies.

2) Procedures, rules of organization and operation:

The committee will comprise a minimum of three and a maximum of six directors who do not perform executive functions in the Company. The members of the Technology and Innovation Committee will be appointed by the Board of Directors, taking into account the knowledge and experience of the candidates and the skills required for the duties to be performed.

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

The Board of Directors will appoint a chairperson of the Technology and Innovation Committee from among the independent directors who are members thereof. It will also appoint a secretary, who does not need to be a member of the committee to assist the chairperson and ensure the proper functioning of the committee, duly recording the proceedings in the minutes of the meetings, which will be provided to all directors.

The committee will meet with the frequency determined by the committee and whenever called to meeting by its chairperson or requested by two of its members. Annually, the committee prepares an action plan for the year and an annual report on its operation which it presents to the Board of Directors.

The chairperson of the committee will report on the decisions adopted by the committee at the first plenary meeting of the board following the meeting of the committee.

3) Actions of the Technology and Innovation Committee during 2023:

The main matters and issues dealt with by the committee during 2023, in its different areas of activity, were as follows:

(i) Corporate Governance: At the first session of 2023, the committee approved its Action Plan for the year.

(ii) Technology and innovation: The Committee was informed of the plans and work carried out for the evolution of the architecture and optimization of the technological infrastructure, having reported favorably and submitted certain proposals pertinent to this area to the Board of Directors for its approval. The committee has monitored the 2022-2024 Technology Plan, in particular the significant initiatives on digitalization and on innovation and NPS customer experience.

(iii) Technology and cybersecurity risk: The committee monitors technological risks and the Cybersecurity Plan.

On the same date of approval of this report, the Board of Directors approved an amendment to the Board Regulations, changing the name of the committee. It was renamed the Digital Transformation, Innovation and Technology Committee, incorporating the rules of operation, composition, functions and other aspects of the Technology and Innovation Committee.

2.2 Fill in the following table with information about the number of women directors that made up the committees of the Board of Directors at the end of the last four years:

	Number of women directors			
	2023	2022	2021	2020

	Number	%	Number	%	Number	%	Number	%
AUDIT AND REGULATORY COMPLIANCE COMMITTEE	3	60	1	20	2	40	2	40
RISK COMMITTEE	1	33.33	2	40	1	20	4	80
Appointment Committee	2	66.66	2	40	2	40	2	40
REMUNERATION COMMITTEE	1	33.33	4	80	3	60	2	40
SUSTAINABILITY COMMITTEE	3	100	1	20	0	0	0	0
TECHNOLOGY AND INNOVATION COMMITTEE	2	66.66	5	83.33	3	60	2	66.66

2.3 Specify, where appropriate, any regulations on the committees of the board, where same can be consulted and any changes made to it during the year. In turn, state whether any annual report has been voluntarily drawn up on the activities of each committee.

Section C.2.1 of this report specifies the articles of the Company Bylaws and the Regulations of the Board of Directors that contain the internal regulations of the different Board Committees, except for the Technology and Innovation Committee and the Sustainability Committee which is regulated by the Board of Directors.

The Company's Bylaws, the Regulations of the Board of Directors, the Regulations of the Audit and Compliance Committee and the operating rules of the Technology and Innovation Committee and the Sustainability Committee are published on the Company's corporate website (www.unicajabanco.com) in the "Corporate Governance and Remuneration Policy" section.

In 2022, the Sustainability Committee was constituted. None of the provisions or agreements regulating the Board committees were modified.

In compliance with Recommendation 6 of the Code of Good Governance of Listed Companies, the 2023 reports of the Audit and Regulatory Compliance, Appointments and Remuneration Committees will be published on the Company's corporate website sufficiently in advance of the Ordinary General Shareholders' Meeting of the Company. The corresponding reports of the Risk Committee will also be published on the Company's corporate website. The Sustainability Committee and the Technology and Innovation Committee will not be published as they have been inactive for a large part of the year due to vacancies on the board during fiscal year 2023.

On February 29, 2024, the Board of Directors agreed to amend the Board Regulations to include the regulation of the Sustainability Committee and the Digital Transformation, Innovation and Technology Committee (formerly Technology and Innovation).

D. RELATED PARTY AND INTRA-GROUP TRANSACTIONS

D.1. Explain, where appropriate, the procedure and competent bodies for the approval of transactions with related parties and intra-group transactions, indicating the criteria and general internal rules of the entity that regulate the abstention obligations of the affected directors or shareholders and detailing the internal reporting and periodic control procedures established by the company in relation to those related party transactions whose approval has been delegated by the Board of Directors.

The Board of Directors has developed the internal regulations for the prevention of conflicts of interest both through the Regulations of the Board of Directors itself, reserving for the exclusive knowledge of the board, except when this corresponds to the general meeting, the transactions that the Company carries out with directors, senior executives, significant shareholders or shareholders represented on the Board or with persons related thereto (related-party transactions), after the Audit and Compliance Committee has provided a favorable report, as well as through the approved and effectively implemented series of procedures that establish the bases of action to be followed in order to prevent and, where appropriate, manage conflicts of interest that may arise between members of the board, customers, suppliers and the company in general. Where appropriate, the committee also works with other companies in its group, complying at all times with the provisions of current legislation and the Bank's corporate governance system.

Specifically, the Bank has a "Policy for the Identification and Management of Conflicts of Interest and Related-Party Transactions of Significant Shareholders, Board members, Board members, senior executives and other related parties", (the "Policy"), the purpose of which 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 its directors, Significant Shareholders and Senior Management of the Company and their related parties,

The aforementioned policy, and in compliance with the Capital Companies Act, establishes that the corporate bodies responsible for approving credit, guarantee or surety transactions to be granted to members of the Board of Directors and parties related to it will be the General Shareholders' Meeting or the Board of Directors, depending on the amount of the transaction, in both cases pursuant to a report from the Audit and Compliance Committee which, among other elements, will assess whether the transaction is fair and reasonable from the Company's point of view and will include the mentions required by Bank of Spain Circular 2/2016 for this type of transaction.

In accordance with the aforementioned internal regulations, the competent bodies for the approval of related-party transactions will be:

1. The General Shareholders' Meeting for related-party transactions, where the amount or value is equal to or exceeds 10% of total assets, according to the latest annual balance sheet approved by the Company.
When a General Meeting of Shareholders is called to decide on a related-party transaction, the shareholder concerned will be deprived of their right to vote, except in cases where the proposed resolution has been approved by the Board of Directors without the majority of independent directors voting against it. However, where applicable, the rule of the reversal of the burden of proof will apply in terms similar to those provided for in Article 1903 of the Capital Companies Act.
2. For all other transactions, the Board of Directors may only delegate the approval of transactions that meet the legal requirements, as described below.
The director or other key personnel affected by the related transaction, or who represents or is related to the affected shareholder, will abstain from participating in the deliberation and voting of the corresponding resolution.

The approval of related-party transactions by both the General Shareholders' Meeting and the Board of Directors will require a prior report from the Audit and Compliance Committee, in the drawing up of which the affected directors may not participate.

As indicated above, the Policy also provides, in accordance with the Capital Companies Act, a delegation for certain internal committees of the Bank for the granting of credit transactions to Directors and related parties, not exceeding an aggregate amount of 500,000 euros in the last year (an amount much lower than the limit of 0.5% of the Company's net turnover established by the Capital Companies Act), provided that such transactions are entered into under contracts whose terms and conditions are standardized, are applied en masse to a large number of customers, and are carried out at prices and rates generally established by the Bank. Although they do not require a prior report from the Audit and Compliance Committee, these transactions must follow an internal procedure of periodic information and control by the aforesaid Committee, expressly established in the Policy.

Transactions that require authorization from the Bank of Spain may not be formalized until this authorization has been obtained. Those that do not require authorization should be reported to the Bank of Spain immediately after they are granted. Furthermore, the Bank will report to the competent authority, on a half-yearly basis, a list of the members of the Board of Directors and their related parties, general managers and similar parties to whom loans have been granted, with the detail established in Bank of Spain Circular 2/2016.

On the occasion of the announcement of the Ordinary General Shareholders' Meeting, the Bank publishes on its corporate website the annual report of the Audit and Compliance Committee containing the report on related-party transactions, ensuring compliance with Recommendation 6 of the Code of Good Governance of Listed Companies.

D.2. List individually those transactions that are significant due to their amount or relevant due to their subject matter carried out between the company or its subsidiaries and shareholders holding 10% or more of the voting rights or represented on the Board of Directors of the company, indicating which was the competent body for their approval and whether any affected shareholder or director abstained. In the event that the competence fell to the board, state whether the proposed resolution was approved by the board without a dissenting vote from the majority of the independent directors:

	Name or corporate name of the shareholder or of any of its dependent companies	% of equity interest	Name or company name of the company or subsidiary	Amount (thousands of euros)	Approving body	Identification of any significant shareholder or director who abstained	The proposal to the board, if any, has been approved by the board without a majority of independent directors voting against it
(1)	FUNDACIÓN BANCARIA UNICAJA	30.24	CLUB BALONCESTO MÁLAGA, S.A.D.	4,650	BOARD OF DIRECTORS	Juan Antonio Izaguirre Ventosa, Miguel González Moreno, Natalia Sánchez Romero and José Ramón Sánchez Serrano.	NO
(2)	FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	30.24	UNICAJA SPORTS SOCIETY	300	BOARD OF DIRECTORS	Juan Antonio Izaguirre Ventosa, Miguel González Moreno, Natalia Sánchez Romero and José Ramón Sánchez Serrano.	NO
(3)	FUNDACIÓN BANCARIA UNICAJA	30.24	CLUB BALONCESTO MÁLAGA, S.A.D.	2,000	BOARD OF DIRECTORS	Juan Antonio Izaguirre Ventosa, Miguel González Moreno, Natalia Sánchez Romero and José Ramón Sánchez Serrano.	NO
(4)	FUNDACIÓN BANCARIA UNICAJA	30.24	CLUB BALONCESTO MÁLAGA, S.A.D.	17	BOARD OF DIRECTORS	Juan Antonio Izaguirre Ventosa, Miguel González Moreno, Natalia Sánchez Romero and José Ramón Sánchez Serrano.	NO
(5)	FUNDACIÓN BANCARIA UNICAJA	30.24	FUNDACIÓN BANCARIA UNICAJA	900	BOARD OF DIRECTORS	Juan Antonio Izaguirre Ventosa, Miguel González Moreno, Natalia Sánchez Romero and José Ramón Sánchez Serrano.	NO

	Name or corporate name of the shareholder or of any of its dependent companies	% of equity interest	Name or company name of the company or subsidiary	Amount (thousands of euros)	Approving body	Identification of any significant shareholder or director who abstained	The proposal to the board, if any, has been approved by the board without a majority of independent directors voting against it
(6)	FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	6.67	FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	22	BOARD OF DIRECTORS	Felipe Fernández Fernández	NO

	Name or corporate name of the shareholder or of any of its dependent companies	Nature of the relationship	Type of operation and other information necessary for assessment
(1)	FUNDACIÓN BANCARIA UNICAJA	Contractual	Sports sponsorship agreement for the 2023-2024 season. The amount does not include VAT.
(2)	FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	Contractual	Collaboration agreement for the promotion of sports.
(3)	FUNDACIÓN BANCARIA UNICAJA	Contractual	Renewal of a checking account for a one-year term.
(4)	FUNDACIÓN BANCARIA UNICAJA	Contractual	Financial guarantee.
(5)	FUNDACIÓN BANCARIA UNICAJA	Contractual	Modification of the license agreement for the use of a trademark owned by Fundación Bancaria Unicaja, extending the term by ten years. The initial fee (900,000 euros) excluding VAT will be updated annually in line with variations in the CPI.
(6)	FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	Contractual	Modification of a real estate lease

There have been no proposed transactions to be submitted for approval at the General Shareholders' Meeting. The proposed transactions during the year were approved by the Board of Directors, following a favorable report from the Audit and Compliance Committee, without the participation or vote of the proprietary directors.

D.3. Provide an individualized detail of the transactions that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with the directors or executives of the company, including those transactions carried out with companies that the director or executive controls or jointly controls, and indicating which was the competent body for their approval and whether any shareholder or director affected abstained. In the event that the competence fell to the board, state whether the proposed resolution was approved by the board without a dissenting vote from the majority of the independent directors:

Name or corporate name of the directors or executives or the companies under their sole or joint control	Name or company name of the company or subsidiary	Link	Amount (thousands of euros)	Approving body	Identification of any significant shareholder or director who abstained	The proposal to the board, if any, has been approved by the board without a majority of independent directors voting against it
No data						

Name or corporate name of the directors or executives or the companies under their sole or joint control	Type of operation and other information necessary for assessment
No data	

D.4. Report on an individual basis on significant intra-group transactions, due to their amount or relevant due to their subject matter, carried out by the company with its parent company or with other entities belonging to the parent company's group, including the listed company's own subsidiaries, unless no other related party of the listed company has an interest in such subsidiaries or such subsidiaries are wholly owned, directly or indirectly, by the listed company.

In any case, any intra-group operation that is carried out with entities established in countries or territories that are considered tax havens should be reported:

Corporate name of the group company	Brief description of the operation and other information necessary for assessment	Amount (thousands of euros)
No data		

D.5. Individually list any transactions that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with other related parties that are so in accordance with the International Accounting Standards adopted by the EU, which have not been reported under the previous headings.

Company name of the related party	Brief description of the operation and other information necessary for assessment	Amount (thousands of euros)
No data		

D.6. Detail the mechanisms in place to detect, determine and resolve potential conflicts of interest between the company and/or its group, and their directors, executives, significant shareholders or other related parties.

Article 13.3 of the Company's Bylaws entrusts the Board of Directors with the definition of a corporate governance system that guarantees the sound and prudent management of the Company. It includes the appropriate distribution of functions in the organization and the prevention of conflicts of interest.

The Board of Directors has developed the internal regulations for the prevention of conflicts of interest in its Regulations, specifically in Articles 7, 15, 16, 17, 18, 20 and 21. Article 7.4.(m) of the Regulations of the Board of Directors establishes as an exclusive competence of the Board the examination and approval of the transactions that the Company carries out with directors, senior management, with significant shareholders or shareholders represented on the board, or with persons related to it (related-party transactions), subject to a favorable report from the Audit and Compliance Committee.

Article 15 of the Board Regulations states that directors have, among other obligations, the following: (a) not exercise their powers for purposes other than those for which they were granted, (b) perform their duties under the principle of personal responsibility free of criteria or judgment and independence with respect to third-party instructions and ties, (c) adopt the necessary measures to avoid incurring in situations in which their interests, whether on their own behalf or on behalf of others, may conflict with the corporate interest and with their duties to the Company, (d) report any situation of direct or indirect conflict to the Board of Directors, in accordance with the established procedure and (e) have the appropriate dedication and adopt the necessary measures for the proper management and control of the Company. In particular, directors shall inform the Appointments Committee of their other professional obligations to ensure that they do not interfere with proper dedication to their position.

(CONTINUED IN SECTION H.1)

D.7. Indicate whether the company is controlled by another entity along the lines of Article 42 of the Code of Commerce, listed or otherwise, and has, directly or through the subsidiaries thereof, any business relationships with said entity or the subsidiaries thereof (other than those of the listed company) or carries out activities related to those of any such entities.

[ ] Yes
[✓] No

E. RISK MANAGEMENT AND CONTROL SYSTEMS

E.1 Explain the scope of the company's financial and non-financial Risk Control and Management System, including those of a fiscal nature.

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

- A system of governance and organization of the risk function, based on the active participation and supervision of the Board of Directors and senior management, which approves the Company's general business strategies and policies and sets the general guidelines for risk management and control.
- A Risk Appetite Framework is established within the Group as a key instrument in the implementation of the risk policy.
- A prudent risk exposure management model to which the Unicaja Banco Group pays close attention so as to keep a prudent, balanced risk profile at all times in order to meet its solvency, profitability and appropriate liquidity objectives, which translates into a solid, consistent risk culture.
- A selection of suitable methodologies for the identification, measurement, management and control of risks, which undergo a continuous process of improvement and are in line with regulatory requirements. At the same time, the Group matches its equity requirements to the level of actual risks stemming from its banking activity.
- A supervisory model based on three lines of defense, something which is in line with the expectations of regulatory and supervisory authorities.

In the Unicaja Banco Group, the policies, methods and procedures related to global risk management and control are approved and periodically reviewed by the Bank's Board of Directors, with the support of the Risk Committee. The Audit and Compliance Committee also supervises the effective operation of the risk control and management system as a whole.

Based on the current regulatory framework, Unicaja Banco's organizational structure includes the Risk Control and Supervisory Relations Department (CRO). One of the functions of this unit is to take control from a global perspective of all the risks for the Bank. The organization of the Unicaja Banco Group's Top Management has a well-defined internal structure that supports this unit and enables it to implement all the decisions it makes.

In the tax area, in accordance with the Tax Strategy Policy of the Unicaja Banco Group approved by the Board of Directors, the tax risk management system in the Bank operates according to the following scheme:

- The Board of Directors is responsible for approving the fiscal risk control and management policies, as a non-delegable competence.
- The Tax Advisory Area, which reports to the Corporate Accounting and Reporting Department, is responsible for developing the control mechanisms and internal rules necessary to ensure the application of current fiscal regulations and the objectives and guidelines set out in the aforementioned document.
- The Risk Control and Supervisory Relations Department (CRO) and the Internal Audit Department act as the second and third line of defense respectively.
- The Audit and Compliance Committee is responsible for supervising the monitoring and control of the Bank's Tax Strategy.

E.2 Identify the company's bodies responsible for the development and implementation of the financial and non-financial Risk Management and Control System, including tax risks.

The Bank's risk management and control model requires a robust and efficient organizational structure. This requires the effective involvement of the Board of Directors and the executive management, as well as adequate coordination throughout the organization.

The following is a list of the bodies that are directly involved in Governance, showing their main functions and responsibilities related to risk management and control, without prejudice to the other functions envisaged in the Law and in the Bank's Bylaws and regulations and manuals, where applicable.

- Board of Directors

The overall risk management and control policies, methods and procedures are approved by the Bank's Board of Directors. Thus, with respect to this area, the main functions conferred on this body are as follows:

- Approving the risk control and management policy, including tax risks, as well as periodically monitoring all internal information and control systems.
- Approving the RAF and its subsequent modifications, at the Risk Committee's proposal.
- Taking the RAF into consideration in the day-to-day management of the Bank and, especially, in the making of strategic decisions.
- Being informed, at least on a quarterly basis, of the monitoring of the RAF by the Risk Committee, without prejudice to the information that it may request of the latter at any given time.
- Taking all relevant corrective measures when deemed appropriate.
- Specifically approving, where appropriate, the maintenance of situations that involve an exceedance of a limit.

- The Risk Committee

The following are among its main functions:

- Advising the Board of Directors on the Bank's overall risk appetite – current and future – and its strategy in this area and helping it to monitor the implementation of this strategy.
- Ensuring that all risk control and management systems work properly and, in particular, that any significant risks that affect the Company are properly identified, managed, and quantified.
- Ensuring that all risk control and management systems properly mitigate the risks within the framework of the policy defined by the Board of Directors.
- Actively taking part in drawing up the Company's risk management policy, ensuring that it identifies at least the following:

a) The different types of financial and non-financial risks (including, among others: operational, technological, legal, social, environmental, political and reputational) that the Company faces, contingent liabilities and other off-balance sheet risks being counted among the financial and economic risks
b) The level of risk that the Company considers acceptable
c) The measures envisaged to mitigate the impact of the risks identified, should they materialize
d) The information and internal control systems that will be used to control and manage the aforementioned risks, including all contingent liabilities and off-balance sheet risks.
In particular, within the RAF:

- Proposing to the Board of Directors the approval of the RAF and its subsequent modifications.
- Informing the Board of Directors, at least quarterly or at any time at it requests it, on the monitoring of the RAF.
- Requesting, when it deems it convenient, information about the RAF from the various units.
- Propose the appropriate remedial measures according to the protocol established in the event of a limit violation.
- Proposing to the Board of Directors, where appropriate, the maintenance of situations that involve the exceedance of a limit.

• Audit and Regulatory Compliance Committee

In addition to the functions set out in the law and in the Company's Bylaws, the Audit and Regulatory Compliance Committee is responsible for the following functions:

- information and internal control systems, supervising, among others, the effectiveness of the internal control of financial reporting system (IFCR)
- Internal auditing
- The auditor
- Compliance with corporate governance rules
- Regulatory compliance
- Structural and corporate modification operations the Bank plans to carry out
- Information on the fiscal consequences of operations or matters that are to be submitted for the approval of the Board of Directors, where they constitute a relevant aspect or respond to the cases provided for in the bylaws
- These risk-related functions also include the assessment of all non-financial risks of the company, including operational, technological, legal, social, environmental, political and reputational risk.
- With regard to fiscal risk, an annual report on the monitoring and control of the Bank's Tax Strategy is provided to the Audit and Compliance Committee.

(CONTINUED IN SECTION H.1)

E.3 Specify the main financial and non-financial risks, including tax risks, and the extent to which they are significant, any risks stemming from corruption (the latter understood as being the scope of Royal Decree Law 18/2017), that might affect whether business objectives are reached.

The risk management and control model adopted by the Bank contemplates both financial and non-financial risks, among which the following should be mentioned:

- Credit risk.
- Market risk.
- The interest rate risk in the banking book (IRRBB).
- The liquidity risk.
- Property Risk
- The operational risk.
- Reputational risk
- Business and Strategic Risk
- Risks related to environmental, social and governance factors.
- Credit risk

The credit risk is defined as the risk of incurring losses as a result of a default on payments owed to the Bank.
This risk is inherent to its operation.

- Market Risk

Market risk is defined as the possibility of the Bank incurring a loss from holding positions in the markets as a result of adverse movements of the financial variables or of risk factors that determine the value of such positions.

- Interest rate risk in the banking book (IRRBB)

Interest rate risk in the banking book (IRRBB) is defined as the current or future risk to both the earnings and economic value of the Bank arising from adverse interest rate fluctuations affecting interest rate sensitive instruments.

- Liquidity Risk

Liquidity risk can be defined differently since it is not a monodimensional concept. Typically liquidity risk has three different meanings, which we will define hereinbelow as:

- The cost of unwinding a position in a real or financial asset. It refers to the difficulties that may arise when unwinding or closing a position in the market, at a particular point in time, without impacting the market price of the instruments or the cost of the transaction (market or asset liquidity).
- A mismatch between the degree of enforceability of liability operations and the degree of performance of asset operations (funding liquidity).
- A mismatch between the capabilities for growth of the investment activity arising from the impossibility of finding financing commensurate with the risk appetite to leverage asset growth strategies (strategic or structural liquidity).
- Property risk

This is the risk associated with the loss of value of real estate assets held on the Bank's balance sheet.

(CONTINUED IN SECTION H.1)

E.4 Identify whether the entity has risk tolerance levels, including fiscal.

The Group's risk management and control is arranged via, among others, the Risk Appetite Framework (RAF), which is approved by the Bank's Board of Directors. The Unicaja Banco Group uses this RAF as an instrument for implementing its risk policy and as a key management and control tool that allows it to: (i) formalize the risk appetite statement (ii) specify the Group's risk objectives in line with the corporate strategy, acting as a guiding reference for the activities carried out (iii) formalize the risk supervision and monitoring mechanism to ensure compliance with the risk propensity (iv) integrate all risk control and management processes into a common framework and (v) strengthen and disseminate the Group's risk culture.
The development of this framework as the Group's general risk policy is configured as a fundamental element in its management and control, providing the Board of Directors and senior management with a comprehensive framework that determines the risks that the Group is willing to assume and establishing different metrics for their quantification, control and monitoring, which allow it to react to certain levels or situations.
Therefore, the main aim of Unicaja Banco's RAF is to establish a set principles, procedures, controls and systems by means of which the Bank's risk appetite can be defined, communicated and monitored.
Risk appetite is understood as the risk level or profile that Unicaja is willing to assume and maintain, both in terms of its type and its quantity, as well as its tolerance level, and must be oriented towards achieving the objectives of its strategic plan in accordance with the lines of action established therein.
The main goal in managing the different risks is to achieve a risk profile that falls within the desired risk appetite level, which is defined on the basis of the established limits, those management measures that are considered most appropriate to achieve this being taken.

In addition, this Framework establishes different metrics for the quantification, control and monitoring of risks, which permit reacting to certain levels or situations. These metrics characterize the objective behavior of the Unicaja Group, are cross-functional to the organization, and make it possible to convey the risk-prone culture to all levels in the organization in a systematized and understandable way. In turn, they summarize the Group's objectives and limits, can be communicated, where appropriate, to its stakeholders and are homogeneous since they are applied throughout the organization.
The Group has a process for identifying material risks, in which methodologies for the quantification of all risks to which the Bank is exposed are used. Likewise, it defines a criterion for selecting those risks which are material and hence must be managed and controlled more proactively. This management and control involves, among other things, the allocation of capital within a Internal Capital Adequacy Assessment Process (ICAAP) or, in the case of the liquidity risk, the allocation of a liquidity management buffer, which is assessed within an Internal Liquidity Adequacy Assessment Process (ILAAP). The process of quantification and identification of material risks is carried out on a recurring basis, which allows the Bank to identify emerging risks at all times.
Based on this process, within the Risk Appetite Framework, at least for each of the material risks, the appetite and tolerance are established through a qualitative statement, risk indicators or metrics are selected and a calibration methodology is defined that allows target thresholds, early warnings and limits to be set.
The Risk Control and Supervisory Relations Department (CRO) monitors compliance with the Risk Appetite Framework via the existing metrics for each type of risk. It also submits the results of its monitoring to executive management and its governing bodies.
The Company has integrated the Risk Appetite Framework into its strategy, ICAAP and ILAAP processes, corporate risk policies and Recovery Plan, among other areas. The Bank ensures the observance of the established risk culture through the approval of the management framework, the development of strategies and policies and the monitoring of the limits established for managing each type of risk.
Finally, as regards tax risk, Unicaja Banco's Tax Strategy, mentioned in Section E above, includes among its principles: i) respect for tax regulations in its actions, without resorting to aggressive tax strategy practices; ii) prudence, basically understood as the principle of precaution in the assumption of risk; and iii) integrity, as a manifestation of ethics in the Bank's actions and in its relations with customers, investors and shareholders, as well as with any other party with which it maintains economic relations. Within the framework of Unicaja Banco's collaborative relationship with the fiscal authorities, it is covered by the Code of Good Tax Practices.

E.5 Indicate which financial and non-financial risks, including tax risks, have materialized during the year.

In addition, the Bank provides detailed information on risks in its Annual Report, which is available to any interested party on the corporate website (https://www.unicajabanco.com/es/inversores-y-accionistas/informacion-economico-fnanciera/ financial-reports), and especially in Notes 18, 24, 25, 27, 28 and 29 of the Notes to the consolidated Financial Statements, as well as in Section 11 of the consolidated Management Report.

E.6 Explain the response and supervision plans for the company's main risks, including tax risks, as well as the procedures that the company follows to ensure that the Board of Directors is able to respond to any new challenges that arise.

Through its Risk Appetite Framework, the Company defines risk limits, the monitoring and governance of which allows it to control its capacity for risk exposure and risk tolerance.
The Risk Control and Supervisory Relations Department (CRO) periodically monitors the Bank's risk profile and compares it with the risk appetite and the established limits, informing both the Board of Directors and the Risk Committee, as well as Senior Management, providing them with a tool to react to potential situations of deterioration of the Bank.

- Credit risk
Unicaja Banco has a document approved by the Board of Directors entitled Customer Credit Risk Policies which it has established as the framework for properly controlling and managing the credit risks inherent to its credit investment. This manual defines all mandatory risk policies and procedures, details the activities and tasks to be performed, delimits the responsibilities of the different areas involved in the transaction granting and monitoring processes, establishes the risk appetite decided by the Bank and its articulation through risk limits and types of transactions and documents in a structured and unified manner all general and specific aspects related to most of the credit investment transactions.

Likewise, the Unicaja Banco Group has scoring and rating models integrated in its approval, monitoring and recovery processes. The PD (probability of default), LGD (loss given default) and EAD (exposure at default) estimates are taken into account in different uses, such as the granting of operations, the calculation of provisions or the classification of credit transactions.

It should also be noted that in 2021 Unicaja Banco received authorization from the European Central Bank to use internal models relating to the retail portfolio (not SMEs) to calculate its solvency ratios. At the end of 2023, approval was received to extend this authorization to the perimeter of exposures originated in Liberbank, S.A. prior to the integration.

Regarding the granting of credit operations, Unicaja Banco has detailed policies, methods and procedures to ensure the responsible granting of loans and credit to consumers.

The principles developed for this purpose are aligned with the Bank's current situation, through the Customer Credit Risk Policies document and with the regulatory requirements established in the regulations in force, including the following points:
- The granting criteria associated with the debtor's ability to pay
- A transaction amortization plan that is adapted to the customer
- A prudent ratio of the amount of the transaction to the value of its collateral
- A collateral valuation policy
- The granting of loans in foreign currencies Interest rate variability. The Interest rate risk cover.
- The exceptions policy on the terms and conditions of transactions
- A warning to the customer about their failure to comply with their payment obligations
- A debt renegotiation policy
- Information on the cost of services related to the granting of the credit transaction
- The obligation to provide information to home buyers by subrogation of a developer loan
- Other aspects of responsible lending policies and procedures.

The Unicaja Banco Group has systems in place for complying with Law 5/2015 on the promotion of the business activity which grants unwaivable rights to SMEs and self-employed workers in those cases where a credit institution decides to stop or reduce the flow of financing.

In addition, depending on the beneficiaries and their nature, amount, term, guarantees and characteristics, the granting of credit transactions must be subject to a decentralized approval process based on the collegiate powers of the following decision-making bodies:
- Board of Directors
- Credit Risk Committee
- Risk Admission Committee
- Corporate Banking and Specialized Financing Risk Analysis Committee
- Individuals Analysis Committee
- Mortgage Analysis Committee
- Territorial Risk Committee
- Territorial Analysis Committee
- Office Risk Committee

Likewise, credit risk control functions and methodologies are applied both during the credit transaction approval phase and the credit transaction follow-up and recovery phases. Follow-up consists in monitoring the evolution of the risk of the transaction itself and of the customer or, where applicable, the economic group. Thus, the credit risk of the financial investment is controlled and monitored by means of various checks:
- The preventive supervision of operations and credit receivers
- The supervision of all impaired, doubtful or unpaid transactions
In accordance with the provisions of the regulations in force, the Unicaja Banco Group has a policy for refinancing, restructuring, renewing and renegotiating transactions.

In addition, the Unicaja Banco Group has methodologies, procedures, tools and rules of action for controlling and recovering irregular assets.

Unicaja Banco has adapted its policies, processes and tools in order to better identify and measure credit risk in the context derived from the Coronavirus pandemic (COVID-19).

(CONTINUED IN SECTION H.1)

F. INTERNAL RISK CONTROL AND MANAGEMENT SYSTEMS RELATED TO THE FINANCIAL INFORMATION ISSUANCE PROCESS (ICFR)

Describe the mechanisms that make up the risk control and management systems related to the entity's financial information issuance process (ICFR).

F.1. The Company's control environment

Report describing its main characteristics including, at least:

F.1.1 Which bodies and/or functions are responsible for: (i) the existence and maintenance of an adequate and effective ICFR, (ii) its implementation and (iii) its supervision.

The Board of Directors and Senior Management of Unicaja Banco, S.A. (hereinafter, "Unicaja", "the Bank" or "the Bank") are aware of the importance of guaranteeing investors the reliability of the financial information published to the market, and are therefore fully involved in the Internal Control over Financial Reporting System (ICFR).

Pursuant to the provisions of Article 10 of its Regulations, the Board of Directors of the Bank, with the assistance of the Audit and Compliance Committee where appropriate, is responsible for adopting the necessary measures to ensure that the periodic financial reporting and any other information provided to the markets is prepared in accordance with the same principles, criteria and professional practices with which the financial statements are prepared and enjoy the same reliability as the latter.

The functions of the Board of Directors include the preparation of the individual and consolidated financial statements of Unicaja and the approval of the financial reporting, along with the establishment, maintenance and supervision of the information and risk control systems, ensuring the adequacy and reliability of the prepared financial reporting.

Pursuant to Article 31 of the Regulations of the Board of Directors of the Bank, in addition to the functions set forth in the law and in the bylaws, in relation to the information and internal control systems, the Audit and Compliance Committee is responsible, among others, for supervising the preparation process and the integrity of the financial reporting relating to the Company and its Group, reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria, as well as assessing the reasonableness of proposals for modification of accounting principles and criteria suggested by the Bank's management. In particular, the Audit and Compliance Committee is responsible for reviewing, analyzing and discussing financial statements and other relevant financial reporting with senior management and other internal and external auditors in order to confirm that this information is reliable, understandable, relevant and that accounting criteria that is consistent with the previous year have been followed.

The Company's senior management has assumed responsibility for the design and implementation of the ICFR, as well as for ensuring its quality, consistency and continuous updating through the Finance General Management and the Risk Control and Supervisory Relations General Management departments. In this regard, with respect to its design and implementation, it develops the internal control and risk management systems that make it possible to identify and manage the main risks and disseminate them among the departments involved.

Unicaja's Finance General Management department, as the first line of defense, is responsible for ensuring that the practices and processes developed in the Bank to prepare the financial information guarantee its reliability and its compliance with the financial reporting framework applicable to the Bank and its Group, with the objective of assessing that the financial information of the Unicaja Group complies with the following principles:

a) The transactions, facts and other events reflected by the financial information effectively exist and have been recorded at the appropriate time in accordance with the applicable financial reporting framework (existence and occurrence).
b) The information reflects all transactions, facts and other events in which the Bank and/or its Group is an affected party (integrity).

c) Transactions, facts and other events are recorded and valued in accordance with the applicable financial reporting framework (valuation).

d) Transactions, facts and other events are classified, presented and disclosed in the financial reporting in accordance with the applicable financial reporting framework (presentation, breakdown and comparability).
e) The financial reporting reflects the rights and obligations through the corresponding assets and liabilities as of the relevant date, in accordance with the applicable. reporting framework (rights and obligations).

In the area of financial reporting, these functions are materialized in the following tasks:
a) Prepare, aggregate and review the individual and consolidated financial information of Unicaja in accordance with the applicable financial reporting framework.
b) Receive the corresponding financial information to be used in the consolidation process from the Group's subsidiaries.
c) Identify any changes that may occur in each period in relation to the applicable financial reporting framework and design the action plans required to comply with the new accounting standards (with the collaboration of other Unicaja departments if necessary).
d) Perform the necessary first-line controls to ensure that the financial information published is free from material misstatement.
e) Maintain reciprocal communication with the Risk Control and Supervisory Relations Department and with the Internal Audit Department of Unicaja.
As the second line of defense, the Risk Control and Supervisory Relations Department is responsible for ensuring that the ICFR is updated periodically and that the controls that form part of this system are in place and operating effectively in each fiscal year. These functions are materialized in the following tasks:
a) Define the methodology and standards necessary for the operation of the ICFR.

b) Assess the appropriateness of the design of the control procedures and activities established in order to effectively mitigate the risks of material misstatement on financial reporting.
c) Where appropriate, coordinate with the heads of the most significant subsidiaries for the purpose of the consolidation process and its impact on the ICFR.
d) Carry out, jointly with the affected departments and the Human and Material Resources General Management department, specific training actions aimed at fostering the internal control culture among all Unicaja Group employees with control functions.
e) Establish second line of defense controls and review the framework of controls established in the first line of defense.
f) Inform the Bank's governing bodies of the ICFR activity.
g) Maintain reciprocal communication with Unicaja's Finance and Internal Audit General Management departments. For this purpose, the Risk Control and Supervisory Relations General Management department has a "Manual for monitoring and updating the Unicaja Group's Internal Control of Financial Reporting System (ICFR)", which details all these functions and establishes the methodology for the periodic monitoring and updating of the ICFR.
Finally, the Internal Audit General Management department, as the third line of defense, has assumed the supervision of the ICFR and its activity consists of ensuring its effectiveness, obtaining evidence of its correct design and operation. Its functions in this area are to verify that controls are in place to mitigate risks that may affect the reliability of financial information and to verify that the controls are operating effectively.
These functions are materialized in the following tasks:
a) Advising the Audit and Compliance Committee on matters of internal control over financial reporting, promoting internal standards and codes and, where appropriate, improving them
b) Promoting the culture of internal control over financial reporting at all organizational levels of the Unicaja Group that require as much
c) Communicating the weaknesses detected and follow up on their correction within a reasonable time
d) Maintaining reciprocal communication with the Finance and the Risk Control and Supervisory Relations General Management departments.
For this purpose, the Company's Internal Audit General Management department has an internal Manual for the supervision of the Internal Control over Financial Reporting system (ICFR), which identifies the financial reporting subject to supervision procedures, the specific tasks that form part of the supervision process, the methodology and criteria used and the regulatory framework that is used as a benchmark.

F.1.2 If the following elements exist, especially in relation to process of preparation of financial information:

· Departments and/or mechanisms responsible: (i) for the design and review of the organizational structure; (ii) for clearly defining the lines of responsibility and authority, with an adequate distribution of tasks and duties; and (iii) for ensuring that there are sufficient procedures for its correct dissemination in the entity:

The definition of the Unicaja management structure and organization chart, as well as the determination of the functions associated with the basic levels, correspond to the Board of Directors. The organization chart of the Company and the functions associated with the different units are available to all employees. The workforce is informed of any modifications through the corporate intranet and internal circulars.

The Human and Material Resources General Management department is responsible for ensuring that the organizational structure of the Bank is permanently adapted to the needs of the business and the efficient development of support services.

To this end, management has procedures documenting the mechanisms in place to review this organizational structure in order to keep it updated, as well as mechanisms to ensure that it is disseminated to all Bank employees.

Based on the framework established by the Bank's Governing Bodies, the Human and Material Resources General Management department is responsible for defining the structure of each business line, specifying its functions, which are developed in function manuals, whose proposal, which is submitted to the Board of Directors for approval, is the responsibility of the Bank's Senior Management.

The other departments and subsidiaries that also participate in the process of preparing financial information must abide by the rules and procedures established by the Finance General Management department and by the Risk Control and Supervisory Relations General Management department, whose functions and responsibilities are clearly identified and defined.

In addition, the Human and Material Resources General Management department, based on organizational changes, proposes appointments to carry out the defined responsibilities.

In the preparation of financial information, the lines of authority and responsibility are clearly defined. Exhaustive planning is also carried out, which involves the assignment of tasks, key dates and the different reviews to be carried out by each of the hierarchical levels, among other issues. Both the lines of authority and responsibility and the aforementioned planning have been documented and distributed among all those involved in the process of preparing financial reporting.

In this regard, the Risk Control and Supervisory Relations General Management department agrees with the departments responsible for the processes selected for review, the dates on which the analysis and review of the process will be carried out. To assess the adequacy of the control activities designed, the department responsible for the process identifies the various relevant risks to which financial reporting is subject and the control activities implemented to mitigate these risks effectively, together with the Risk Control and Supervisory Relations General Management department.

· Code of conduct, approving body, degree of dissemination and instruction, principles and values included (indicating whether there are specific mentions to the recording of transactions and preparation of financial reporting), body in charge of analyzing non-compliance and proposing corrective actions and sanctions:

There is a Code of Ethics applicable to directors, executives and employees of the Unicaja Group, last amended by the Board of Directors of Unicaja on October 28, 2022. Unicaja also has an Internal Code of Conduct in the securities market, last amended by Unicaja's Board of Directors on December 16, 2022.

The Code of Ethics responds to the Group's general commitment to reaffirm a culture of compliance that fosters the development of professional, honest, transparent and upright conduct. The Code defines the corporate values, principles of action and rules of conduct that should guide the behavior of the Group's employees, executives and members of management bodies.

The Group companies' financial and accounting reporting will therefore be reliable and rigorous, ensuring that it is true, clear, complete, coherent and in accordance with the applicable current regulations. The employees responsible for the preparation of financial, non-financial and corporate reporting should therefore guarantee its reliability, undertaking to act with independence, dedication, responsibility and professionalism, with a commitment to ensure mandatory confidentiality.

The Unicaja Group's Code of Ethics establishes the obligation for all persons subject to the Code to promptly report any possible breach of legislation, internal regulations or the Code itself, and to collaborate in all investigations carried out, whether internal or external, with the utmost transparency and diligence.

The Unicaja Group's Code of Ethics is published on Unicaja's corporate Intranet, accessible to all Unicaja employees, as well as on Unicaja's public website, available to anyone interested.

- A whistleblowing channel, which allows the communication to the audit committee of irregularities of a financial and accounting nature, in addition to possible breaches of the code of conduct and irregular activities in the organization, informing, if applicable, whether it is of a confidential nature and whether it allows anonymous communications, respecting the rights of the whistleblower and the reported party.

Pursuant to Article 31 of the Regulations of the Board of Directors of the Bank, in addition to the functions set forth in the Law and in the bylaws, in relation to the information and internal control systems, the Audit and Compliance Committee is responsible, among others, for establishing and supervising a mechanism that allows employees to report, confidentially and, if possible and deemed appropriate, anonymously, any irregularities of potential importance, especially financial and accounting irregularities, that may be detected within the Bank.

In this context, Unicaja has created an internal communication channel (the Whistleblowing Channel) through the corporate Intranet available to the Bank's employees, managers and administrators, with specific access to the channel created through the Bank's corporate website for third parties outside the organization that are not specified above.

Through this confidential and anonymous channel, when so required by the whistleblower, who respects the rights of the whistleblowers and the reported party, the existence of specific situations in which there is a criminal risk for the Bank may be reported, as can potential or actual breaches of the regulatory requirements set out in the external or internal regulations applicable to Unicaja and its internal governance systems and behavior that is contrary to the Code of Ethics.

Throughout 2023 and up to the date of these individual and consolidated financial statements, no communications with the potential to generate risk for the financial reporting of Unicaja or its Group have been received through this channel.

· Training and periodic update programs for the personnel involved in the preparation and review of financial reporting, as well as in the assessment of the ICFR system, which at least cover accounting standards, auditing, internal control and risk management:

Unicaja has developed mechanisms to ensure that the staff members involved in the different processes related to financial reporting have the necessary training and professional competence to correctly develop and execute their duties.

In this regard, these employees are informed at all times of the regulatory requirements in force, and of any updates that may be made to them.

The Company has an annual training plan that is designed in accordance with the department to which the personnel belong, as well as their career plan in the case of technical personnel. To this end, the Human and Material Resources General Management department contacts the different departments to analyze the needs for new training actions and, in the same way, the departments can contact the Human and Material Resources department directly in the event of detecting new training needs to be addressed.

In addition, the technicians involved in the preparation of financial information receive technical updates that are distributed by the Finance General Management department, which in turn receives them from different official sources (the Official State Gazette, Bank of Spain, National Securities Market Commission, European Central Bank, ESMA, EBA, IASB, ISSB, ICAC, Ministry of Economy, Commerce and Enterprise etc.) and other internal (daily mail with regulatory news identified by the Regulatory Directorate, belonging to the Regulatory Compliance Directorate) or external channels (e.g. Cecabank, accounting advisory firms, reviews of portals specialized in accounting regulations, etc.)

F.2. Risk assessment of financial information.

As a minimum, report on:

F.2.1 The main characteristics of the risk identification process, including those of error or fraud, in terms of:

· Whether the process exists and is documented:

The Bank has a procedure for identifying processes, relevant areas and risks associated with financial reporting, which is adequately documented and serves as a basis for identifying the controls that cover each of the identified risks. The execution of the procedure is the responsibility of the relevant departments, in continuous collaboration with the Risk Control and Supervisory Relations General Management department, which carries out a periodic review of the existing risks and controls.

· Does the process cover all of the financial reporting objectives (existence and occurrence: integrity, valuation, presentation, breakdown and comparability and rights and obligations), is it updated and with what frequency?

The identification of potential risks and controls of activities and transactions that may materially affect the financial statements is completed on at least an annual basis. It is based on Senior Management's knowledge and understanding of the business and operating processes, taking into account both materiality criteria and qualitative criteria associated with the structure of the business and its risks, using as a basis the most up-to-date financial reporting possible.

However, if unforeseen circumstances come to light during the course of the year that warn of possible misstatements in the financial reporting or substantial changes in the Group's operations, the Company will proceed to evaluate the existence of risks that must be added to those previously identified.

The criteria followed in the identification of risk are as follows:
- The scope of risk identification, within the scope of ICFR, refers to the risks of incorrectness due to error or fraud in the Unicaja Group's financial information reported to the markets.
- It is identified by the corresponding management (together with the help of the departments responsible for the selected processes under review) in continuous collaboration with the Risk Control and Supervisory Relations General Management department.
- The process is aimed at identifying risks of material misstatement in Unicaja's individual and consolidated financial statements.
Among other aspects, the size of balances and transactions, their composition (volume and unit amount), the degree of process automation, standardization of operations, susceptibility to fraud or error, accounting complexity, degree of estimation/uncertainty, the need to make judgments and valuations involving subjectivity, the risk of losses or contingent liabilities, changes with respect to the previous year and the existence, if any, of control weaknesses identified in previous years are taken into account.

In any case, the risks refer to possible misstatements (intentional or unintentional) within the framework of the financial reporting objectives (or assertions): (i) existence and occurrence, (ii) integrity, (iii) valuation, (iv) presentation, breakdown and comparability and (v) rights and obligations.

The degree to which these financial reporting objectives (or assertions) affect each financial statement caption can be: low, medium or high.

To determine the scope of the ICFR, the Company uses both quantitative criteria (exceeding a materiality threshold) and qualitative criteria, linked in this case to whether it is a heading/area of financial reporting with high, medium or low risk. Unicaja's Risk Control and Supervisory Relations General Management department updates at least once a year the headings/areas that exceed the quantitative materiality thresholds and have high or medium risk.

· The existence of a process for identifying the scope of consolidation taking into account, among other aspects, the possible existence of complex corporate structures, instrumental or special purpose entities:

The Bank has a Consolidation Procedure which details the consolidation perimeter review activity carried out under the responsibility of Unicaja's Finance General Management department. Through this procedure, the Company ensures that any changes that are made to the scope of consolidation in the different financial reporting periods are correctly included in the Group's consolidated financial statements.

For the identification of control, joint control or significant influence relationships, as well as for the evaluation of any complex corporate structure or the existence of special purpose entities, where applicable, Unicaja's Finance General Management department uses the criteria defined in the applicable financial reporting framework and, in particular, in the provisions of the International Financial Reporting Standards adopted by the European Union (IFRS-EU), with special attention to IFRS 10.

· If the process takes into account the effects of other types of risks (operational, technological, financial, legal, fiscal, reputational, environmental, etc.) to the extent that they affect the financial statements.

In the identification of risks of material misstatement in financial information, the effect of other types of risks (operational, technological, legal, reputational, environmental) is taken into account, as long as they may affect the Bank's financial information. In this regard: (i) the notes to the individual and consolidated financial statements of Unicaja include a detailed description of the risks with the greatest impact on financial reporting, (ii) the statement of non-financial reporting (attached to the management report) includes a detailed description of the risks affecting this type of information and (iii) the annual reports on the capital and liquidity self-assessment process (ICAAP/ ILAAP) include a summary of all of the types of relevant risks affecting the Group.

· Which of the Company's governing bodies supervises the process?

The risk identification process must be completed at least annually, using as a basis the most recent financial information available, and is supervised by the Risk Committee and the Audit and Compliance Committee, with the support of the Risk Control and Supervisory Relationships and the Internal Audit General Management departments.

F.3. Control activities

Describe the main characteristics including, at least:

F.3.1 Procedures for the review and authorization of financial information and the description of the ICFR, to be published in the securities markets, indicating those responsible, as well as documentation describing the flows of activities and controls (including those related to fraud risk) of the different types of transactions that may materially affect the financial statements, including the procedure for closing the accounts and the specific review of the relevant judgments, estimates, valuations and projections.

As described in Point F.1.1 above, pursuant to Article 31 of the Regulations of the Company's Board of Directors, the Audit and Compliance Committee is responsible, among others, for supervising the preparation process and the integrity of the financial information relating to the Company and its Group.

As has been mentioned previously, the Audit and Compliance Committee is responsible for reviewing, analyzing and discussing financial statements and other relevant financial reporting with senior management and other internal and external auditors in order to confirm that it is reliable, understandable and relevant and that accounting criteria consistent with the previous year have been followed.

In accordance with these functions, the Audit and Compliance Committee of Unicaja intervenes in the process of reviewing the financial reporting to be disclosed, informing the Board of Directors of its conclusions on the Company's information.

Ultimately, the Board of Directors approves the financial reporting that the Bank must periodically make public, this function being included in Unicaja's Board of Directors Regulations. Their implementation is recorded in the minutes of the various meetings.

In order to prepare the information that, if applicable, will be approved by the Board of Directors, the Bank has a procedure for reviewing and authorizing the financial information that is sent to the markets and regulatory bodies with the frequency established by the applicable legislation and regulations, and which is prepared and updated by the Finance Department. This information is supervised by the Internal Audit Department.

The Finance Department is responsible for the accounting records derived from the various transactions occurring in the Bank. It carries out the main control activities, including the accounting closing procedure and the review of the relevant judgments and estimates based on materiality criteria. This Department is also generally responsible for preparing the Company's financial reporting on the existing accounting basis, having defined and implemented, in the aforementioned preparation process, additional control procedures that guarantee the quality of the information and its reasonableness with a view to its subsequent presentation to the Company's governing bodies and its publication to the markets.

In the process of preparing this information, the Finance General Management department requests the collaboration of the other departments to obtain certain supplementary information, the breakdown of which is required in the periodic financial reports. Once the information preparation process has been completed, and the Risk Control and Supervisory Relationships General Management department asks the aforementioned managers to review and authorize the information for which they are responsible, prior to its publication and submission to the markets.

The description of the ICFR is reviewed by the Risk Control and Supervisory Relations, Finance and Internal Audit General Management departments, as well as by the aforementioned governing bodies, as part of the periodic information that the Bank submits to the markets.

Regarding the activities and controls directly related to transactions that may materially affect the financial statements, the Company has procedures and risk and control matrices for the significant processes that affect the generation, preparation and disclosure of financial reporting.

For this purpose, the Company has standardized documentation on the relevant processes, including a description of each of the processes and risk and control matrices. These matrices include the relevant risks identified with a material impact on the individual and consolidated financial statements, and their association with the controls that mitigate them, as well as the set of evidence in which their application is materialized. Among the controls, those that are considered key in the process and that, in all circumstances, ensure the adequate recording, valuation, presentation and breakdown of the balances and transactions in the financial reporting are identified.

The risk and control matrices include the following fields, among others:

· Risk description
· Financial assertion with which the risk is identified
· Identification and description of the control activity
· Control classification: key/standard
· Control category: preventive/detect
· Control method: manual/mixed/automatic
· System that supports the control
· Executor and responsible for control
· Frequency or periodicity of execution of the control
· Evidence of control, obtained by the Risk Control and Supervisory Relations Department by any of the following methods: inspection, observation, external confirmation, recalculation, re-execution, analytical procedures or inquiry.

The significant processes (distinguishing between business and transversal processes) associated with the financial headings/areas of the Bank for which the aforementioned documentation is available are detailed below:

· Specific business processes associated with the relevant areas (identified from the headings of the financial statements):
○ Loans and receivables (loans to customers), including credit risk hedges for bad debts.
○ Debt securities and equity instruments (treasury and capital markets), including derivatives.
○ Foreclosed assets or assets received in payment of debts (regardless of their accounting classification in the balance sheet and the Group companies in which they are recorded).
○ Customer deposits (retail liabilities area).
○ Tax assets and liabilities.
○ Personnel expenses
○ General administrative expenses
○ Provisions and accounting estimates

· Transversal processes that affect all areas as a whole:
○ Investee companies
○ Accounting closure
○ Consolidation
○ General computer controls
○ Fraud and regulatory compliance

The aforementioned descriptive documentation includes:

· The description of the activities related to the process from the beginning, indicating the particularities that a certain product or operation may contain (when this is necessary).
· The identification of the relevant risks for which the departments involved in the process specifies the main risks in the process-related financial reporting with assets material impact on the Bank's financial statements.
· The identification of the controls and their description that is made with regard to the relevant risks previously identified.

Furthermore, there is a catalog of evidence supporting the existence of each control identified.
Additionally, the Company has a Judgments and Estimates Review and Approval Policy, which completes the policies included in the Manual of accounting standards, procedures and policies applied by the Unicaja Group, detailing how they are made, as well as the responsibilities at the time of approving the

Company's estimates, projections, judgments, accounting policies and critical assumptions. The Chief Financial Officer is responsible for updating these accounting policies at least once a year.

As described in the notes to the consolidated financial statements, the main estimates identified by the Group are as follows:

· Impairment losses on certain assets, especially with regard to the individualized and collective estimation of losses due to insolvencies of the loan portfolio and advances to customers, and the identification of when there is a significant increase in credit risk
· The assumptions used in the actuarial calculation of the post-employment benefit liabilities and commitments and other long-term commitments to employees
· The useful life of tangible and intangible assets
· The measurement of consolidation goodwill
· The estimate of the probability of occurrence of those events considered as contingent liabilities and, if applicable, the estimate of the provisions necessary to cover these events
· The reversal period and recoverability of deferred tax assets of temporary differences.
· The fair value of certain unlisted assets
· The fair value of certain guarantees related to the collection of assets.

As stated above, the Company has a Judgments and Estimates Review and Approval Policy, which details the procedures it performs to ensure that judgments and estimates are made at the appropriate level and in accordance with the accounting regulatory framework applicable to the Company and its Group.

F.3.2 Internal control policies and procedures on information systems (among others, on access security, change control, operation thereof, operational continuity and segregation of duties) that support the relevant processes of the company related to the preparation and publication of financial reporting.

The Company has defined a process of Information Technology General Controls (ITGC), with its corresponding risk and control matrix, which details the risks and controls related to access security, change control, operation thereof, operational continuity and segregation of duties.

The information systems that support the processes on which the Company's financial reporting is based are subject to internal control policies and procedures to ensure the integrity of the preparation and publication of financial reporting.

Policies have specifically been established related to the following:

· Security in the access to information: The Unicaja Group has security guidelines for access to information systems and resources. The Company has updated Information Systems Security policies, standards and procedures, which establish the technical and organizational guidelines necessary to prevent the alteration, loss, unavailability and unauthorized processing of or access to Unicaja's resources and data. It also establishes the commitment of any person or body related to the Company with respect to the processing of information. Moreover, the various applications provide security based on the user identifier and associated password.

· Segregation of duties: The Company has procedures and controls on profiles and users for the management of user registrations, cancellations and modifications, which are updated every time there is a change in any of the processes. These procedures describe the flow of acceptances to be followed, the parties responsible for acceptances establishing control over segregation of duties and the tools involved in this user management flow. There is also a tool for assigning permissions, which is coordinated with the Human Resources tools to manage the entries and exits of the Company's personnel, as well as changes in duties, departments, areas and offices. The level of access restriction when switching batch processes to production is high. The planning of new processes is subject to the approval process by the person in charge of the department, who is not in charge of developing this process.

· Change management: The Company has implemented an application development and maintenance methodology. The adoption and application of a homogeneous application development methodology, appropriate to the size of the department or area concerned and the scope of the new projects to be carried out, for all the development sub-areas, adds greater reliability, coordination and efficiency to development of applications, while at the same time promoting users' formal involvement in the projects and the adequate documentation thereof. The implementation of a formal development methodology provides greater independence in the maintenance and continuity of the applications with respect to the personnel who currently maintain each of the applications. In addition, there are procedures and tools for program change management.

· Operational and business continuity: The Company has a formalized backup procedure that describes the process to be followed, the regularity, the schedule for executing the copies, the information to be copied, the location, the frequencies, the content of the copies, the types of copies and the basic instructions for making backup copies of the infrastructure elements that affect the systems. The Company's Business Continuity Plan includes a contingency plan.

· Incident management: There is an updated procedure for notification and incident management. There are several tools for this task. When an incident is registered, the responsibility for resolving each one is reported. Once the diagnosis of the incident has been established, the solution is implemented.

F.3.3 Internal control policies and procedures aimed at supervising the management of activities subcontracted to third parties, as well as the aspects of evaluation, calculation or valuation entrusted to independent experts that could significantly affect the financial statements.

The Group has a policy for managing the delegation of services, which establishes the criteria to be followed related to the services or duties delegated to third parties, both at the time of prior analysis and approval of the delegation and in its subsequent formalization, development and follow-up.

The Group also periodically reviews which activities performed by third parties are relevant to the financial reporting process or could directly or indirectly affect its reliability.
Among others, the Group uses independent expert reports of valuations on transactions that may potentially materially affect the financial statements.

Within the framework of the budgetary valuation of these outsourced activities, as well as in the process of providing the service itself, the Group carries out certain control procedures to mitigate the risks associated with these activities, which are mainly performed by the relevant operational departments, and are intended to verify their competence, training, accreditation and independence, as well as the validity of the data and methods used and the reasonableness of the assumptions used.

To perform most of these functions, Unicaja has an Efficiency and Research Department, which in turn reports to the Planning and Data Department.

F.4. Information and communication

Describe the main characteristics including, at least:

F.4.1 A specific function responsible for defining, keeping accounting policies updated (accounting policy area or department) and resolving queries or conflicts arising from their interpretation, maintaining fluid communication with those responsible for operations in the organization, as well as an updated accounting policy manual communicated to the units through which the company operates.

The Bank has a “Manual of accounting standards, procedures and policies applied by the Unicaja Group”, which prescribes the accounting treatment in the Unicaja Group of each of the material items comprising the financial statements, ensuring compliance with the requirements established by the applicable accounting regulatory framework. Unicaja’s Finance Department is responsible for establishing and updating the Group’s accounting policies and for informing the other departments of any updates, while the Legal Department and the Regulatory Compliance Department are responsible for informing the other departments of any new legislation.

This document is updated periodically, at least once a year, and any significantly modification or updates are communicated to the Group’s companies and departments to which they are applicable in each case.

F.4.2 Mechanisms for gathering and preparing financial reporting with homogeneous formats, to be applied and used by all units of the company or group, which support the main financial statements and notes, as well as the information detailed in the ICFR.

Unicaja’s Finance Department is responsible for aggregating, homogenizing, reviewing and reporting the information, using common systems and computer applications, as well as ultimately preparing the individual and consolidated financial statements that are reported and published.
The Finance Department issues the accounting policies and other procedures for the preparation of the individual financial statements by the subsidiaries, for the purpose of reporting them to the Group for the preparation of the consolidated financial statements, as well as precise instructions on the reporting obligations, establishing the minimum contents and deadlines for the information to be sent by the entities comprising the Consolidated Group.

The Company’s accounting systems are fully integrated and the recording of transactions automatically triggers the accounting thereof, as well as the updating of respective inventories.

It is important to mention here that the Unicaja Group has adapted to the new regulations that have been published related to the European Single Electronic Format (hereinafter, ESEF). Company directors are therefore responsible for submitting the annual financial report in accordance with the format and markup requirements set out in Delegated Regulation (EU) 2019/815 of December 17, 2018 of the European Committee. This standard requires certain mandatory disclosures to be included not only in the consolidated financial statements, but also in the notes accompanying such consolidated financial statements.

F.5. Supervision of the system’s operation

Report describing its main characteristics including, at least:

F.5.1 The ICFR supervision activities that are undertaken by the audit committee, as well as those determining whether the company has an internal audit function whose competences include supporting the committee in its work of supervising the internal control system, including ICFR. The scope of the ICFR assessment carried out during the year and the procedure by which the person in charge of carrying out the assessment reports its results, whether the entity has an action plan detailing any corrective measures, and whether its impact on financial information has been considered, will also be reported.

The plans of the internal audit function are approved by Unicaja's Audit and Compliance Committee. In accordance with a risk-based approach that determines the frequency of audit activity (Risk Assessment System, or RAS), these plans provide for reviews of the internal control and business areas considered relevant to the Group.

This area includes specific reviews of internal control over financial reporting.

In specific relation to the ICFR, the Internal Audit Department's role includes responsibility for supervising its effective implementation and correct operation, incorporating this review within its internal audit planning.

With respect to the eventual detection and communication of any weakness in the performance of the reviews of the areas, the Internal Audit Department notifies the Department involved, detailing the associated recommendations and following up on the action plan implemented to resolve them.

The recommendations arising from these reviews are forwarded to the Audit and Compliance Committee. The Internal Audit Department is also in contact with the various departments of the Bank and with the Risk Control and Supervisory Relations Department, which is responsible for periodic ICFR updating and maintenance.

F.5.2 If there is a discussion procedure whereby the auditor (in accordance with the provisions of the NTA), the internal audit function and other experts can notify senior management and the audit committee or directors of the entity of any significant internal control weaknesses identified during the review of the financial statements or any other processes entrusted to them. It will also state whether it has an action plan to try to correct or mitigate the weaknesses observed.

The Audit and Compliance Committee meets with the external auditor, at least quarterly, to review and update the most significant audit matters, prior to the preparation of the individual and consolidated financial statements, as well as the consolidated summarized interim financial statements for each quarterly closing.

In accordance with the provisions of Article 36 of the Auditing of Accounts Act 22/2015 of July 20, 2015 and Article 11 of Regulation (EU) No. 537/2014, of the European Parliament and of the Council, of April 16, 2014 on specific requirements regarding statutory audit of public-interest entities, these communications are formalized, in large part, in the "Additional Report for the Audit and Compliance Committee", which the external auditors deliver prior to the issuance of their audit report on the financial statements of the Bank and its Group.

The external auditors have direct communication with the Company's Management, holding regular meetings, both to obtain the necessary information for performing their work and comment on detected weaknesses and recommendations for improvement of the internal control system. With respect to the latter, on an annual basis, the external auditor submits a report to the Audit and Compliance Committee detailing the internal control weaknesses identified, if any, in the course of its work.

This report incorporates the comments of the Company's management and, if applicable, the action plans that have been implemented to remedy the corresponding internal control weaknesses.

With respect to these weaknesses that may be identified by the external auditor, follow-up procedures similar to those described in Section F.5.1 above are performed. In this regard, the Internal Audit Department evaluates the internal control weaknesses identified by the external auditor and, if necessary, follows up on the action plan to resolve them.

As regards internal control weaknesses or recommendations identified by the Internal Audit Department, they are also reported in a timely manner to the Audit and Compliance Committee, as part of the periodic presentation of the results of its internal audit work, at least quarterly. The follow-up process for action plans for the remediation of weaknesses or recommendations has been described in section F.5.1 above.

F.6. Other relevant information.

No other relevant information has been identified that needs to be included in this section.

F.7. External auditor's report.

Report by:

F.7.1 Has the ICFR information sent to the markets been reviewed by the external auditor? If so, the company should include the corresponding report as an annex. If not, the reasons should be stated.

In 2023, the external auditor reviewed the information contained in Section F of the IAGC relating to the ICFR, following the generally accepted professional standards in Spain applicable to this type of engagements and, in particular, following the provisions of the Performance Guide on the auditor's report on information relating to the ICFR of listed companies, issued by the professional and auditors' associations, and published by the National Securities Market Commission (CNMV) on its website.

The report issued by the external auditors in this regard is included as an Annex to this Annual Corporate Governance Report.

G. LEVEL OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

State the degree to which the company follows the recommendations of the Code of Good Governance for Listed Companies.

In the event that any recommendation is not followed or is only followed partially, a detailed explanation of the reasons must be included so that the shareholders, investors and the market in general have sufficient information to assess the company's behavior. General explanations will not be considered acceptable.

1. The bylaws of listed companies do not limit the maximum number of votes that a single shareholder can cast or contain other restrictions that make it difficult to take control of the company by acquiring its shares in the market.

   Complies [X] Explain [ ]

2. When the listed company is controlled by another listed or unlisted company, within the meaning of Article 42 of the Commercial Code, and has, directly or through its subsidiaries, business relations with that company or any of its subsidiaries (other than those of the listed company) or carries out activities related to those of any of them, it should publicly and accurately disclose the following:

   a) The respective areas of activity and any business relationships between, on the one hand, the listed company or its subsidiaries and, on the other, the parent company or its subsidiaries.

   b) The mechanisms provided to resolve any conflicts of interest that may arise.

   Complies [ ] Partially complies [ ] Explain [ ] Not applicable [X]

3. During the ordinary general meeting, as a complement to the written dissemination of the annual corporate governance report, the Chairperson of the Board of Directors verbally informs the shareholders, in sufficient detail, of the most relevant aspects of the company's corporate governance and, in particular:

   a) Any changes that have occurred since the previous ordinary general meeting.

   b) The specific reasons why the company does not follow some of the recommendations of the Corporate Governance Code and, if they exist, the alternative rules it applies in this area.

   Complies [X] Partially complies [ ] Explain [ ]

4. The company defines and promotes a policy regarding communication and contacts with shareholders and institutional investors in the context of their involvement in the company, as well as with proxy advisors that is fully respectful of the rules against market abuse and gives similar treatment to shareholders in the same position. And that the company makes this

policy public through its website, including information regarding the way in which it has been put into practice and identifying the interlocutors or persons responsible for its implementation.

Notwithstanding the legal obligations regarding the dissemination of privileged information and other types of regulated information, the company also has a general policy regarding the communication of economic-financial, non-financial and corporate information through the channels it deems appropriate (media, social networks or other channels) that contributes to maximizing the dissemination and quality of the information available to the market, investors and other stakeholders.

Complies [X] Partially complies [ ] Explain [ ]

5. The Board of Directors should not take proposals for the delegation of powers, to issue shares or convertible bonds with exclusion of the preferential subscription right, for an amount of over 20% of the capital at the time of delegation to the shareholders in a General Meeting.

   When the Board of Directors approves any issue of shares or convertible securities with exclusion of pre-emptive subscription rights, the Company will immediately publish the reports on the exclusion referred to in commercial legislation on its website.

   Complies [X] Partially complies [ ] Explain [ ]

6. The listed companies that prepare the reports listed below, whether mandatory or voluntary, publish them on their website sufficiently in advance of the ordinary general meeting, even if the dissemination thereof is not mandatory:

   a) Report on the independence of the auditor.

   b) Reports on the operation of the audit committee and the appointments and remuneration committee.

   c) The audit committee’s report on related-party transactions.

   Complies [X] Partially complies [ ] Explain [ ]

7. The company broadcasts the holding of the shareholders’ general meetings live on its website.

   The company has mechanisms that allow the delegation and the exercise of the vote digitally including, in the case of companies with a high market cap and to the extent that it is proportionate, attendance and active participation in the General Meeting.

   Complies [X] Partially complies [ ] Explain [ ]

8. The audit committee ensures that the financial statements that the Board of Directors present to the general meeting of shareholders are drawn up in accordance with the applicable accounting regulations. In those cases in which the auditor has included a qualification in its audit report, the chairperson of the audit committee should clearly explain the committee’s opinion on its content and scope at the general meeting, making a summary of this opinion available to the shareholders at the time of publication of the notice of the meeting, together with the rest of the proposals and reports of the board.

Complies [X] Partially complies [ ] Explain [ ]

9. The company should publish the requirements and procedures it will accept to prove ownership of shares, the right to attend the general shareholders' meeting and the exercise or delegation of voting rights on a permanent basis on its website.

   These requirements and procedures should favor shareholder attendance, the exercise of their rights and should be applied in a non-discriminatory manner.

   Complies [X] Partially complies [ ] Explain [ ]

10. When any legitimate shareholder has exercised their right to add something to the agenda or to present new proposed resolutions prior to the holding of the shareholders' general meeting, the company:

    a) Immediately distributes these additional points and the new resolutions proposed.

    b) Makes the attendance card or remote voting or proxy voting form public, with the necessary modifications that mean that the new items on the agenda and alternative proposals for resolution can be voted on in the same way as those proposed by the Board of Directors.

    c) Submits all of these points or alternative proposals to a vote and applies the same voting rules as those applies to the ones formulated by the Board of Directors, including, in particular, the presumptions or deductions regarding the direction of the vote.

    d) After the general shareholders' meeting, the company communicates the breakdown of the vote on these additional points or alternative proposals.

    Complies [X] Partially complies [ ] Explain [ ] Not applicable [ ]

11. In the event that the company plans to pay attendance bonuses at the shareholders' general meeting, it establishes a general policy on these premiums in advance and that this policy is consistent.

    Complies [ ] Partially complies [ ] Explain [ ] Not applicable [X]

12. The Board of Directors should perform its duties with a single purpose and independent criteria, treat all shareholders in the same position equally, and be guided by the corporate interest, understood as the achievement of a profitable and sustainable business in the long term, which promotes its continuity and the maximization of the economic value of the company.

    In the pursuit of corporate interest, in addition to respect for laws and regulations and behavior based on good faith, ethics and respect for commonly accepted uses and good practices, it should seek to reconcile its own corporate interest with the legitimate interests of its employees, suppliers, customers and other stakeholders that may be affected, as appropriate, as well as the impact of the company's activities on the community as a whole and on the environment.

Complies [X] Partially complies [ ] Explain [ ]

13. The Board of Directors has an appropriate number of members to achieve an effective and participatory operation – generally between five and fifteen directors.

Complies [X] Explain [ ]

14. The Board of Directors approves a policy aimed at favoring an appropriate composition of the Board of Directors and that:

a) It is specific and verifiable.

b) It ensures that nomination or re-election proposals are based on a prior analysis of the competencies required by the Board of Directors.

c) It favors a diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a large number of senior managers favors gender diversity.

The result of the prior analysis of the powers required by the Board of Directors should be included in the report of the Appointment Committee to be published when convening the general shareholders' meeting to which the ratification, appointment or re-election of each director is submitted.

The Appointment Committee will verify compliance with this policy annually and will report on it in the annual corporate governance report.

Complies [X] Partially complies [ ] Explain [ ]

15. Proprietary and independent directors should constitute the large majority of the Board of Directors. The number of executive directors should be the minimum necessary, taking into account the complexity of the corporate group and the executive directors' shareholding percentage in the company's capital.

    And that the number of female directors represents at least 40% of the members of the board of directors before the end of 2022 and onwards, not previously being less than 30%.

    Complies [X] Partially complies [ ] Explain [ ]

16. The percentage of proprietary directors over the total number of non-executive directors is not greater than the proportion existing between the capital of the company represented by these directors and the rest of the capital.

    This criterion may be mitigated:

    a) In highly capitalized companies in which there are few shareholdings that are legally considered significant.

    b) In companies in which there is a plurality of shareholders represented on the Board of Directors and they do not have any links between them.

    Complies [X] Explain [ ]

17. The number of independent directors is at least half of the total number of directors.

    However, when the company is not a large cap company or when, even if it is a large cap company, it has one or more shareholders acting in concert who control more than 30% of the share capital, the number of independent directors should represent at least one third of the total number of directors.

    Complies [X] Explain [ ]

18. Companies publish the following information about their directors on their websites and keep it updated:

    a) Professional and biographical profile.

    b) Other boards of directors to which they belong, regardless of whether they are listed companies, as well as any other remunerated activities carried out of any type.

    c) Indication of the category of director to which they belong, stating, in the case of proprietary directors, the shareholders that they represent or with which they have ties.

    d) Date of their first appointment as a director at the company, as well as any subsequent re-elections.

    e) The number of company shares and options that they hold.

    Complies [X] Partially complies [ ] Explain [ ]

19. After verification by the Appointment Committee, the annual corporate governance report should explain the reasons why proprietary directors have been appointed at the request of shareholders whose shareholding is less than 3% of the capital, explaining the reasons why, if applicable, formal requests for presence on the board from shareholders whose shareholding is equal to or greater than that of others whose requests for proprietary directors have been appointed have not been met.

    Complies [ ]   Partially complies [ ]   Explain [ ]   Not applicable [X]

20. The proprietary directors present their resignation when the shareholder that they represent transfers their shareholding in full. They also resign, in a proportional number, when a shareholder reduces their shareholding to a level that requires a reduction in the number of their proprietary directors.

    Complies [X]   Partially complies [ ]   Explain [ ]   Not applicable [ ]

21. The Board of Directors should not propose the removal of any independent director before the expiration of the term of office for which they were appointed, except where just cause is found by the Board of Directors, based on a report from the Appointment Committee. In particular, just cause will be deemed to exist when the director takes on new positions or incurs new obligations that prevent them from devoting the necessary time to the performance of the functions inherent to the position of director, fails to comply with the duties inherent to their position or incurs in any of the circumstances that cause them to lose their independent status, pursuant to the provisions of the applicable legislation.

    The removal of independent directors may also be proposed as a result of takeover bids, mergers or other similar corporate operations involving a change in the capital structure of the company, when these changes in the structure of the Board of Directors are prompted by the proportionality criterion set forth in Recommendation 16.

    Complies [X]   Explain [ ]

22. Companies should establish rules obliging directors to report and, where appropriate, resign when situations arise that affect them, regardless of whether these situations are related to their actions within the company itself, if they could damage the company's credit and reputation and, in particular, obliging them to inform the board of any criminal proceedings in which they are under investigation, as well as the procedural variations thereof.

Having been informed of or otherwise having become aware of any of the situations mentioned in the preceding section, the board should examine the case as soon as possible and, in view of the specific circumstances, decide, after a report from the appointments and remuneration committee, whether to adopt any measure, such as opening an internal investigation, requesting the resignation of the director or proposing their removal. This shall be reported in the annual corporate governance report, unless there are any special circumstances that justify not doing so, which should be recorded in the minutes. This is without prejudice to the information that the company must disseminate, if appropriate, at the time of the adoption of the corresponding measures.

Complies [X]   Partially complies [ ]   Explain [ ]

23. All directors clearly express their opposition when they consider that any of the proposed decisions submitted to the Board of Directors may be not be in the company's interests. In particular, the independent and other directors who are not affected by the potential conflict of interest also do so in the case of decisions that may harm shareholders that are not represented on the board of directors.

When the Board of Directors adopts significant or reiterated decisions about which the director has expressed serious reservations, the director draws the appropriate conclusions and, if they choose to resign, explains the reasons in the letter referred to in the following recommendation.

This recommendation also applies to the secretary of the Board of Directors, even if they are not a director.

Complies [X]   Partially complies [ ]   Explain [ ]   Not applicable [ ]

24. When, either by resignation or by resolution of the general meeting, a director leaves office before the end of their term, they should sufficiently explain the reasons for their resignation or, in the case of non-executive directors, their opinion on the reasons for the removal by the meeting, in a letter to be sent to all members of the Board of Directors.

Without prejudice to the disclosure of the foregoing in the annual corporate governance report, the company should publish the termination to the extent that it is relevant for investors as soon as possible, including sufficient reference to the reasons or circumstances provided by the director.

Complies [X]   Partially complies [ ]   Explain [ ]   Not applicable [ ]

25. When the Appointment Committee ensures that the non-executive directors have sufficient time available for the proper performance of their duties.

    The regulations of the board establish the maximum number of company boards that its directors may be members of.

    Complies [X]   Partially complies [ ]   Explain [ ]

26. The Board of Directors should meet with the necessary frequency to perform its functions effectively and at least eight times a year, following the schedule of dates and matters established at the beginning of the year, and each director may individually propose other items for the agenda that were not initially envisaged.

    Complies [ ]   Partially complies [X]   Explain [ ]

Although the Board of Directors approves a schedule of dates, the matters to be discussed by the Board derive from the Action Plans approved by the various Committees and from specific matters not addressed by them.

Notwithstanding the fact that any director may request the inclusion of items on the board's agenda, the chairperson will only be obliged to include them when requested by at least three directors, the Coordinating Director or a Board Committee.

27. Directors are only absent when absolutely necessary and their absences are quantified in the annual corporate governance report. When absences do occur, representation is granted with instructions.

    Complies [ ]   Partially complies [X]   Explain [ ]

Although Article 15.2.(b) of the Regulations of the Board of Directors establishes the obligation of the directors to instruct in the cases in which they have conferred their representation, these instructions have not been given in all the cases of delegation.

28. When the directors or the secretary express concern about any proposal or, in the case of the directors, about the direction of the company and these concerns are not resolved by the Board of Directors at the request of whoever expressed them, they are recorded in the minutes.

    Complies [X]   Partially complies [ ]   Explain [ ]   Not applicable [ ]

29. The company establishes the appropriate channels so that the directors can obtain the necessary advice for the fulfillment of their duties including, if the circumstances so require, external advice at the company's expense.

    Complies [X]   Partially complies [ ]   Explain [ ]

30. Regardless of the knowledge that the directors are required to have in order to carry out their duties, the companies also offer the directors programs to update their knowledge when the circumstances so require.

    Complies [X]   Explain [ ]   Not applicable [ ]

31. Meeting agendas clearly state the points regarding which the Board of Directors must adopt a decision or agreement so that the directors can study or collect the information that they need to make a decision in advance.

When, exceptionally and for reasons of urgency, the Chairperson wishes to submit decisions or resolutions to the Board of Directors for approval that are not on the agenda, the prior express consent of the majority of the directors present will be required, which will be duly recorded in the minutes.

Complies [X] Partially complies [ ] Explain [ ]

32. Directors are periodically informed of changes to the shareholder composition and of the opinion that the most significant shareholders, investors and rating agencies have about the company and its group.

Complies [X] Partially complies [ ] Explain [ ]

33. In addition to exercising the functions attributed to them by law or bylaws, the chairperson, as the person responsible for the proper functioning of the Board of Directors, prepares and submits a schedule of dates and matters to be discussed and organizes and coordinates the periodic evaluation of the board, as well as, where appropriate, that of the chief executive of the company. The chairperson is also responsible for the management of the board and the effectiveness of its operations and ensures that sufficient discussion time is devoted to strategic issues, and decides on and reviews knowledge update programs for each director when the circumstances so require.

Complies [X] Partially complies [ ] Explain [ ]

34. When there is a coordinating director, the bylaws or the Board of Directors' regulations should grant them the following powers in addition to those conferred by law: chairing the Board of Directors in the absence of the chairperson and vice-chairperson, if any, reflecting the concerns of non-executive directors, maintaining contact with investors and shareholders to hear their points of view in order to form an opinion on their concerns, particularly related to the company's corporate governance and coordinating the succession of the chairperson.

Complies [X] Partially complies [ ] Explain [ ] Not applicable [ ]

35. The secretary of the Board of Directors takes special care to ensure that it takes into account the recommendations for good governance contained in this Code of Good Governance that apply the company in its actions and decisions.

Complies [X] Explain [ ]

36. The Board of Directors meet in a plenary session once a year to evaluate and, where appropriate, to adopt an action plan to correct the deficiencies detected related to:

a) The quality and efficiency of the operation of the Board of Directors.

b) The operation and composition of its committees.

c) Diversity in the composition and the powers of the Board of Directors.

d) The performance of the chair of the Board of Directors and the company's chief executive.

e) The performance and contribution of each director, paying special attention to those responsible for the different board committees.

The assessment of the different committees will be based on the report submitted by them to the Board of Directors, and for the latter, the report submitted by the Appointment Committee.

Every three years, the Board of Directors will be assisted in carrying out its evaluation by an external consultant, whose independence will be verified by the Appointment Committee.

The business relationships that the consultant or any company in its group maintains with the company or any company in its group should be disclosed in the annual corporate governance report.

The process and the areas evaluated will be described in the annual corporate governance report.

Complies [X] Partially complies [ ] Explain [ ]

37. Where there is an executive committee that contains at least two non-executive directors, at least one of which is independent and its secretary is the secretary of the Board of Directors.

Complies [ ] Partially complies [ ] Explain [ ] Not applicable [X]

38. The Board of Directors is always aware of the matters discussed and of the decisions taken by the executive committee and that all board members receive a copy of the minutes of the meetings of the executive committee.

Complies [ ] Partially complies [ ] Explain [ ] Not applicable [X]

39. The members of the audit committee as a whole, and especially its chairman, are appointed taking into account their knowledge and experience in accounting, auditing and risk management (both financial and non-financial).

Complies [X] Partially complies [ ] Explain [ ]

40. Under the supervision of the audit committee, there is a unit that assumes the internal audit duties that ensures the proper operation of the information and internal control systems and that functionally reports to the non-executive chair of the board or the audit committee.

Complies [X] Partially complies [ ] Explain [ ]

41. The person in charge of the unit that assumes the internal audit function submits its annual work plan to the Audit Committee for approval by the committee or the board, reports directly to it on its execution, including possible incidents and limitations to the scope that may arise in its development, the results and follow-up of its recommendations, and submits an activities report at the end of each fiscal year.

Complies [X]   Partially complies [ ]   Explain [ ]   Not applicable [ ]

42. In addition to those envisaged by law, the audit committee has the following duties:

1. Regarding computer systems and internal control:

a) Supervise and evaluate the preparation process and the integrity of the financial and non-financial reporting, as well as the control and management systems for financial and non-financial risks related to the company and, if applicable, the group -including operational, technological, legal, social, environmental, political, reputational and corruption-related risks- reviewing compliance with regulatory requirements, the adequate delimitation of the scope of consolidation and the correct application of accounting criteria.

b) Ensure the independence of the unit that assumes the internal audit function, propose the selection, appointment and removal of the head of the internal audit service, propose the budget for that service, approve or propose approval to the board of the orientation and annual work plan of the internal audit, ensuring that its activity is focused primarily on relevant risks (including reputational risks), receive periodic information on its activities and verify that senior management takes into account the conclusions and recommendations of its reports.

c) Establishing and supervising a mechanism that enables employees and other people related to the Company (such as directors, shareholders, suppliers, contractors or subcontractors) to report any potentially significant irregularities, including financial and accounting irregularities or those of any other type related to the Company that they notice within the Company or its Group. This mechanism must guarantee confidentiality and, in any case, envisage cases in which communications can be made anonymously, whilst respecting the rights of the accuser and the accused.

d) Generally ensuring that the policies and systems established with regard to internal control are effectively applied in practice.

2. Regarding the external auditor:

a) In the event of resignation of the external auditor, examine the circumstances that could have caused it.

b) Ensuring that the remuneration of the external auditor for their work does not compromise their quality or independence.

c) Ensuring that the Company notifies the National Securities Market Commission of the change of auditor and accompanies it with a statement on the possible existence of disagreements with the outgoing auditor and, if applicable, the content thereof.

d) Ensuring that the external auditor holds an annual meeting with the full Board of Directors to inform them about the work carried out and the evolution of the company's accounting and risk situation.

e) Ensuring that the Company and the external auditor comply with current regulations on the provision of non-audit services, the limits on the concentration of the auditor's business and, in general, the other regulations established related to the independence of the auditors.

Complies [X]   Partially complies [ ]   Explain [ ]

43. The audit committee can summon any of the company's employees or managers and even order their appearance without the presence of any other manager.

Complies [X] Partially complies [ ] Explain [ ]

44. The audit committee is informed about the structural and corporate modification operations that the company plans to carry out for its analysis and prior reporting to the board of directors with regard to its economic conditions and its impact on the accounts including, where appropriate, the equation for any proposed exchange.

Complies [X] Partially complies [ ] Explain [ ] Not applicable [ ]

45. The risk control and management policy identifies or determines at least:

a) The different types of financial and non-financial risks (including operational, technological, legal, social, environmental, political and reputational risks, including those related to corruption) faced by the company, including financial or economic risks, contingent liabilities and other off-balance sheet risks.

b) A risk control and management model based on different levels, including a specialized risk committee when the sectoral regulations so require or the company deems it appropriate.

c) The level of risk that the company considers acceptable.

d) The measures envisaged to mitigate the impact of the risks identified, should they materialize.

e) The information and internal control systems that will be used to control and manage the aforementioned risks, including all contingent liabilities and off-balance sheet risks.

Complies [X] Partially complies [ ] Explain [ ]

46. Under the direct supervision of the audit committee or, where appropriate, a specialized committee of the Board of Directors, there is an internal control and risk management function exercised by an internal unit or a department of the company that has expressly been given the following duties:

a) Ensuring the proper operation of the risk control and management systems and, in particular, to ensure that any significant risks that affect the company are properly identified, managed, and quantified.

b) Actively participating in the preparation of the risk strategy and in important decisions about its management.

c) Ensuring that all risk control and management systems properly mitigate the risks within the framework of the policy defined by the Board of Directors.

Complies [X] Partially complies [ ] Explain [ ]

47. The members of the appointments and remuneration committee (or the Appointment Committee and the remuneration committee, if they are separate) are appointed with the knowledge, skills and experience appropriate for the functions they are called upon to perform and that the majority of the members are independent directors.

Complies [X] Partially complies [ ] Explain [ ]

48. Companies with a large capitalization have separate appointments and remuneration committees.

Complies [X] Partially complies [ ] Explain [ ]

49. The Appointment Committee consults the chair of the Board of Directors and the company's chief executive, especially regarding matters related to the executive directors.

Any director can request that the Appointment Committee takes into consideration potential candidates to fill vacancies for directors if they consider them to be suitable in their opinion.

Complies [X] Partially complies [ ] Explain [ ]

50. The remuneration committee carries out its duties independently and that, in addition to the duties assigned to it by law, it has the following duties:

a) Proposing the basic conditions for the contracts of senior managers to the Board of Directors.

b) Verifying compliance with the remuneration policy established by the company.

c) Periodically reviewing the remuneration policy that is applied to directors and senior management, including the remuneration systems with shares and their application, ensuring that their individual remuneration is proportionate to that paid to the other directors and the senior management of the company.

d) Ensuring that any conflicts of interest do not affect the independence of the external advice provided to the committee.

e) Verify the information on remuneration for board members and senior management contained in the various corporate documents, including the annual report on the remuneration of the board members.

Complies [X] Partially complies [ ] Explain [ ]

51. The remuneration committee consults the company's chair and chief executive, particularly with regard to matters related to the executive directors and senior managers.

Complies [X] Partially complies [ ] Explain [ ]

52. The rules for the composition and operation of the supervision and control committees are included in the regulations of the board of directors and that they are consistent with those applicable to the legally mandatory committees in accordance with the previous recommendations, including:

a) They are made up exclusively of non-executive directors, with a majority of independent directors.

b) Their chairmen/women are independent directors.

c) The Board of Directors appoints the members of these committees based on the knowledge, skills and experience of the directors and the tasks of each committee. It deliberates on their proposals and reports and give an account of their activities in the first plenary session of the Board of Directors after its meetings and that they explain the work that they have carried out.

d) Committees may seek external advice when they consider it necessary for the performance of their duties.

e) Minutes are drawn up of their meetings, which will be provided to all of the directors.

Complies [X]   Partially complies [X]   Explain [ ]   Not applicable [ ]

Although as of December 31, 2023, the rules of operation and composition of the Sustainability and Technology and Innovation Committees were not included in the Regulations of the Board of Directors, as of the date of approval of this report, the Board of Directors has approved an amendment to its Regulations which, among other matters, includes the rules of operation and composition, functions and other aspects related to both Committees.

53. The supervision of compliance with the company's environmental, social and corporate governance policies and rules, as well as internal codes of conduct, should be attributed to one or more committees of the Board of Directors, which may be the Audit Committee, the Appointment Committee, a committee specializing in sustainability or corporate social responsibility, or any other specialized committee that the Board of Directors, in the exercise of its powers of self-organization, has decided to create. And this committee is made up solely of non-executive directors, the majority being independent and specifically assigned the minimum duties indicated in the following recommendation.

Complies [X]   Partially complies [ ]   Explain [ ]

54. The minimum duties referred to in the previous recommendation are as follows:

a) The supervision of compliance with the corporate governance rules and the company's internal codes of conduct, also ensuring that the corporate culture is aligned with its purpose and values.

b) The supervision of the application of the general policy regarding the communication of economic, financial, non-financial, and corporate information as well as communication with shareholders and investors, proxy advisors and other stakeholders. The way in which the company communicates and relates with small and medium shareholders will also be monitored.

c) The periodic evaluation and review of the Company's corporate governance system and environmental and social policy, in order to help it fulfill its mission of promoting the company's interests and taking into account, as applicable, the legitimate interests of other stakeholders.

d) Ensuring that the Company's practices in environmental and social matters are in line with the established strategy and policy.

e) Supervision and assessment of the relationship with the various stakeholders.

Complies [X]   Partially complies [ ]   Explain [ ]

55. The environmental and social sustainability policies identify and include at least:

a) The principles, commitments, objectives and strategies related to shareholders, employees, customers, suppliers, social issues, the environment, diversity, fiscal responsibility, respect for human rights and the prevention of corruption and other illegal behavior.

b) The methods or systems for monitoring compliance with the policies, associated risks and their management.

c) The mechanisms for supervising non-financial risk, including that related to ethical aspects and business conduct.

d) The channels for communication, participation and dialog with stakeholders.

e) Responsible communication practices that avoid information manipulation and that protect integrity and honor.

Complies [X]   Partially complies [ ]   Explain [ ]

56. The remuneration of the directors is sufficient to attract and retain directors of the desired caliber and to reward the dedication, qualifications and responsibility that the position requires, but not so high as to compromise the independent judgment of the non-executive directors.

Complies [X]   Explain [ ]

57. Only executive directors receive variable remuneration that is linked to the performance of the company and their personal performance as well as remuneration through the handover of shares, options or rights to shares or instruments linked to the share price and long-term savings systems such as pension plans, retirement systems or other social security systems.

The handover of shares as remuneration to non-executive directors may be considered when it is conditional on their holding them until they cease to serve as directors. The foregoing will not apply to shares that a director needs to dispose of, if applicable, to pay the costs related to their acquisition.

Complies [X] Partially complies [ ] Explain [ ]

58. In the case of variable remuneration, the remuneration policies incorporate the limits and technical precautions necessary to ensure that this remuneration is related to the professional performance of its beneficiaries and not solely derived from the general evolution of the markets, the evolution of the company's sector of activity or other similar circumstances.

In particular, the variable components of remuneration should:

a) Be linked to performance criteria that are predetermined and measurable and that these criteria consider the risk taken on to obtain a result.

b) Promote the sustainability of the company and include non-financial criteria that are suitable for the creation of long-term value, such as compliance with the company's internal rules and procedures and its policies for the control and management of risk.

c) Be based on a balance between the fulfillment of short, medium and long-term objectives, which allow performance to be remunerated based on continued performance for a period of time that is sufficient to evaluate its contribution to the sustainable creation of value, so that the elements of measurement of this performance do not revolve only around specific, occasional or extraordinary events.

Complies [X] Partially complies [X] Explain [ ] Not applicable [ ]

59. The payment of the variable components of remuneration is subject to sufficient verification that the performance or other conditions established previously have been effectively met. In the annual directors' remuneration report, companies should include the criteria for the time required and the methods for this verification based on the type and the characteristics of each variable component.

Companies also evaluate the establishment of a reduction ('*malus*') clause based on the deferral of payment of a part of the variable components for a sufficient period of time that implies their total or partial loss if an event occurs that makes this advisable prior to their payment.

Complies [X] Partially complies [X] Explain [ ] Not applicable [ ]

60. The remuneration related to the company's results takes into account the possible exceptions that appear in the external auditor's report which may reduce its results.

Complies [X] Partially complies [X] Explain [ ] Not applicable [ ]

61. A significant percentage of the variable remuneration of the executive directors is linked to the handover of shares or financial instruments indexed to their value.

Complies [X] Partially complies [X] Explain [ ] Not applicable [ ]

62. Once the shares, options or financial instruments corresponding to the remuneration systems have been assigned, the executive directors cannot transfer their ownership or exercise them until a period of at least three years has passed.

An exception is made in cases where, at the time of the transfer or exercise, the director maintains a net economic exposure to the variation in the price of the shares for a market value that is equivalent to an amount of at least twice their annual fixed remuneration through the ownership of shares, options or other financial instruments.

The foregoing will not apply to the shares that the director needs to dispose of in order to pay the costs related to their acquisition or, after a favorable assessment by the appointments and remuneration committee, to deal with extraordinary situations that so require.

Complies [X] Partially complies [X] Explain [ ] Not applicable [ ]

63. Contractual agreements include a clause that allows the company to claim reimbursement of the variable components of the remuneration when a payment has not been in line with the performance conditions or when it has been made based on data that is subsequently proven to be inaccurate.

Complies [X] Partially complies [X] Explain [ ] Not applicable [ ]

64. Payments for the rescission or termination of a contract do not exceed an amount equivalent to two years of the total annual remuneration and that they are not paid until the company has been able to verify that the director has met the criteria or conditions established for their receipt.

For the purposes of this recommendation, payments made due to rescission or termination of a contract will be considered to include any payments whose accrual or payment obligation arises as a consequence of or at the time of termination of the contractual relationship that existed between the director and the company, including amounts that were not previously consolidated from long-term savings systems and amounts that are paid based on post-contractual non-competition agreements.

Complies [X] Partially complies [X] Explain [ ] Not applicable [ ]

H. OTHER RELEVANT INFORMATION

1. If there is any relevant aspect of corporate governance in the company or in the group entities that has not been included in the rest of the sections of this report that needs to be included in order to provide more complete and reasoned information about the structure and governance practices in the company or its group, please describe them briefly.

2. Within this section, any other information, clarification or detail related to the previous sections of the report may also be included as long as it is relevant and not repetitive.

   Specifically, it should be stated whether the company is subject to legislation other than that of Spain in matters of corporate governance and, where appropriate, any information that it is required to be provided in addition to the information required in this report should be included.

3. The company may also state whether it has voluntarily adhered to other codes of ethical principles or good practices (international, sectoral or from another area). If applicable, the code in question and the date of adhesion should be identified. In particular, it should mention whether it has adhered to the Code of Good Tax Practices, dated July 20, 2010:

1. Relevant aspects of corporate governance that have not been included in the other sections of this report.

C.1.2

On February 15, 2023, the Company announced through the publication of Other Relevant Information that, by means of a letter addressed to all the members of the Board of Directors, Teresa Sáez Ponte resigned from her position as director of the Company, effective as from the date of the conclusion of the next Ordinary General Shareholders' Meeting of the Bank. The reason for her resignation after the financial statements for the 2022 financial year had been closed and scheduled for their formulation and approval by the Board of Directors and the General Shareholders' Meeting, among other matters, was to enable the Fundación Bancaria Unicaja to continue executing the plans it had announced as a result of the significant changes in the composition of its Board of Trustees, which included the proposed appointment of new related proprietary directors.

On February 10, 2023, the Company informed through the publication of Other Relevant Information that, by means of a letter addressed to all the members of the Board of Directors, the proprietary director Manuel Muela Martín-Buitrago had communicated his resignation as director of the Company, effective at the conclusion of the next Ordinary General Meeting, once the accounts for fiscal year 2022 had been closed. In his letter, he justified his resignation on the grounds of his disagreement with the process followed for his replacement as a director, holding a current mandate, and the position of the Supervisor in this process.

On February 14, 2023, the Company communicated through the publication of Other Relevant Information that Petra Mateos-Aparicio Morales, by means of a letter addressed to all the members of the Board of Directors, communicated her resignation as a director of the Company, effective at the end of the next Ordinary General Shareholders' Meeting. In her letter, she stated that the justification for her resignation was to facilitate the process of renewal of the proprietary directors of Fundación Bancaria Unicaja on the Board of Directors of the Company.

On April 21, 2023, the Company informed through the publication as Other Relevant Information that the Board of Directors had become aware of the resignation presented on the same date by the independent director Jorge Delclaux Bravo. In his letter to the Board, he justified his resignation in his disagreement with the decisions adopted by a small group of shareholders at the last General Shareholders' Meeting of the Company and the position of the Board of Directors in not adopting measures that, in his opinion, would guarantee the good corporate governance of the Company.

On June 1, 2023, the Company informed through the publication of Privileged Information the resignation of Manuel Menéndez Menéndez from the position of Chief Executive Officer, effective upon effective appointment of his successor, at which time his resignation as a member of the Board will also become effective. September 19 was the date on which the termination of both positions took effect.

On August 2, 2023, the Company announced through the publication of Other Relevant Information that, on the previous day, David Vaamonde Juanatey communicated his resignation from the position of director, effective immediately, due to the reduction of the shareholding of Oceanwood Capital Management, LLP in Unicaja Banco, S.A., having been appointed proprietary director by such shareholder. Lastly, and although not due to resignation, the

Ordinary General Shareholders' Meeting of March 30, 2023 did not approve the ratification or appointment for a new term of office of the independent directors María Teresa Costa Campi and Isidoro Unda Urzaiz as directors. This information was published as other relevant information of the same date.

C.1.5

In this Policy, the following criteria are therefore taken into account to ensure diversity:

- Academic and professional backgrounds: The Company will promote a balance of diverse knowledge, skills and experience to make the decision-making process more robust, and to ensure that candidates considered for vacancies include different academic and professional backgrounds. As part of the diversity of experience, the possible concurrence on the Board of members with professional experience in different sectors and geographic areas, as well as with a diverse educational background, will be taken into account.

- Age: The Company will ensure that the Board includes members of different ages, so that a balance of knowledge, experience and skills is achieved.

- Gender: The Company will ensure that the least represented gender on the Board of Directors has access to the Board of Directors and that the selection processes are attended, if possible, by a sufficient number of candidates of this gender who meet the professional and competence profile sought, to maintain an adequate balance in terms of diversity and to be able to guarantee the continuous maintenance in the Company of a percentage of representation of the least represented gender on the Board of Directors that complies with the diversity standards established at all times by current legislation, by the competent authorities, as well as by the recommendations of good corporate governance of which the Company is the addressee.

In terms of gender, the competencies of the Appointment Committee include the establishment of a representation objective for the gender less represented on the Board of Directors and the preparation of guidelines on how to increase the number of persons of the less represented gender with a view to achieving said objective. In the composition of the Board as a whole and its support committees, the Company assumes the objective set out in Recommendation 15 of the Code of Good Governance for listed companies, which establishes this objective of at least 40% representation to be achieved no later than 2022.

When applying this Policy, care will therefore be taken to ensure that the corresponding selection processes do not suffer from implicit biases that could imply any discrimination for reasons of gender, among other reasons. In particular, any type of bias that hinders the appointment of candidates of the least represented gender and that may impede the fulfillment of the Company's objective indicated in the preceding paragraph will be avoided.

- Disability: In the selection procedures promoted by the Company, the appointment of a suitable candidate will not be conditioned by the presence of any type of disability in the candidate.

In 2023, and based on the skills matrix, the selection processes for board members have ensured that the overall composition is balanced, based on the following criteria:

A) Academic and professional background.

In view of the individual contribution of each of the new directors incorporated in 2023, the Appointment Committee has concluded that the current composition of the Board of Directors maintains, as a whole, sufficient knowledge and experience to cover all the areas of knowledge necessary for the development of the Bank's activities. It has also concluded that the academic background of the members of the Board of Directors is diverse as the different areas are represented. In particular, although the majority of the members of the Board hold degrees in Economics and Business/ADE, there are also members who hold degrees in Law and Engineering, as well as other fields.

In terms of professional experience, although most of the directors have proven experience in the financial sector, they also have extensive experience in sectors other than the financial sector. Also, there are counselors linked to the academic/teaching sector, some have experience in public agencies and others have international experience. Finally, a large number of directors have significant board experience.

B) Age: The Board is composed of a diversity of ages. Likewise, the average age of the Company's directors is below the average of listed companies and IBEX companies.

C) Gender: As of December 31, 2023, the Board of Directors was comprised of 6 women and 8 men, equivalent to 42.86% and 57.14%, respectively, of the total number of Board members, which means that the composition complies with Recommendation 15 of the Code of Good Governance for listed companies.

C.1.6

In relation to Recommendation 15 of the Code of Good Governance, regarding measures to encourage the company to have a significant number of female senior managers, the Appointment Committee remains committed to promoting an increase in the number of women in senior management, ensuring equity in the selection and promotion processes, ensuring the natural flow of talent, whether male or female, at all levels of the organization. Management positions represent a small proportion of the total workforce.

In 2023 Unicaja Banco has maintained the proportion of women holding senior management positions (16.59%), and the proportion of women in middle management (44.77%).

Among its specific objectives, Unicaja Banco's Equality Plan includes:

· Training and raising awareness among Unicaja staff on equality issues, with an emphasis on the group of managers who have extensive decision-making power and autonomy in the management of the people under their charge.

· Promoting the participation of women in training that focuses on management skills, with the aim of placing women in an optimal curricular and professional position to fill vacancies that may arise in management positions or, where appropriate, to occupy newly created posts of responsibility.

· Selection of women eligible for promotion based on the needs and requirements of Unicaja management.

· Determination of the training actions that seek to empower and train professionals in management skills.

· Invitation and motivation to the women eligible for promotion to participate in the aforementioned training programs, considering the time dedicated to them as effective work time (training credit).

Unicaja Banco and its Group companies promote the reconciliation of the personal and family life of employees with their work activities, ensuring equal treatment and opportunities for men and women.

C.1.16

- Suitability and appointment assessment

Once the candidates have been identified, as stated in the “Selection” section, the following procedure will be followed for the appointment of directors:

a) The Appointment Committee will initiate the suitability assessment procedure and issue the corresponding assessment report, in accordance with the provisions of the Suitability Assessment Policy. In the case of independent directors, it will submit the appointment proposal to the Board, and in the case of other types of directors, it will report the corresponding appointment proposals to the Board.

b) If the report is favorable and in view of the report or proposal of the Appointment Committee, the Board of Directors then analyzes the candidates, as well as their respective dossiers.

c) If the result of this analysis is favorable, the proposed appointment will be submitted to the competent supervisory authorities for approval. Exceptionally, in the event of vacancies that may have a negative impact on the day-to-day management of the Bank, the request for authorization from the supervisory authority may be made immediately after the appointment of the director, the effectiveness of which will be subject to a favorable assessment.

Once the candidates have been favorably evaluated by the competent supervisory authority, the Board will either co-opt the appointment, in the event of a vacancy, or the proposal will be submitted to the General Meeting.

In accordance with the provisions of the Policy for the Evaluation of the Suitability of the members of the Board of Directors, General Managers and similar and other Key Personnel for the development of the financial activity, Board member candidates must meet the suitability requirements necessary for exercising their position. In particular, they should be of recognized commercial and professional repute, honesty and integrity, have adequate knowledge, experience and competence to perform their duties and be in a position to exercise good governance of the Company. The relationships and the incompatibility regime will also be taken into account.

The Board of Directors will also have members who, taken as a whole, have sufficient professional experience in the governance of credit institutions to ensure their effective capacity to make decisions independently for the benefit of the Company.

- Reelection

As set forth in Article 17 of the bylaws, the Directors will hold office for a term of three years, and may be re-elected indefinitely for terms of the same duration.

The Appointment Committee, prior to the call of any meeting of the General Shareholders’ Meeting of the Company, will identify the Directors whose terms of office are about to expire and, if applicable, will analyze which of them it deems appropriate to propose their re-election or in which cases it is preferable to seek a new candidate. For this purpose, one of the factors to be taken into account, in addition to the Board’s skills matrix, is the need or desirability of a progressive renewal of the Board, taking into account, in particular, the diversity objectives established by the Company (including those related to age) and the length of time that each director has held office. In addition, in this process of evaluating and deciding whether a director should be re-elected, it will be necessary to evaluate the performance of the corresponding director during the time they have held office, taking into account especially the quality of their attendance and participation in the meetings of the Board and, if applicable, of the committees of which they were a member.

Directors whose appointments were co-opted will hold office up to and including the date of the first General Shareholders’ Meeting, without prejudice to the power of ratification or revocation held by the General Shareholders’ Meeting. In the event of a vacancy occurring after the General Shareholders’ Meeting has been called and before it is held, the Board of Directors may appoint a director until the next General Shareholders’ Meeting is held.

- Removal

Article 14 of the Regulations of the Board of Directors establishes that the directors will leave office when the term for which they were appointed has elapsed, or when so decided by the General Shareholders’ Meeting in the use of the powers conferred by law and the bylaws. Directors must also tender their resignation to the Board of Directors and formalize, if the latter deems it appropriate, the corresponding resignation in the cases detailed in Section C.1.19 below.

C.2.1 Audit and Compliance Committee.

(b) In relation to the internal auditor:

i. Ensure the independence of the unit that assumes the internal audit function, propose the selection, appointment, reappointment and removal of the head of the internal audit service, ensure that the profiles of the internal audit staff are adequate and that they are able to carry out their work objectively and independently.

ii. Annually evaluate and approve the internal audit function's action plan, which identifies the audit objectives and the work to be performed, verifying that the main areas of risk, financial and non-financial, of the business have been considered in said plan, delimit and identify its responsibilities, its functions and resources in order to ensure that they are adequate for the real needs of the Company and the risks it has to face and receive periodic information on the activities of the function.

iii. Verify that senior management takes into account the conclusions and recommendations of its reports.

(c) In relation to the statutory auditor:

i. Submit proposals for the selection, appointment, re-election and replacement of the auditor to the Board for submission to the General Shareholders' Meeting, taking responsibility for the selection process, as well as the conditions of their engagement, and to regularly request from the auditor information on the audit plan and its execution, in addition to preserving their independence in the performance of their duties.

ii. Define a procedure for selecting the auditor, specifying the criteria or parameters to be assessed.

iii. Establish the appropriate relations with the auditor to receive information on matters that could threaten their independence, for examination by the Committee, and any others related to the process of carrying out the auditing of accounts, and, where appropriate, the authorization of services other than those prohibited, in accordance with the terms established in the applicable regulations. Receive other communications provided for in auditing legislation and auditing standards. In all cases, the auditor will provide the following on an annual basis: (i) a written declaration of independence from the Company or companies directly or indirectly related to it and (ii) detailed and individualized information on the additional services of any kind provided to these companies by the auditor or individuals or companies linked to the auditor in accordance with the provisions of the regulations governing the activity of auditing accounts.

iv. Prior to the issuance of the accounts audit report, issue an annual report expressing an opinion on whether the independence of the accounts auditor is compromised. In all circumstances, this report must give a reasoned assessment of the provision of each of the additional services referred to in the preceding section.

v. In the event the auditor resigns, examine the reasons for doing so.

vi. Ensure that the auditor's remuneration for their work does not compromise their quality or independence.

vii. Discuss any significant weaknesses in the internal control system detected in the course of the audit with the auditor, without breaching their independence and submitting, where appropriate, recommendations or proposals to the Board of Directors and the corresponding deadline for follow-up.

viii. Ensure that the Company notifies the National Securities Market Commission of the change of auditor as a relevant fact and accompanies it with a statement on the possible existence of disagreements with the outgoing auditor and, if applicable, their content.

ix. Ensure that the auditor holds an annual meeting with the full Board of Directors to inform them about the work carried out and the evolution of the company's accounting and risk situation.

x. Ensure that the Company and the auditor comply with current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and, in general, all other regulations established related to the independence of the auditors.

(d) In relation to compliance with corporate governance rules:

i. Supervision of compliance with the Company's internal codes of conduct and corporate governance rules.

ii. Supervision of the communication and relationship strategy with shareholders and investors, including small and medium shareholders.

iii. Regular assessment of the suitability of the Company's corporate governance system, in order to help it fulfill its mission of promoting the company's interests and taking into account, as applicable, the legitimate interests of other stakeholders.

iv. Review of the Company's corporate social responsibility policy, ensuring that it is oriented towards the creation of value.

v. Monitoring of corporate social responsibility strategy and practices and evaluation of their degree of compliance.

vi. Supervision and assessment of the relationship with the various stakeholders.

vii. Assessment of everything related to the company's non-financial risks, including operational, technological, legal, social, environmental, political and reputational risks.

viii. Coordination of the non-financial and diversity information reporting process in accordance with the applicable legislation and international standards of reference.

ix. Report, the transactions that the Company carries out with Board Members to the Board of Directors before execution. Senior Executives, with significant shareholders or shareholders represented on the Board or with persons related to them ("related-party transactions") in accordance with the provisions of applicable legislation, the Bylaws, the Regulations of the Board of Directors and the Policy for the identification and management of conflicts of interest and related-party transactions of directors, significant shareholders and senior executives. To this end, it may request expert reports when deemed appropriate.

(e) Regarding regulatory compliance:

i. Ensure compliance with applicable national or international regulations in matters related to the prevention of money laundering, conduct in securities markets, personal data protection and prevention of criminal risk, among others, monitoring the main legal risks in which the Company may incur in those matters within its competence.

ii. Be aware of the degree of compliance with regulations by the various Company units and departments, as well as the corrective measures recommended by the internal audit in previous actions, reporting to the Board on those cases that may pose a significant risk to the Company.

iii. Examine the draft codes of ethics and conduct and their respective amendments that have been prepared, and issue its opinion prior to submitting the proposals to be formulated to the Board of Directors.

iv. Supervise compliance with the Internal Rules of Conduct in the Securities Market and the development of the functions attributed to the Regulatory Compliance Department, and to be aware of the reports and proposals submitted to it by this Department.

v. Approve the annual work plan of the regulatory compliance function, and the annual report or annual activity report, receive periodic information on its activities, attend to requests for information and verify that senior management takes into account the conclusions and recommendations of its reports.

(f) In terms of structural and corporate modification operations the Company plans to carry out the following:

For its analysis and prior reporting to the Board of Directors, the Committee will be informed of its economic conditions and impact on the accounts including, where appropriate, the equation for any proposed exchange.

2) Procedures, rules of organization and operation:

The Audit and Compliance Committee comprises a minimum of three and a maximum of five directors, who will be appointed for a period not exceeding their term of office, without prejudice to the possibility of their being re-elected indefinitely and to the extent that they are also re-elected as directors.

All of the members of the Committee will be non-executive Board Members, with the majority of them and, in any case, the Chairperson being independent Board Members. Independent directors.

The Board of Directors will appoint the members of the Committee and the Chairperson of the Committee for a term not exceeding four years. Directors who have held the office of Chairperson of the Committee may not return to the office until at least one year has elapsed since they ceased to hold that position.

The Board of Directors will also appoint an individual who is not a member of the committee as secretary of the committee, who will assist the chairperson.

The committee will meet at least quarterly and, in addition, whenever convened by its chairperson when they deem it appropriate or when required by agreement of the committee or at the request of two of its members. In all circumstances, the Committee will meet on the occasion of each annual or interim financial information publication date. The Committee Chairperson will report on the matters discussed and decisions adopted by the Committee at the first meeting of the Board following the meeting of the Committee. Annually, the Committee prepares an action plan for the year and an annual report on its operation which it presents to the Board of Directors.

3) Actions of the Audit and Compliance Committee in 2023:

(a) Activities performed to fulfill duties regarding internal information and control systems:

The Committee has reviewed and reported, prior to the Board of Directors, the financial statements and interim financial statements, the management report, including the annual corporate governance report and the separate report on non-financial information, as well as the other financial reports that have been made available to the public and supervisors. The Committee also reviewed all Prudentially Relevant Information prior to its approval by the Board of Directors.

The Committee accepted the findings of the Internal Control over Financial Reporting system (ICFR) and the external expert's audit report on the system.

It carried out a quarterly monitoring of the provisions jointly with the Risk Committee.

The Committee also took note of the Annual Report on Governance and Data Quality for the 2022 fiscal year, which reports on the actions carried out to meet the objectives defined for said fiscal year, which have focused mainly on the data integration process of the former Liberbank and on the evaluation of the quality of the roll out of the internal IRB models.

(b) Activities performed in compliance with the function related to the internal auditor:

The Committee was presented with the 2023 annual plan of Internal Audit activities. It was regularly informed of the degree of compliance with the requirements and recommendations issued by the Internal Audit Department.

The Report on Internal Audit Activities was also submitted to the Committee on a quarterly basis.

(c) Activities performed in compliance with the function related to the auditor:

Considering the conclusion of the Auditor's term of office in 2023, the Committee initiated in 2022 the process for the selection of a new auditor provided for in EU Regulation 537/2014. The Committee reported its first choice, KPMG Auditores, S.L., to the Board. S.L. The Board of Directors, following the recommendation of the Committee, agreed to approve the selection to propose their appointment to the General Shareholders' Meeting. At the Ordinary General Shareholders' Meeting held on March 30, 2022, the appointment of KPMG Auditors, S.L. was approved as auditor of the accounts of the Company and its consolidated Group for 2024. 2025 and 2026.

The Committee periodically received information on compliance with the Auditor Appointment Policy, services and other aspects of the independence of the Unicaja Banco Group's auditor. The auditor has periodically appeared before the Committee to report on the conclusions of the audit procedures carried out on the financial reporting, as well as on the key aspects of the audited period and regulatory developments in the field of external auditing. The Committee was advised on the auditor's written confirmation of their independence and issued, prior to the issuance of the audit report on the financial statements, a confirmation report on the independence of the auditor. The auditor submitted the draft audit report on the individual and consolidated financial accounts for 2023 to the Committee. It envisaged (as was ultimately the case) the issuance of a favorable opinion, and submitting the additional report for the Audit Committee on the aforementioned financial statements.

(d) Activities performed in compliance with the function related to corporate governance rules:

The Committee gave a favorable report on the separate Statement of Non-financial reporting to the Board of Directors and was informed of the draft conclusions about it by the external verifier (PwC), which is published together with the Financial Statements, prior to its formulation by the Board of Directors. During the year, the Committee submitted the report on the application of the policy on communication and contact with shareholders, institutional investors and proxy advisors to the Board of Directors.

The Committee received several reports on Sustainability and agreed to submit to the Board of Directors the Corporate Sustainability Policy and the Non-Financial Risk Management and Control Policy.

The Committee reported favorably on the update of the Corporate Outsourcing Policy, taking note of the Annual Activity and Monitoring Report of the Outsourcing Governance Section for fiscal year 2022.

(e) Activities performed to carry out the duty of regulatory compliance:

The Committee was presented with the Regulatory Compliance Department's Annual Report on the actions carried out, as well as the Regulatory Compliance Department's Master Plan and the Action Plan for this year, the Regulatory Compliance Department having reported periodically on the activities carried out for to carry out same. The Committee reported favorably on the update of the Internal Rules of Conduct in the Securities Market.

The Committee was informed of the Annual Risk Self-Assessment Report on Money Laundering and Financing of Terrorism, which shows satisfactory compliance by the Company, without the need to implement significant additional measures. The Committee was advised on the annual reports of the Committee for the Prevention of Money Laundering and Financing of Terrorism, the Regulatory Compliance Committee and the Criminal Risk Prevention Committee, corresponding to fiscal year 2022.

The Committee accepted AENOR's renewal of Unicaja Banco's Compliance Management System.

The Committee was also informed on a quarterly basis of the status of the communications received through the Bank's Whistleblowing Channel.

(f) Activities related to Related Transactions

Throughout the year, the Committee has issued reports on the proposals for granting related party transactions, verifying that all proposals submitted to it with related parties were made under market conditions, according to the risk assessment criteria applicable in Unicaja Banco and that they are fair and reasonable from the point of view of the Company and, if applicable, of other shareholders other than the related party, giving an account of the assumptions on which its conclusion is based, and the methods used.

In relation to the related transactions whose approval is delegated to internal committees of the Bank, by virtue of the procedure set forth in the Policy for the Identification and Management of Conflicts of Interest and related transactions of Directors, significant shareholders and senior officers, the Committee took note of the report of the role of the internal audit, which concluded that it had verified that they had been carried out under the established conditions of fairness and transparency and that the applicable legal criteria for their delegation had been satisfied.

(g) Transactions with significant shareholders

With respect to transactions with significant shareholders, the Audit and Compliance Committee ensures that relations with them are correct and appropriate. In particular, in 2023, the Committee, prior to approval by the Board, analyzed several transactions and reported favorably to the Board for approval.

(h) Other matters:

The Committee has been periodically informed of the situation and variations of the Company's treasury stock, and has been informed of the requirements received from regulatory and supervisory bodies. The Committee took note of the Fiscal Strategy Monitoring and Control Report

C.2.1 Appointment Committee.

2) Procedures, rules of organization and operation:

The Appointment Committee shall consist of a minimum of three and a maximum of five directors who do not perform executive functions in the Company. Most of these members, and in all cases the chairperson, should be independent directors.

The members of the Appointment Committee will be appointed by the Board of Directors, taking into account the knowledge, experience and skills required for the duties to be performed.

The Board of Directors shall appoint a chairperson of the committee from among the independent directors who are members of the committee. It will also appoint a Secretary, who does not have to be a member of the Board, who will assist the Chairperson and provide for the proper functioning of the Committee, duly recording the proceedings of the meetings in the minutes. The committee will meet with the frequency determined by the committee and whenever called to meeting by its chairperson or requested by two of its members.

The chairperson of the committee shall report on the decisions adopted by the committee at the first plenary meeting of the board following the meeting of the committee. The Committee prepares an annual action plan for the year and a similar report on its operation to be presented to the Board of Directors.

3) Actions of the Appointment Committee in 2023:

(a) Actions performed to fulfill the duty of identifying and recommending, by means of the corresponding report in the case of executive Directors and proprietary Directors, or proposal in the case of independent Directors, candidates to fill vacancies on the Board, with a view to their approval by the Board of Directors or by the General Shareholders' Meeting:

The committee agreed to report favorably on the appointments of four proprietary directors, at the proposal of Fundación Bancaria Unicaja, as well as the proposals for the ratification of two independent directors appointed by co-optation during the 2022 fiscal year, and to submit them to the board, with a view to their subsequent submission to the Ordinary General Shareholders' Meeting held on March 30, 2023.

The committee selected four candidates with the category of independent directors to fill the vacancies on the board following the resignations of two directors and the non-ratification by the General Shareholders' Meeting of the appointments of two other directors, reporting favorably and proposing their appointment, who were co-opted by the Board of Directors.

Likewise, upon the activation of the Succession Plan for the Chief Executive Officer, and after the internal evaluation carried out, the Committee agreed to report favorably on the appointment of Isidro Rubiales Gil, who was co-opted by the Board of Directors as an executive director.

Once the corresponding regulatory authorizations were obtained from the supervisor, the aforementioned appointments were ratified and approved by the General Shareholders' Meeting held on November 14, 2023.

Finally, at the end of the year, due to the resignation of Manuel Azuaga Moreno, it was agreed to activate the Succession Plan for the selection of the candidate to replace him as non-executive chairman. As of the date of preparation of this report, the Board of Directors, following a favorable report and at the proposal of the Appointment Committee, once the evaluation of his suitability has been completed, has unanimously agreed to appoint José Sevilla Álvarez as independent director of the Company, subject to obtaining the corresponding regulatory authorizations, and foreseeing his appointment as chairman of the Board of Directors to replace Manuel Azuaga Moreno, as from his ratification at the next General Shareholders' Meeting.

(b) Activities performed to fulfill duties regarding appointments to the Board and the Committees:

The Appointment Committee proceeded to address the appointment proposals made during the year both within the Board of Directors and in each of the Support Committees, concluding that all the candidates were suitable for the positions for which they had been proposed and reporting favorably to the Board of Directors for their respective appointments.

(c) Activities performed to fulfill the duty of periodically evaluating, at least once a year, the suitability of the members of the Board of Directors and of the Board of Directors as a whole:

The Appointment Committee, on the occasion of the various appointments of directors during the year, also evaluated the collective suitability of the Board of Directors, concluding in each of the evaluations performed that the board has the necessary knowledge, experience and skills to adequately understand the Bank's activities, including its main risks, to ensure its effective capacity to make decisions independently and for the benefit of the Bank, and that the various areas of expertise required are duly covered.

The Appointment Committee has also updated the skills matrix of the board as a whole. The purpose of this matrix is to analyze the overall composition of the board by comparing the actual skills with the desirable profiles to be incorporated into the Board of Directors in order to adequately understand the Company's activities.

(d) Activities performed to fulfill the duty of ensuring that the Directors comply with the regime of incompatibilities and limitations required and sufficient availability of time to exercise good governance, if any member of the Board of Directors assumes an additional position or begins to perform new relevant activities, in order to verify whether the time devoted to their responsibilities and obligations as a member of the Board of Directors of the Company is sufficient and is not diminished due to the new responsibilities assumed.

The Committee carried out partial assessment of the suitability of a number of directors, due to the performance of positions or assumption of responsibilities in companies or organizations not belonging to the Unicaja Group and their appointment as directors in companies representing Unicaja, reporting favorably.

(e) Activities performed to fulfill the duty of periodically evaluating the structure, size, composition and performance of the Board of Directors:

The Committee submitted its evaluation report on the functioning of the Board of Directors, its Committees and certain positions for 2022 to the Board of Directors.

At the beginning of fiscal year 2024, the Appointment Committee agreed to launch the evaluation of the functioning of the Board of Directors, its committees and certain positions for fiscal year 2023.

(f) Activities performed to fulfill the duty of evaluating the skills, diversity, balance of knowledge and experience required on the Board of Directors and the function of annually reviewing compliance with the Director Selection Policy.

The Appointment Committee has prepared the report on the application of the Director Selection and Appointment Policy and the Diversity Policy, concluding that the individual and collective suitability evaluation processes carried out in fiscal year 2023 have been developed in accordance with the criteria, principles and systems established in the aforementioned policies. In particular, the evaluations analyzed the impact in terms of diversity of knowledge, technical skills, experience, and gender, without implying discrimination based on age or disability, using the matrix of skills, knowledge and experience, ensuring that the overall composition and balance of skills of the Board of Directors was appropriate.

(g) Activities performed to fulfill duties related to the target representation for the underrepresented gender on the Board of Directors:

With regard to gender diversity objectives, in the selection processes for directors carried out in fiscal year 2023, the Appointment Committee has taken into account that the structure of the Board complies with Recommendation 15 of the Code of Good Governance, ensuring that the percentage of women is 40%. At year-end 2023, of the 14 directors currently on the Board of Directors, six were women (42.86%) and eight were men (57.1%).

Finally, in February 2024, the board agreed, in order to fill the existing vacancy on the board, to co-opt an independent director, so that once the regulatory authorization has been obtained and they have joined the Board of Directors, the percentage of women on the board will be 40%.

(h) Activities performed in compliance with the reporting on the nomination and removal of Senior Management:

With respect to the evaluation of the remaining members of the Subject Group who are not considered members of the Board of Directors, in fiscal year 2023, the Committee issued the corresponding reports on the evaluation of the suitability of the members of the Subject Group, reporting favorably on their appointments.

(i) Other actions:

In the last quarter, the Committee has been working on updating the internal policies related to the suitability, selection, diversity and succession of the Board of Directors and other key personnel in order to adapt them to the new governance model of the Bank.

At the time of the announcement of the Ordinary General Meeting in 2024, the Company plans to publish the Annual Operating Report of the Appointment Committee on the corporate website, setting out in greater detail the operation and activities carried out by this committee in 2023.

C.2.1 Remuneration Committee

3) Actions of the Remuneration Committee in 2023:

(a) Activities performed to fulfill the duty of ensuring compliance with the Company's remuneration policy and the function of verifying the information on remuneration of Directors and Senior Management contained in the various corporate documents:

The Committee submitted to the Board of Directors the Directors' Remuneration Policy for the three-year 2024-2026 period and the report justifying the same.

The Committee was informed of the annual evaluation of the application of the Remuneration Policy associated with risk management and submitted the 2022 Annual Report on Directors' Remuneration to the Board of Directors.

Prior to its approval by the Board of Directors, the committee verified the information on remuneration of directors and senior management contained in the various corporate documents, including the Annual Report on the Remuneration of Directors.

(b) Activities performed to fulfill the duty of preparing the decisions regarding compensation to be adopted by the Board of Directors:

The committee prepared the reports and submitted the proposals relating to the remuneration of the group subject to the Remuneration Policy associated with risk management.

At its various meetings held during 2023, the Remuneration Committee reported favorably on proposals for basic contractual conditions associated with appointments of certain members of the Identified Collective for the purposes of the Remuneration Policy associated with risk management, based on justified circumstances.

In particular, during this fiscal year, the Committee reported favorably on the contract of the new Chief Executive Officer and the Non-Executive Chairperson, as well as the proposal regarding the agreement to terminate the contract of Manuel Menéndez as executive director.

(c) Actions carried out in connection with incentive systems:

With respect to 2022, the Committee agreed to report favorably on the proposed payment of incentives and variable compensation for executive directors.

In relation to 2023, the Committee agreed to report favorably on the Identified Collective Incentive System, the Business Network System (including Corporate Banking), the Central Services System and the Customer Service Management System.

With regard to the definition of the 2023 objectives for the Identified Group, the Remuneration Committee reported favorably on the typology and weighting of the different variables applicable to this group, submitting the corresponding proposals to the Board of Directors for approval.

(c) Other actions:

The Committee approved its 2023 Action Plan, which included the main actions to be undertaken during the year.

At the time of the call for the 2024 Annual General Meeting, the Company intends to publish on the corporate website

the Annual Report on the Operation of the Remuneration Committee, which sets forth in greater detail the operation and activities carried out by this Committee in fiscal year 2023.

C.2.1 Risk Committee

(3) Actions of the Risk Committee in 2023:

(a) Actions related to the fulfillment of the function of advising the Board of Directors on the overall risk propensity, the function of ensuring the proper functioning of the risk control and management systems.

The Committee monitored the metrics and updated the Unicaja Banco Group's Risk Appetite Framework, periodically analyzing its monitoring reports, based on the Bank's financial situation and strategy. Credit risk was also monitored on a monthly basis, including, among others, the NPL, retail and fixed-income portfolios. Likewise, structural risks have been monitored, as well as technological risks and the monitoring of the IRB Project and Resolution matters, jointly with the Audit and Compliance Committee.

(b) Actions related to the function of ensuring that the risk control and management systems adequately mitigate risks within the framework of the policy and to the function of actively participating in the development of the Company's risk management policy.

In addition to the actions related to the Risk Appetite Framework mentioned above, the Committee participated in the preparation and agreed to submit to the Board of Directors, with a favorable report, the Annual Report on the Internal Capital Adequacy Assessment Process (ICAAP) 2022 and the Annual Report on the Internal Liquidity Adequacy Assessment Process (ILAAP) 2022.

The Committee also agreed to report the update of the internal capital allocation (ICAAP) and the identification of material risks and liquidity cushion allocation (ILAAP).

The committee took cognizance of the IRP (Information of Prudential Relevance) for fiscal year 2022, monitoring the process of preparing the Bank's Recovery Plan and the actions included in the 2023 Annual Resolubility Work Plan. It agreed to report favorably on the approval of the Corporate Resolubility Planning Policy and the update of the Bank's Irregular Asset Management Framework.

(c) Activities related to the adequacy of asset and liability pricing to the business model and risk strategy:

The committee reported favorably and submitted to the Board of Directors for its approval, the update of the Pricing Policy, which includes the pricing framework for the granting of operations that are subject at all times to the manual of policies, functions and procedures for customer credit risk. It also reported favorably on the Non-Financial Risk Management and Control Policy, which serves as a reference and consolidates the basic principles of management and control of these risks.

(d) Activities related to the collaboration on the establishment of rational remuneration policies and practices.

The Committee issued a favorable report on the proposed Incentive System for the group identified in the Compensation Policy associated with Risk Management for 2023

(e) Other actions:

At the first meeting held in 2023, the Committee approved the Committee's Action Plan for that fiscal year.

At the time of the announcement of the 2024 Ordinary General Meeting, the Company plans to publish on the corporate website the Annual Operating Report of the Risk Committee, which sets out in more detail the operation and activities carried out by this committee in 2023.

D.6

Along the same lines, Article 17 of the Board Regulations includes the duty of Board Members to abstain from:

a) Executing transactions with the Company, except ordinary operations that are carried out by them as an ordinary customer and that are not significant, i.e. transactions that do not need to be reported in order to express a faithful presentation of the Company's equity, financial condition and results.

b) Carrying out activities on their own behalf or on behalf of others that effectively compete, currently or potentially, with the Company or that, in any other manner, place them in a permanent conflict of interests with the Company.

c) Attending and participating in deliberations and voting on agreements or decisions in which they or a person related to them have a direct or indirect conflict of interest. This abstention obligation will not apply to resolutions or decisions that affect them as a director, such as their appointment or revocation for positions on the administrative body or others of similar significance.

Article 18 of the Board Regulations prohibits directors from making use of the Company's confidential information for private purposes.

Furthermore, Article 20 of the Board Regulations provides that directors and persons related to them may not: a) take advantage of any business opportunity of the Company for their own benefit; b) make use of the Group's assets for private purposes; c) use their position in the Company to obtain a patrimonial advantage; d) obtain advantages or remuneration from third parties other than the Company and its Group associated with the performance of their duties, except in the case of mere courtesies.

Article 21 of the Board Regulations states that directors must inform the Company of all of the positions they hold and the activities they perform in other companies or entities, and, in general, of any fact or situation that may be relevant to their performance as directors of the Company.

As regards the communication procedure, those who are subject to conflicts of interest rules should immediately notify the Company of any conflict that they or those associated with them may have with the corporate interest, including where they have doubts as to whether there might be a conflict of interest for any cause whatsoever.

This notification should be made in writing, stating in sufficient detail the possible conflict and whether it is a direct or indirect conflict, the object and the main conditions of the operation and the planned decision, including an assessment of the (approximate) economic impact. This letter will be addressed to the chairperson of the Audit and Compliance Committee and submitted to the Secretariat for Governing Bodies, who in turn will send a copy of the communication received to all of the members of the Audit and Compliance Committee for appropriate processing.

Designated Persons should also refrain from taking any action related to the possible conflict until the Board of Directors issues a decision on the conflict situation that has been brought to its attention, after reviewing a report from the Audit and Compliance Committee.

If the person or any associated persons affected by the conflict of interest is a director, they should abstain from participating in the deliberation and voting on resolutions or decisions related to this conflict, both in the meetings of the Board of Directors and of any other corporate body, commission or committee in which they participate. They should also refrain from influence or participation in decision-making or voting on matters in which their objectivity or ability to properly perform their duties with respect to the Company may be compromised. Furthermore, they are to refrain from accessing confidential information affecting this conflict.

In addition, the Unicaja Banco Group's Code of Conduct includes certain general principles and recommendations relating to good governance and the basic ethical standards that govern actions in the different markets, with special attention paid to the prevention of conduct that may give rise to criminal liability. It is applicable to the Group's directors, officers and employees and expressly provides that subjects must avoid incurring in situations in which personal interests may come into conflict with the interests of the Group or of the company in which they carry out their activity.

Finally, the Internal Code of Conduct in the Securities Market of Unicaja Banco, S.A. includes the general policy for the prevention and management of conflicts of interest that may arise between the Bank's customers and the Bank itself. It is applicable to the members of the Board of Directors, other executives, employees and attorneys-in-fact, among others.

With the aims set out in the Protocol for the Management of the Financial Participation of the Unicaja Banking Foundation, providing for mechanisms to avoid possible conflicts of interest between the Unicaja Banking Foundation and Unicaja Banco, an Internal Protocol of Relations between the Unicaja Banking Foundation and Unicaja Banco was signed on December 1, 2016. Its purpose includes ensuring that the financial activity of Unicaja Banco is managed independently of the charitable or other activities of Fundación Bancaria Unicaja, avoiding conflicts of interest in all cases.

E.2

· Technology and Innovation Committee

Among the functions conferred on this Commission is the monitoring of the technological risk in general.

· Sustainability Committee

Among the functions attributed to this Committee is the monitoring of the processes of identification, evaluation, control and management of risks in the area of sustainability.

· Steering Committee

Among its functions, the following related to the RAF stand out:

- Validating and, where appropriate, submitting to the Governing Bodies proposals for documents relating to the Bank's strategic planning, among which is the RAF.
- Conveying the RAF's main criteria, whether they be the initial criteria or their subsequent adaptations, to the rest of the Bank, through the units that are in charge of each area, with the aim of having a solid "risk culture" at Unicaja Banco.
- Evaluating the implications of the RAF, in their respective areas of competence, in coordination with the Bank's internal Committees, which will in turn inform the competent units of them if necessary.

E.3

- Risks related to environmental, social and governance factors.

Environmental, social and governance (ESG) factors may have a significant short-, medium- and long-term impact on the Bank's financial and non-financial risks, as any of these factors may have a material adverse impact on the Group's financial position, business and operating results.

Climate-related and environmental risks (environmental ESG factor) are risks arising from the Bank's exposure to counterparties that might potentially contribute to or be adversely affected by environmental factors, including factors resulting from climate change and other types of environmental degradation.

These risks are generally considered to comprise two main risk factors affecting economic activities, which in turn have an impact on the financial system. These are:

- Physical risk, which refers to the financial impact of a changing climate, including more frequent extreme weather events and gradual changes in climate, as well as environmental degradation, such as air, water and land pollution, loss of biodiversity and deforestation.

Physical risk is in turn classified as:

○ "Severe", where it arises from extreme events, such as droughts, floods and storms.
○ "Chronic," when it arises from gradual changes, such as rising temperatures, sea level rise, land use change, habitat destruction and resource scarcity.

This can directly cause damage to goods or a decrease in productivity, for example, and can also indirectly lead to further incidents, such as the disruption of supply chains.

Transition risk refers to the Company's financial losses that may arise directly or indirectly from the process of adjusting to a lower carbon and more environmentally sustainable economy. This may be triggered, for example, by a relatively abrupt adoption of environmental policies, technological advances or changes in the market climate and consumer preferences.

Physical and transition risks can also trigger further damages arising directly or indirectly from legal claims (liability risk) and a loss of reputation if the public, counterparties or investors associate the Bank or its customers – particularly corporate or institutional clients – with adverse environmental effects (reputational risk).

Accordingly, physical and transition risks are factors of the existing risk, in particular the credit risk, the operational risk, the market risk and the liquidity risk, as well as the risks outside Pillar 1, such as the migration risk, the credit spread risk in the investment portfolio, the real estate risk and the strategic risk.

E.6

- Market risk

Even though market risk is assigned to trading positions for solvency purposes, the Unicaja Banco Group has developed policies, processes and tools for managing the market risk corresponding to its entire portfolio of securities entered at a fair value for accounting purposes.

For the adequate management of market risk, the Structural and Risks Department, which reports to the Financial Risk Control Department, has tools for measuring, calculating and controlling market risks and the limits authorized by the Board of Directors. The most important of these are Value at Risk (VaR) and the operating limits for credit/counterparty risk that affect the Unicaja Banco Group's operations in capital markets, serving as a means of diversification in order to avoid excessively concentrated exposures to market risk.

The Unicaja Banco Group carries out the measurement and control function by establishing a scheme of delegations in financial market operations. The Group has detailed information on the different subrisks and has assigned limits within its Risk Appetite Framework that allow it to adequate monitor and, if necessary, mitigate such risks.

The ultimate responsibility for risk identification and control lies with the Governing Bodies of the Unicaja Banco Group. Thus, executive management is responsible for and actively participates in the entire risk management process (planning, approval, assessment and control of all risks inherent in the positions taken by the Bank in financial markets).

- Interest Rate Risk in the Banking Book (IRRBB)

The control functions performed and methodologies employed by the Bank also include the control of the effectiveness of balance sheet coverages as mitigation instruments and the use of stress testing measures. Thus, in the analysis, measurement and control of the interest rate risk assumed by the Group, it uses sensitivity measurement and analysis techniques of a wide range of scenarios that could significantly affect it to capture the different sources of risk.

Based on the results of the structural interest rate risk exposure the Unicaja Banco Group obtained on each analysis date, a series of actions aimed at mitigating such exposure are implemented until it is brought back to the acceptable levels defined by the Bank's risk profile, should this be necessary.

The Board of Directors approves the Bank's overall risk management strategy and laid down the general and control guidelines of this management.

The Assets and Liabilities Committee (ALC) develops the strategy within the framework and limits established by the Board of Directors.

- Liquidity risk

The Bank establishes prudent policies and goals that contemplate not only normal market conditions but also contingency plans for stress or crisis situations, both its own and of the market.

The Unicaja Banco Group has set limits to the liquidity risk to control its exposure thereto and maintain such exposure within authorized levels. Generally speaking, liquidity is considered adequate if potentially liquid assets and funding capacity are greater than the needs arising from the business and the costs of refinancing in the markets. The greater this difference, the greater the available liquidity.

The Unicaja Banco Group also practices a diversification policy in order to avoid excessively concentrated exposures to the structural liquidity risk. Likewise, in its management of liabilities, it diversifies its sources of funding, ensuring that they are diversified by market, maturity and product, in order to steer away from difficulties at particular moments of crisis or of the markets. The Risk Committee and the Board of Directors are regularly informed of and devote sufficient time to monitoring and supervising the Company's main risks, in order to be able to respond to any challenges that may arise.

- Real estate risk

The Unicaja Banco Group sets limits to the real estate risk relating to assets received in payment for debts in order to control this exposure and keep it within adequate levels.

These assets are managed in the Bank with the ultimate purpose of divesting or leasing them. To this end, the Unicaja Banco Group has holding companies specializing in the management of urban development projects, the marketing of real estate and the leasing of real estate assets.

It also has specific units to develop these strategies and coordinate the actions of the instrumental subsidiaries. In addition, the Bank has a decentralized governance structure that, through a framework of attributions, ensures this risk is properly managed and controlled.

- Operational Risk

Unicaja Banco assumes the following types of operational risk, pursuant to Regulation 575/2013 (CRR), in order to maintain a uniform and parameterized management of risk, in accordance with the standards defined in the New Basel Capital Accord (NBCA):

Internal fraud

External fraud

Employment and occupational health and safety practices

Customers, products and business practices

Damage to tangible physical assets

Interruption of the activity and system failures

Process execution, delivery and management

The emergence in recent years of new potential risks for financial institutions is driving the transition towards an operational risk management model in Unicaja Banco that contemplates an expanded taxonomy that addresses new emerging or potential risks, incorporating, therefore, a greater number of risk typologies and which are listed below: people (human resources), internal fraud, external fraud, conduct, transactional processes, technology; physical asset security and information security (including cybersecurity); business continuity; regulatory compliance; financial crime; legal; suppliers/third parties; financial and tax reporting; data and model management.

The Unicaja Banco Group has established a series of procedures for capturing operational loss events.

These provide the Group with the necessary information to be able to implement the corresponding mitigation instruments of its operational risk management policy. It also has an Operational Risk Policy, approved by the Board of Directors. The Group's operational risk management not only covers the recognition of loss-generating events and their correct entering into its accounts but also promotes its active control and management facet in order to minimize and reduce all losses and negative impacts arising from this type of risk.

The Unicaja Banco Group uses other operational risk mitigation measures to manage the operational risk. Among these measures, the following stand out: (i) the development of self-assessment exercises and (ii) the system of KRIs (key risk indicators) to measure the evolution of risk factors. Since December 2017, the Bank has been using the Standardized Approach as its method for quantifying its operational risk in terms of capital with the aim of improving how it manages this risk, which is in line with its risk culture.

Among the types of risks included within operational risk are technology risk, defined as the risk arising from system, network and hardware or software failures; and information security risk (including cybersecurity), which considers the risk arising from information security incidents, including the loss, theft or misuse of information (of all types, customers, employees, owned by the organization), as well as non-compliance with rules relating to information security. In relation to these risks, Unicaja Banco has a catalog of metrics for their quantification, control and monitoring within the Bank's Risk Appetite Framework. It also ensures the proper governance of these risks to provide resilient and quality services to its customers, shareholders, and other stakeholders.

Furthermore, model risk is also included, which includes losses arising as a consequence of decisions based mainly on the result of (internal) models, due to errors in the development, implementation or use of such models. The Approach Committee is the management body in charge of supervising, approving and ratifying all those processes in the life cycle of the corporate approaches that require it.

Within operational risk there is also conduct risk, defined as risk caused by inadequate practices in the relationship of the Bank or its employees with its customers, the treatment and the products offered and their suitability. The Unicaja Banco Group ensures the correct creation, issuance and distribution of products and the proper provision of services while ensuring compliance with current legislation. One of the Bank's aims is to ensure that new products are subjected to the necessary analysis and review procedures in order to mitigate the risk of litigation as far as possible.

In the tax area, Unicaja Banco's Tax Strategy policy, as approved by the Board of Directors, regulates a fiscal risk management system which operates according to the scheme described in Section E.1 above.

The Tax Advisory Area, which reports to the Corporate Accounting and Reporting Department, is responsible for developing the control mechanisms and internal rules necessary to ensure the application of current fiscal regulations and the objectives and guidelines set out in the aforementioned document. For these purposes, it has a Manual that regulates the functions entrusted to it for the management of the Tax Strategy policy approved by the Board of Directors – tax management, fiscal advice and defense of the Company's tax interests. All three functions have response mechanisms that focus on tax risks.

With the periodicity regulated in Tax Strategy, these implemented functions and the controls are reported to the Risk Control and Supervisory Relations Department (CRO) as a second line of defense.

The Internal Audit Department annually reviews the monitoring of the Tax Strategy policy as a third line of defense, with the Audit and Compliance Committee supervising risk control in tax matters.

- Reputational risk

The Unicaja Banco Group has traditionally been very demanding as regards aspects relating to reputational risk management.

Customer satisfaction and the good image of the Bank are permanent goals of all its employees and of the Company's highest levels of governance and management.

This constant effort to maintain and reinforce it good image is rooted in its global culture and is embodied in, among other concrete manifestations:

The Bank's strategic objectives.

Code of Conduct, Corporate Social Responsibility Policy, Sustainability Policy, Environmental Policy, Energy and Climate Change and the Criminal Risk Prevention Program approved by the Board of Directors

The actions of the three lines of defense.

Compliance with the general regulatory framework and, in particular, with the Markets in Financial Instruments Directive (MiFID) and financial service user protection regulations.

The process of continuously training employees in all areas in which they work, including, specifically, training in ethical aspects, as established in the "Code of Conduct".

- Business and strategic risk.

In order to analyze the soundness of its business model, the Group analyzes potential vulnerabilities through sensitivities and stress exercises. Metrics related to business and strategic risk are also defined and monitored on a recurring basis through the Risk Appetite Framework.

- Risk related to environmental, social and governance factors

In order to properly manage ESG risks (which encompasses climate-related and environmental risks), the Bank has launched a series of initiatives, including an Action Plan on Sustainable Financing – approved in June 2020 and revised in April and November 2021 – which culminated in 2023, whose purpose is to measure in depth the impact of such risks on its financial structure and to enable it to act efficiently in this area in the medium and long term.

In 2023, the Bank has continued to incorporate climate and environmental factors into risk decision-making, with a special focus on the risk admission process in the corporate segment.

2. It is hereby stated that the Company is not subject to corporate governance legislation other than Spanish legislation.

3. Voluntarily adherence to other codes of ethical principles or good practices (international, sectoral or from another area).

Voluntarily adherence to other codes of ethical principles or good practices (international, sectoral or from another area).

Code of Good Tax Practices

Since December 2017, the Company has adhered to the Code of Good Tax Practices approved by the Large Companies Forum, according to the wording proposed by the State Tax Administration Agency (AEAT). With this adherence, all those best practices that allow an adequate prevention and reduction of tax and reputational risks are adopted, so as to generate greater legal and economic security for the Group and for society as a whole.

United Nations Global Compact

Unicaja Banco voluntarily adhered as a signatory to the international initiative of the United Nations Global Compact in July 2013, committing to the 10 Principles of the Global Compact in the areas of Human Rights, Labor Standards, Environment and Anti-Corruption.

Spanish Global Compact Network

In the exercise of its corporate social responsibility, Unicaja Banco joined this Network as a partner in April 2017, which means supporting, among other aspects, the achievement of the Sustainable Development Goals (SDGs) of the United Nations.

United Nations Agency UNITAR (United Nations Institute for Training and Research)

The agreement signed in September 2018 with the United Nations agency UNITAR and which offers financial support to the International Training Center for Authorities and Leaders (CIFAL) in Málaga, supports the implementation of actions aimed at promoting social and financial inclusion and sustainable development, within the framework of SDGs. In May 2022, this agreement was renewed until 2024.

Madrid COP25: collective agreement on climate action

At the United Nations Climate Change Conference (COP25), held in Madrid in December 2019, Together with other Spanish financial institutions, Unicaja Banco signed a collective climate action agreement, whereby it undertakes, among other measures, to reduce the carbon footprint of its credit portfolios within a specific period of time, in a manner that can be measured using internationally approved criteria, and in line with the objectives set out in the Paris Agreement. In accordance with the above, decarbonization targets have been published in 2023 for a significant portion of the loan portfolio.

Carbon Disclosure Project (CDP)

In 2023, the Carbon Disclosure Project (CDP) questionnaire on Unicaja's environmental management and impact was completed for the first time. The grade obtained was "C", on a scale ranging from "A" (best grade) to "D-" (worst grade). The letter "F" denotes cases in which CDP requests to participate but the entity does not do so.

The Code of Best Practices for the viable restructuring of debts secured by mortgages on primary residences

The Bank is adhered to this Code established in Royal Decree-Law 6/2012 of March 9, on urgent measures for the protection of mortgagors without resources, and the subsequent amendments introduced by Law 1/2013 of May 14, 2013, by Royal Decree-Law 1/2015 of February 27, 2015, by Royal Decree-Law 5/2017 of March 17, 2017, Law 5/2019 of March 15, 2019, and by Royal Decree-Law 19/2022, of November 22, 2022.

Code of Best Practices on urgent measures for mortgage debtors at risk of vulnerability

The Bank also adheres to this other Code, introduced by Royal Decree-Law 19/2022 of November 22, 2022, establishing a Code of Good Practices to alleviate the rise in interest rates on mortgage loans on primary residences, amending Royal Decree-Law 6/2012 of March 9, 2012, on urgent measures for the protection of mortgage debtors without resources, and adopting other structural measures to improve the mortgage loan market.

Social Housing Fund

In January 2013, together with other public and private entities, Unicaja Banco signed the Agreement for the creation of a Social Housing Fund, which creates a fund of housing provided by the participating entities, offered for rent to families who have lost their homes due to non-payment of their mortgage loan and are in a situation of special vulnerability. This measure was originally covered by Royal Decree-Law 27/2012 of November 15, 2012, on urgent measures to strengthen the protection of mortgage debtors. Unicaja Banco accepted the various renewals of the Fund, most recently in December 2022, when its general term was extended to January 2024. Unicaja Banco contributes 471 homes to the Fund.

Financial Education Plan

Since 2010, firstly through Unicaja and subsequently through Unicaja Banco, the Company has been a signatory to the National Financial Education Plan through the Spanish Confederation of Savings Banks (2022-2025 Plan), currently promoted by the Bank of Spain, the National Securities Market Commission and the Ministry of Economic Affairs and Digital Transformation, the aim of which is to improve economic and financial knowledge among the general public.

In June 2016, the Edufinet project, currently promoted by Unicaja Banco and Fundación Unicaja, created in 2005 and with public activity since 2007, adhered to the "Code of best practices for financial education initiatives", developed by the institutions driving the National Financial Education Plan with the aim of joining efforts to improve knowledge and skills in financial matters.

Strategic protocol to reinforce the social and sustainable commitment of the banking system

In February 2022, the Bank signed up to the update of the strategic protocol promoted by the sector to reinforce the social and sustainable commitment of the banking sector, especially with regard to the elderly and the disabled.

This protocol envisages, among other measures: (i) extending the hours of face-to-face service for cash services provided at the teller window or teller, (ii) providing preferential treatment to the elderly in branches, (iii) training staff specifically on the needs of this group, and offering customers financial and digital education and fraud prevention activities, (iv) preferential telephone service at no extra cost, through a personal interlocutor and (v) improving the accessibility and simplicity of the entire network of ATMs, among others.

A new review of the sector protocol was formalized in October 2022 to include new aspects related to financial inclusion in rural areas ("Roadmap to strengthen financial inclusion in rural areas"). This roadmap contemplates, for those municipalities with more than 500 inhabitants without an access point to financial services, the commitment to ensure at least one access point (bank office, ATM, mobile offices, financial agents); and, for those with less than 500 inhabitants, the offer of basic banking services, guaranteeing access to cash through the cash back or cash in shop formulas, or the use of the Correos Cash service.

Advertising-commercial communications

Since November 2010, Unicaja Banco has been a member of the Association for the Self-Regulation of Commercial Communication (Autocontrol), an independent self-regulatory body for the advertising industry in Spain.

This annual corporate governance report was approved by the Company's Board of Directors during its session held on

02/29/2024

State whether there have been directors that have voted against or abstained from the approval of this Report.

[ ] Yes
[✓] No

ANNEX IV

ANNUAL REPORT ON DIRECTORS' REMUNERATION

The Annual Directors' Remuneration Report of Unicaja Banco, S.A. for the fiscal year ended on December 31, 2023 has been appended hereto as an integral part hereof.

ISSUER'S IDENTIFICATION DETAILS

End date of the year concerned: 12/31/2023

Tax identification number A93139053

Company Name:

UNICAJA BANCO, S.A.

Registered office:

AV. ANDALUCIA N.10-12 (MALAGA)

A. REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT FISCAL YEAR

A.1.1 Explain the current director remuneration policy applicable to the current fiscal year. To the extent relevant, certain information may be included by reference to the remuneration policy approved by the General Shareholders' Meeting, provided that the inclusion is clear, specific and concrete.

The specific determinations for the current fiscal year should be described, both for the remuneration of directors for their status as such and for the performance of executive functions that the board has undertaken, both pursuant to the provisions of the contracts signed with the executive directors and with the remuneration policy approved by the General Shareholders' Meeting.

In all circumstances, the following aspects should be reported as a minimum:

a) Description of the procedures and bodies of the company involved in the determination, approval and application of the remuneration policy and its conditions.

b) Indicate and, if applicable, explain whether comparable companies have been taken into account to establish the company's remuneration policy.

c) Information on whether any external advisors have participated and, if so, their identity

d) Procedures contemplated in the current director remuneration policy for applying temporary exceptions to the Policy, conditions under which such exceptions may be used and components that may be subject to exception under the policy.

Article 29 of the Unicaja Banco, SA (hereinafter, "Unicaja Banco", the 'Company' or the "Bank") bylaws establishes that the position of director will be remunerated and regulates the remuneration structure of its directors. This structure is developed through the Directors' Remuneration Policy (hereinafter referred to as the "Remuneration Policy" or the "Policy").

When the term of the Directors' Remuneration Policy, approved by the General Shareholders' Meeting of Unicaja Banco, SA in 2021, expires in 2023, before the end of its term, the Board of Directors proposed to submit to the General Shareholders' Meeting the approval of a new Remuneration Policy, contemplating the possibility of its application from the date of its approval, in order to adapt the remuneration scheme to the new governance model of the Company, characterized by the transition to a non-executive chairpersonship. The current Policy was therefore approved by the Extraordinary General Shareholders' Meeting held on November 14, 2023, being applicable from the date of its approval and during the following three fiscal years, 2024, 2025 and 2026.

This Policy seeks to promote sound and effective risk management that, while favoring the efficient development of the Company's business management, does not entail the assumption of excessive risks. The Policy applies to all Directors, executive and non-executive, who hold office during all or part of the fiscal years in which the Policy remains in effect.

The Remuneration Policy complies with current regulations and, in particular, with those relating to the remuneration systems of Credit Institutions, and is aligned not only with the current regulatory and statutory framework, but also with best practices and comparable market standards. The new features introduced in this Policy with respect to that approved in 2021 are as follows:

a) Adaptation of the remuneration system to the Company's new governance model, with a non-executive chairpersonship and a single director with executive functions, the chief executive officer.
b) Certain changes to the remuneration scheme applicable to the chief executive officer.
c) Introduction of certain amendments to the scheme applicable to the remuneration of directors in their capacity as such, seeking a closer approximation to best market practices.

Thus, the remuneration of directors in their capacity as such, which consists of a fixed allowance and the payment of per diems for attending meetings of the Board of Directors and its committees, establishes a new maximum amount to be paid annually for this item, which already includes the remuneration corresponding to the non-executive chairpersonship.

CONTINUED IN SECTION D.1.

A.1.2 Relative importance of variable remuneration items with respect to fixed items (remuneration mix) and what criteria and objectives have been taken into account in their determination and to ensure an appropriate balance between the fixed and variable components of remuneration. In particular, indicate the actions taken by the company in relation to the remuneration system to reduce exposure to excessive risks and align it with the company's objectives, values and long-term interests, including, where appropriate, a reference to measures planned to ensure that the remuneration policy addresses the company's long-term performance, measures taken in relation to those categories of personnel whose professional activities have a material impact on the entity's risk profile, and measures planned to avoid conflicts of interest.

Indicate also whether the company has established any vesting or consolidation period for certain variable remuneration items, in cash, shares or other financial instruments, a deferral period for the payment of amounts or delivery of financial instruments already vested and consolidated. Also indicate whether any clause has been agreed to reduce deferred remuneration not yet consolidated or obliging the director to return the remuneration received, when such remuneration has been based on data whose inaccuracy has subsequently been manifestly demonstrated.

The remuneration system applicable to the members of the Board of Directors will be governed by the following principles, which also include those set forth in Article 34 of the LOSS and its implementing regulations:

a. Promote and be compatible with adequate and effective risk management, whilst not providing incentives to assume risks that exceed the level tolerated by the Company.

b. Be compatible with the business strategy, objectives, values and long-term interests of the Company, avoiding conflicts of interest.

c. In relation to executive directors, maintain a balanced and efficient relationship between variable remuneration and fixed components, where applicable. In particular, the latter will constitute a sufficiently large part of the total remuneration. The variable component shall in no case exceed 100% of the fixed component of the total monetary remuneration of the executive Director.

d. Distinguish clearly between the criteria for the establishment of the different components of the overall remuneration, in general by the following parameters:

· Fixed component: This shall primarily reflect relevant professional experience, dedication and responsibility in the organization.

· Variable component: The variable remuneration, where it is expected to accrue and be received, should reflect performance in excess of that required to meet that stipulated in the job description as part of the performance conditions. When remuneration is linked to results, the right to receive it and the total amount thereof shall be based, in all circumstances, on objective indicators that will also be combined with a performance evaluation that measures qualitative aspects.

e. Up to 100% of the total variable remuneration will be subject to malus clauses which, if applicable, may result in the cancellation of the deferred portion and the recovery of remuneration already paid (clawback).

The total variable remuneration will therefore be eliminated or significantly reduced when Unicaja Banco obtains negative or poor financial results, taking into account both the current remuneration and reductions in payments of previously accrued amounts, if any, through remuneration reduction clauses or recovery of remuneration already paid.

Up to 100% of the total variable remuneration will here be subject to reduction clauses when there is a deficient financial performance, either in the Company as a whole or in a specific department or unit, whose performance is significant for the company, under the terms described in the corresponding variable remuneration plan.

Likewise, the variable remuneration already paid will be subject to clawback if, during the term foreseen in the corresponding variable remuneration plan, there is a deficient financial performance, in the terms indicated in the previous paragraph, directly attributable to the Director, as well as in cases of fraud or other fraudulent conduct or serious negligence that causes significant losses.

f. the incentive systems will, in all cases, take into account the grading of the amount of the variable remuneration. The variable component of remuneration will therefore function as follows:
- Not limit the Company's ability to strengthen its capital base.
- Be related to the professional performance of its beneficiaries and will not derive solely from the general evolution of the markets or the financial sector, or other similar circumstances.
- Take into account any qualifications contained in the external auditor's report that reduce or may reduce the Company's results.
- Be eliminated or significantly reduced in the event of a negative performance of the Company's results or its capital ratios, either in relation to those of previous years or to those of similar entities, or a negative performance of other parameters such as the degree of achievement of budgeted objectives.
- In all cases, the payment of any variable compensation will be subject to compliance with capital requirements and supervisory requirements, in particular those relating to the "Maximum Distributable Amount" (MDA).
- Personal hedging strategies or insurance related to compensation and liability that undermine the effects of risk alignment included in the compensation systems may not be used.
- The receipt of a substantial portion of variable compensation will be deferred for a certain period of time, taking into account the economic cycle, the nature of the business and its risks.
- At least 50% of the variable remuneration, both of the deferred and non-deferred portion, will be paid by means of the delivery of shares or other instruments of the Company of an equivalent nature.

g. The policy will be of a non-discriminatory remuneration type in terms of gender, that is to say based on equal remuneration between male and female directors for the same function or for a function of equal value.

h. The variable remuneration criteria will ensure an incentive structure adjusted to the Bank's risk propensity and business objectives in relation to sustainability risks, the adoption of measures to prevent conflicts of interest and the promotion of actions with a positive impact in the area of ESG factors (environmental, social and corporate governance), meaning that specific metrics linked to this area will be included in the definition of the variable component of the remuneration. The aim is for variable remuneration to contribute to making the Company's business strategy sustainable and socially responsible.

The main characteristics of the Incentive System for the 2024 fiscal year for Executive Directors are detailed below (section A.1.6).

With regard to the measures established to avoid conflicts of interest, in accordance with the provisions of the Company's Bylaws and the Regulations of the Board of Directors, the directors have a duty of loyalty to the Company and the obligation to adopt the necessary measures to avoid situations of conflicts of interest, avoiding situations in which their interests, whether their own or those of others, may conflict with the corporate interest, immediately informing the Company of any situations that could generate a possible conflict, whether real or potential. Likewise, the Directors may not (a) take advantage of any business opportunity of the Company for their own benefit; (b) make use of the Group's assets for private purposes; (c) use their position in the Company to obtain a patrimonial advantage; they must inform the Company of all the positions they hold and the activities they carry out in other companies or entities, and, in general, of any fact or situation that may be relevant to their performance as directors of the Company.

As regards remuneration, the Remuneration Committee is responsible for submitting proposals relating to individual remuneration, the incentive system and other contractual conditions of the executive directors. It also prepares decisions on the objectives, criteria and metrics that must be met in order to receive variable remuneration and, if applicable, verify whether the circumstances are met to apply the reduction or recovery clauses.

The Risk Committee works alongside the Remuneration Committee in establishing sound policies and practices in this regard, examining whether the incentive policy provided for in the remuneration system takes into consideration risk, capital, liquidity and the likelihood and timing of returns. Specifically, the Risk Committee intervenes, where appropriate, in the actual determination of the total incentive pool to be distributed, in the setting of objectives and performance measurement, as well as at the time of payment of variable remuneration, in order to verify that the remuneration is adjusted for all types of current and future risks, and that the necessary cost of capital and liquidity are taken into account.

The Remuneration and Risk Committees are bodies made up entirely of non-executive members and the majority of them, and in any case their Chairperson, are independent directors. Within the Board of Directors, the director concerned, in accordance with the provisions of the Regulations of the Board of Directors on the duties of directors to avoid conflicts of interest, is obliged to abstain from attending and participating in deliberations and voting on resolutions or decisions that are related to their remuneration.

A.1.3 Amount and nature of the fixed components that are expected to accrue to the directors in their capacity as such during the year.

As mentioned above, Article 29 of the Company's bylaws establishes that the position of director will be remunerated and regulates the remuneration structure of Unicaja Banco's directors. Specifically, section 2 of this article establishes that the remuneration of the directors in their capacity as such will consist of a fixed allowance and the payment of per diems for attending the meetings of the Board of Directors and its committees.

In accordance with the current remuneration policy, the maximum amount of annual remuneration to be paid to all the Board Members, in their capacity as such, will amount to 1,950,000 euros gross per annum in 2024. This amount includes the amount of 300,000 euros gross that is set as annual remuneration for the non-executive Chairperson for the performance of the duties set forth in the Capital Companies Act, in the Bylaws, in the Regulations of the Board of Directors, and those that the Board of Directors may agree to entrust to this position.

As it appears from the current Remuneration Policy, for fiscal year 2024, such amount will be distributed as follows:
· 60,000 euros gross per annum for membership on the Board.
· 300,000 euros gross per annum for the performance of the non-executive Chairpersonship of the Board of Directors.
· 20,000 euros gross per annum for serving as non-executive Vice-Chairperson of the Board of Directors.
· 20,000 euros gross per year for the performance of the duties of Coordinating Director.
· 15,000 euros gross per year for the performance of the duties of Secretary, Director, of the Board of Directors.
· 15,000 euros gross per year for membership of the Audit and Compliance Committee and the Risk Committee.
· 12,000 euros gross per year for membership of the Nomination Committee and the Remuneration Committee.
· 10,000 euros gross per year for membership in the Technology and Innovation Committee and the Sustainability Committee
· 10,000 euros gross per year for acting as Chairperson of a Board of Directors Support Committee.
· 5,000 euros gross per year for acting as Secretary of a Board of Directors Support Committee.
· 500 euros gross for attendance fees to the Board and 300 euros gross for attendance fees to the Support Committees.

The Board, in use of its powers attributed by the Capital Companies Act and the Bylaws, and always within the maximum limit approved by the General Shareholders' Meeting, may approve a different distribution under the criteria of functions, responsibility, complexity or dedication or other different criteria it may deem appropriate in the future, which will be duly reported in the corresponding Annual Report on Directors' Remuneration.

A.1.4 Amount and nature of the fixed components that will be accrued during the year for the performance of senior management functions by the executive directors.

The Policy states that, in addition to the remuneration of the members of the Board for their status as such, the executive Directors will receive a fixed annual remuneration for the performance of their executive duties, as agreed in their respective contracts with the Company.

The maximum fixed monetary compensation for the performance of executive duties for the fiscal year 2024 for the Chief Executive Officer, the only position with executive duties, amounts to 529,000 euros gross/year.

This amount will be updated in accordance with the salary revision percentage established in the collective bargaining agreement applicable to the company's employees for 2024. At the date of issuance of this report, the aforementioned Agreement has not yet been signed.

In the event that the executive directors receive remuneration for holding positions in investee companies, the gross amount received will be deducted from the amount to be paid by the Company, unless the Board of Directors exceptionally and with reasons to the contrary is agreed by the Board of Directors.

A.1.5 Amount and nature of any component of remuneration in kind that will accrue during the year, including, but not limited to, insurance premiums paid in favor of the director.

In accordance with the Policy, there will be no accruals for compensation in kind in relation to the Directors in their capacity as such. On the other hand, remuneration in kind is provided for executive directors. Thus, during the 2024 financial year, the Chief Executive Officer will enjoy, as other social benefits, health insurance for a maximum annual amount of 5,000 euros gross.

A.1.6 Amount and nature of the variable components, differentiating between those established for the short and long term. Financial and non-financial parameters, including social, environmental and climate change parameters, selected to determine the variable remuneration for the current year, an explanation of the extent to which such parameters are related to the performance of the director, the entity and its risk profile. The foreseeable methodology, timeframe and techniques determine, at the end of the year, the effective degree of compliance with the parameters used in the design of the variable remuneration, explaining the criteria and factors applied in terms of the time required and methods for verifying that the performance conditions or any other type of conditions to which the accrual and consolidation of each component of the variable remuneration were linked have been effectively met.

Indicate the range in monetary terms of the different variable components based on the degree of compliance with the established objectives and parameters, and if there is any maximum monetary amount in absolute terms.

No variable compensation has been established for non-executive directors.

With respect to executive directors, Article 29.3 of the bylaws provides that part of the remuneration of executive directors may be variable, and that it will be correlated to some indicator of the performance of the director and of the Company.

Executive directors will only be entitled to receive variable remuneration when the conditions for this are met in accordance with the provisions of their respective contracts and the remuneration policies and plans applicable to them.

Thus, in accordance with the provisions of Article 29.4 of the Company's Bylaws, executive directors, as part of the variable remuneration system determined by the Board of Directors in accordance with the provisions of the remuneration policy applicable from time to time, will be entitled to be paid through the delivery of shares or stock options, or through remuneration indexed to the value of the shares. The application of any of these compensation methods should be previously agreed by the General Shareholders' Meeting, which will determine the maximum number of shares that may be assigned in each year, the price for the year or the system for calculating the price of the stock options for the year, the value of the shares, if any, to be taken as a reference, as well as the term of the plan.

The Extraordinary General Shareholders' Meeting, held on November 14, 2023, resolved to authorize the Board of Directors to deliver to the Executive Directors, during the term of the Directors' Remuneration Policy, and provided that the conditions established for this purpose are met, the number of shares equivalent to a maximum aggregate total amount of shares of up to 1,260,648 euros, at a rate of up to 964,408 euros for short-term variable remuneration (up to 296,240 euros for each full year and up to 75,688 euros for the proportional part of the year 2023 in which this Policy will be in force) and up to 296,240 euros for long-term variable remuneration.

The amount corresponding to the short-term compensation for each fiscal year will be subject to annual updating in accordance with the salary revision percentage established in the collective bargaining agreement applicable to the Company's employees, causing the correlative update in the total maximum amount during the entire term of the policy.

For the purpose of determining the number of shares to be delivered on each of the corresponding dates, the price of the Unicaja Banco share that corresponds to the average value of the listed price of the Unicaja Banco share between the closing date of the fiscal year and the date of approval of the financial statements for that fiscal year by the Ordinary General Shareholders' Meeting (both exclusive) will be taken into account.

The executive directors will be entitled to short-term variable remuneration, which will be approved annually by the Board of Directors, at the proposal of the Remuneration Committee, and which will be intended to reward the director's performance during the year, through the fulfillment of objectives to be defined by the Board of Directors, pursuant to the provisions of this Remuneration Policy and the Company's General Incentive Scheme, and which will combine financial and non-financial variables.

The variables that may be taken into consideration for setting the objectives on which the accrual of this compensation component is conditioned may include, but are not limited to, the following: ROTE. Efficiency ratio. Variation of Non-Performing Assets (NPA's), RAF metrics and aspects related to quality, regulatory compliance and sustainability.

Short-term variable compensation should not exceed 100% of the fixed component of the gross annual cash compensation of the executive director. This amount will be considered as the reference for a level of one hundred percent compliance with the objectives set. It will be the responsibility of the Board of Directors, at the proposal of the Remuneration Committee, to set and evaluate compliance with the assigned objectives each year.

In addition, the Board of Directors, at the proposal of the Remuneration Committee, may grant executive directors the right to receive multi-year variable remuneration, which will consist of a remuneration system that establishes a reference amount and multi-year objectives that can be measured and that allow the performance of the executive directors to be evaluated. These objectives may be associated with the achievement of a 100% compliance rate of variable remuneration in the short term, successively throughout the reference cycle. This will remain in effect for three years, after which the degree of compliance with the objectives assigned thereto will be evaluated. The maximum amount to be received by those executive directors to whom this long-term variable remuneration is recognized will be 529,000 euros at the end of the cycle. This amount corresponds to a degree of achievement of the objectives of at least 100%.

With respect to the conditions applicable to the accrual and payment of variable remuneration, the following should be noted:

i. Limit on the ratio between fixed and variable remuneration elements. The variable component of the remuneration may not exceed 100% of the fixed component of the total remuneration. However, in accordance with the provisions of Article 34.1.g. LOSS, this limit may be increased up to 200% when so approved by the General Shareholders' Meeting, in compliance with the procedure set forth in the same provision.

ii. *Ex ante* and *ex post* adjustments to variable compensation. Variable remuneration will be risk-adjusted and be based on the performance measurement of eligible executive directors, through the application of ex-ante and ex-post compensation adjustments. *Ex ante* adjustments are related to the requirement to comply with capital, liquidity and supervisory requirements, particularly those related to the "maximum distributable amount".

Ex post adjustments will consist of the application of the criteria relating to deferral and payment in instruments.

60% of the variable remuneration accrued in each fiscal year by the executive directors will therefore be deferred for a period of five years, and will be subject to ex post adjustments for results and for the evolution of the Company's risk, capital and liquidity in the period from which they arise.

Deferred remuneration will be paid over the deferral periods on a pro rata basis, and the compensation payable under the deferral provisions will not be received more rapidly than on a pro rata basis.
At least 50% of the variable remuneration, whether deferred or not, will be paid in Unicaja Banco shares or other financial instruments subject to the corresponding withholding periods.

Specifically, the variable compensation will be paid according to the following payment schedule:

- A non-deferred payment, representing 40% of the variable remuneration granted. 50% will be paid in cash and 50% in shares on the payment date generally applied to the variable remuneration of the Bank's employees in relation to the financial year of reference.
- A first deferred payment, representing 12% of the variable remuneration granted. This will be paid fully in cash on the first anniversary of the date of the non-deferred payment.
- A second deferred payment, representing 12% of the variable remuneration granted. This will be paid fully in cash on the second anniversary of the date of the non-deferred payment.
- A third deferred payment, representing 12% of the variable remuneration granted. This will be paid fully in cash on the third anniversary of the date of the non-deferred payment.
- A fourth deferred payment, representing 12% of the variable remuneration granted. This will be paid fully in cash on the fourth anniversary of the date of the non-deferred payment.
- A fifth deferred payment, representing 12% of the variable remuneration granted. This will be paid fully in cash on the fifth anniversary of the date of the non-deferred payment.

During the deferral period, title to the cash and instruments whose delivery is deferred belongs to Unicaja Banco. The Company will not pay interest or dividends with respect to cash or instruments whose delivery is deferred at any time.

Once the shares or financial instruments corresponding to the remuneration systems have been assigned, the executive directors may not transfer their ownership or exercise them until a period of three years has elapsed (retention period).

An exception is made in the case in which the director maintains, at the time of the transfer or exercise, a net economic exposure to the variation in the price of the shares for a market value equivalent to an amount of at least twice their annual fixed remuneration through the ownership of stock options or other financial instruments, in which case the excess of shares over that amount will only be subject to a one-year retention period.

The foregoing will not apply to shares that the director needs to dispose of in order to meet the costs related to their acquisition or, subject to the favorable opinion of the Remuneration Committee, to reduce the retention period by up to one year in order to meet extraordinary situations that arise or require it.

iii. Effects deriving from the termination of the contractual relationship. In the event the contractual relationship is terminated prior to the end of the accrual period, the following rules will apply:
- In the event that the termination is due to the will of the executive director or to the will of Unicaja Banco due to the existence of a breach by the executive director, the executive director will not be entitled to any amount as variable remuneration, whether short or long term.
- In the event that the termination is due to the unilateral will of Unicaja Banco (without just cause), the executive director will be entitled to the proportional part of the period worked, provided that the assigned objectives are met. In the case of long-term compensation, the executive director must have completed at least two thirds of the reference cycle.

The payment of this short-term variable remuneration will be linked to the fulfillment of the objectives to be defined by the Board of Directors, following a proposal from the Remuneration Committee, which may be referenced, among others, to (i) the strategic objectives set forth in the Company's current Business Plan -including, in any case, compliance with the minimum level of recurring profit before taxes, (ii) the profitability (ROE) of Unicaja Banco compared to the rest of the System, and (iii) in short, the factors and criteria - including those relating to ESG - referred to in the Remuneration Policy. Each of these objectives will be assigned a weighting on the total short-term variable remuneration, as well as a scale of achievement, without the maximum amount exceeding the limit of 100%

of the annual fixed remuneration. The Board of Directors will be responsible for evaluating the degree of compliance with the aforementioned objectives on an annual basis, following a proposal from the Remuneration Committee. In addition, a corrective adjustment for risks associated with capital and liquidity ratios, as well as compliance factors, will be applied to variable compensation. This adjustment may result in the reduction or cancellation of the variable remuneration to be received. Once the amount finally accrued is defined, the deferral mechanisms, payment in instruments, and submission to malus and clawback clauses regulated in the Policy will be applied. The specific objectives to which the accrual of short-term variable remuneration will be linked will be detailed in the corresponding Annual Reports on Directors' Remuneration.

The annual variable remuneration corresponding to the 2024 fiscal year for executive directors is determined based on the level of compliance with corporate objectives. The corporate objectives system is composed of five elements:

The annual variable remuneration for the year 2024 for executive directors is determined based on the level of achievement of corporate objectives.
The target variables are classified into five blocks:
1. Profitability: Return on tangible equity (ROTE)
2. NPEs: Prudential NPAS and NPLS ratios
3. Business objectives
4. Efficiency ratio (ratio of operating expenses to gross margin)
5. ESC objective: The ESC target is defined as a synthetic index of three indicators (sustainable financing, portfolio decarbonization and customer NPS).

To determine the level of compliance with the corporate objectives system, a weighting is assigned to each variable: 1 - Profitability: 35% weighting, 2 - NPEs: 20% weighting, 3 - Business objectives: 20% weighting, 4 - Efficiency ratio: 15% - weighting and 5 - ESC objectives: 10% weighting

The achievement curve for corporate objectives is between 90% and 150%.

There are three key factors whose non-compliance blocks the collection of incentives: corporate objectives, budgeted recurring BAI and minimum individual performance level.

A level of achievement in any of the key objectives below the compliance requirements established will determine that the variable compensation incentive to be distributed will be 0.
The maximum remuneration to be received by the executive directors foreseen in the Remuneration Policy of the Directors of Unicaja Banco, SA. for the 2024-2026 period is 100% of the fixed remuneration; however, the remuneration foreseen in the contract formalized with the Chief Executive Officer is 25% of the fixed remuneration.

The corporate objectives system is approved by the Board of Directors at the proposal of the remuneration Committee.

A.1.7 Main characteristics of long-term savings systems. Among other information, it will indicate the contingencies covered by the system, whether this is a defined contribution or defined benefit system, the annual contribution to be made to the defined contribution systems, the benefit to which the beneficiaries are entitled in the case of defined benefit systems, the conditions for consolidation of the economic rights in favor of the directors and their compatibility with any type of payment or indemnity for early termination or severance, or derived from the termination of the contractual relationship, under the terms provided for between the company and the director.

Indicate whether the vesting or consolidation of any of the long-term savings plans is linked to the achievement of certain objectives or benchmarks related to the director's short- and long-term performance.

Non-executive directors are not entitled to this form of remuneration.

Pursuant to Article 29.3 c) of the Company's Bylaws, the remuneration of the Executive Directors may include a part for attendance, which will include the appropriate welfare and insurance systems.

In accordance with the provisions of the current Remuneration Policy, as regards social welfare, the executive Directors are entitled to a welfare portion consisting of a defined savings contribution in their favor, instrumented in an insurance contract or in a savings instrument which, fulfilling an equivalent purpose, is compatible with the legal nature of the relationship between the Chief Executive Officer and the Company.

The contingencies protected by these instruments are retirement, disability – total disability, absolute disability or severe disability – and death.

The contributions made by the Company in these pension systems, in favor of the executive directors, will be -with the exception that will be stated below for the so-called discretionary pension benefits- considered as fixed remuneration, provided that they comply with the following requirements: (a) are predetermined from the outset and are not made dependent on variable elements or the achievement of objectives; and (b) are not the result of extraordinary contributions (especially if such contributions are close to retirement age)

Without prejudice to the foregoing, in application of the provisions of Paragraph 2, Section 1 of Rule 41 of Circular 2/2016, 15% of the contributions made to the executive directors will be considered as variable remuneration - and therefore its accrual will be subject to compliance with the same objectives to which the variable remuneration is conditioned - and will be instrumented in a specific policy that complies with the requirements of the discretionary pension benefits: specifically, the policy (a) will incorporate the necessary provisions to ensure the application of the rules regarding payment in the form of instruments and retention by the Company set forth in the Remuneration Policy and allow for the reduction and recovery of amounts; (b) will include, if necessary, the right of redemption -or equivalent- by the Company; (c) will establish that, when the executive director leaves the Company -either due to retirement or for any other reason-, the discretionary pension benefits will be subject to a retention period of five years. This period will be counted from the moment in which the services rendered to the Company cease and during which the aforementioned reduction and recovery clauses may be applied. Therefore, the forfeiture of the contributions made by the Company – even when the retention period has already begun – will be caused by the willful or grossly negligent breach by the person entitled thereto of their duties as an executive director, as determined by resolution adopted by the Board of Directors.

Specifically, this contribution will have a maximum annual amount of 200,000 euros gross, of which (a) 85% will be considered as fixed remuneration and (b) 15% will be considered as variable remuneration and will be classified as discretionary pension benefits. This maximum annual amount will be applicable during the term of the policy, without being subject to updating

In line with the current Remuneration Policy, discretionary pension commitments will be established under criteria that, in any case, are aligned with the interests of the Company, so that their accrual and effectiveness periods do not give rise to remuneration for this concept that is not in line with the economic situation of the Company at the time they are made effective.

Contributions made from the savings system (regardless of whether they are treated as discretionary pension benefits) are compatible with any type of compensation for early termination or termination of the contractual relationship between the company and the director.

A.1.8 Any type of payment or indemnity for early termination or termination of the contractual relationship under the terms established between the company and the director, whether the termination is at the will of the company or of the director, as well as any type of agreed covenants, such as exclusivity, post-contractual, non-competition and permanence or loyalty, which entitle the director to any type of payment.

Given the legal nature of the relationship between the Directors in their capacity as such and the Company, no severance payments for termination of performance are foreseen.

In the event of termination of the contractual relationship, the executive directors would be entitled to receive, as agreed with them, an indemnity compensation, the amount of which will be referenced to the fixed annual monetary remuneration for the performance of executive duties of their creditor, without exceeding one year.

Payments made for the early termination, if any, of the contracts of the Executive Directors, due to circumstances not attributable to them, will be reasonable and proportionate.

Additionally, post-contractual non-competition agreements may be established, as determined by the Board of Directors, with a maximum compensation of the amount of one year's fixed monetary remuneration.

In any case, termination indemnities and post-contractual non-competition agreements will be subject to the limitations and restrictions applicable from time to time to credit institutions, will not exceed an amount equivalent to two years of the total annual remuneration and will not be paid until the Company has been able to verify that the Director has complied with the criteria and conditions established for their receipt.

To the extent required by Section 172 of the EBA Guidelines, part or all of the indemnity to be paid upon termination of the contractual relationship will be considered variable remuneration and, therefore, will be subject to the same payment mechanisms and limitations regarding deferral, payment in instruments and subject to malus and clawback clauses regulated in the Remuneration Policy.

Payments due to termination or contractual termination will include any payments whose accrual or payment obligation arises as a consequence of or at the time of termination of the contractual relationship that existed between the director and the company, including amounts that were not previously consolidated from long-term savings systems and amounts that are paid based on post-contractual non-competition agreements.

Notwithstanding the foregoing, the contract signed with the current Chief Executive Officer does not provide for remuneration for termination thereof, without prejudice to the rights that may correspond to him in the event that an agreement is also made to terminate the previous employment relationship maintained with the Company and whose suspension was agreed upon after his appointment as Chief Executive Officer.

In addition, the Chief Executive Officer may receive, by way of post-contractual non-competition, a maximum indemnity in the amount of one year's gross fixed remuneration in cash. The payment of such indemnity will be made at the end of the non-competition period, after verification of compliance with the non-competition obligation.

Specifically, the contract with the current Chief Executive Officer incorporates a post-contractual non-competition obligation, with a duration of 12 months, compensated by a maximum amount of one year's gross fixed remuneration in cash.

A.1.9 Indicate the conditions that must be respected in the contracts of those who perform senior management functions as executive directors. Among other areas, information will be provided on the duration, limits on the amounts of remuneration, permanence clauses, notice periods, as well as payment in lieu of the aforementioned notice period, and any other clauses relating to hiring bonuses, as well as indemnities or golden parachutes for early termination or termination of the contractual relationship between the company and the executive director. Include, among others, non-competition, exclusivity, permanence or loyalty and post-contractual non-competition pacts or agreements, unless they have been explained in the previous section.

The main terms and conditions to be respected in the contracts with the Company's executive directors are as follows:

· Duration: Indefinite, although it will depend on the maintenance of executive functions. The loss of the status of executive director will automatically cause the termination of the contract. The cases of ordinary renewal of the term of office as a member of the Board of Directors – unless the termination occurs – will not be considered as a cause for termination of the contract.

· Remuneration for termination of the contractual relationship: The chief executive officer's contract may contemplate the indemnities provided for in the Bank's Remuneration Policy, referred to in the preceding section.
However, as also indicated in the previous section, given the previous employment relationship with the current chief executive officer, their contract does not provide for remuneration for the termination thereof, without prejudice to the rights that may correspond to them in the event that the termination of the previous employment relationship with the Company, which has been suspended since their appointment as executive director, is also agreed.

· Exclusivity agreements: The contract establishes an obligation of exclusivity or full dedication of the CEO, meaning that their activity in the Company will only be compatible with the attention of responsibilities in their own companies, provided that they do not concur with the activity of the Bank or of the Group to which they belong, nor impede or hinder the exercise of their responsibilities in these, avoiding the appearance of all types of conflicts of interest.

· Post-contractual non-competition agreements: 12 months, with a maximum remuneration of the amount of an annuity of the gross fixed remuneration in cash.

· Permanence or loyalty agreements: Not established.

· Confidentiality: The agreement incorporates the CEO's obligation of confidentiality with respect to all information and documentation related to the Company's activity and business - regardless of the medium, to which they have had access by reason of their position and which has been classified as confidential or which, according to its content, may reasonably be considered as such, since it affects procedures, strategies, clients, commercial data, etc. This obligation of confidentiality continues even after the termination of the contract.

· Use and return of the Company's resources: The contract provides for the delivery to the CEO of the material resources necessary for the proper performance of the activity, as well as the obligation to return them upon termination of the contractual relationship

· Notice period: The contract establishes a notice period of three months for the party interested in terminating the relationship.

A.1.10 The nature and estimated amount of any other supplementary compensation that will be accrued by the directors in the current fiscal year in consideration for services rendered other than those inherent to their position.

No accruals for this item are expected to occur in 2024.

A.1.11 Other remuneration items such as those derived, if applicable, from the granting by the company to the director of advances, loans and guarantees and other compensation.

No accruals for this item are expected to occur in 2024.

A.1.12 The nature and estimated amount of any other expected supplementary remuneration not included in the preceding paragraphs, whether paid by the entity or another entity of the group, which the directors will accrue in the current year.

No accruals for this item are expected to occur in 2024.

A.2. Explain any relevant changes in the remuneration policy applicable in the current fiscal year derived from:

a) A new policy or a modification of the policy already approved by the board.

b) Relevant changes in the specific determinations established by the board for the current fiscal year of the current Remuneration Policy with respect to those applied in the previous fiscal year.

c) Proposals that the Board of Directors would have agreed to submit to the General Shareholders' Meeting to which this annual report will be submitted and which are proposed to be applicable to the current fiscal year.

As mentioned above, for the preparation of the new Remuneration Policy, the Remuneration Committee has carried out a review of the Remuneration Policy applicable for the 2021-2023 period, identifying those issues that need to be modified so that the Policy is not only aligned with the current regulatory and statutory framework, but also with the best practices and comparable market standards.

Thus, the new features introduced in the current Remuneration Policy, which was approved by the General Shareholders' Meeting last November 2023, are as follows:

1. Adaptation of the remuneration system to the Company's new governance model, with a non-executive Chairpersonship and a single director with executive functions, the Chief Executive Officer. In this regard, and in order to adequately contextualize the modification of the Policy, it is necessary to indicate that in

compliance with the provisions of Section 16.2 of the Unicaja Banco and Liberbank S.A. Common Merger Plan, two years after the merger was executed, the modification foreseen in Unicaja Banco's governance model was to be carried out, so that the chairpersonship of Unicaja Banco's Board of Directors would become non-executive. Consequently, the functions of the CEO would be adapted and the CEO would be re-evaluated.
The transition to the non-executive Chairpersonship took place on September 29, 2023, following the appointment, on the same date, of a new CEO, once the required regulatory authorizations had been obtained.

Thus, the remuneration of the chairperson of the Board of Directors now consists exclusively of the remuneration derived from their position as a member of the Board of Directors and additional remuneration for the duties and responsibilities inherent to said position. The annual limit of remuneration to directors in their capacity as such has been increased to accommodate market practices and incorporate the remuneration of the non-executive chairpersonship, while the amount corresponding to executive directors has been decreased.

2: Certain adjustments have been made to the remuneration scheme applicable to the CEO who, following the review of the governance model, now assumes executive functions, without prejudice to the continuity of the scheme applicable to the CEO, as set forth in the Policy.

In this regard, the following adjustments, among others, have been made:

i. The amount set as a reference for variable compensation was increased, bringing it closer to market practice in terms of fixed vs. variable compensation mix. Specifically, the variable remuneration may reach up to one hundred percent of the fixed remuneration, in accordance with the provisions of Article 34.1.g. of Law 10/2014.

ii. The objectives to which the long-term variable remuneration is linked are modified, so that they are no longer only connected to the fulfillment, during the defined cycle, of the objectives of the annual variable remuneration, but also establish the possibility of setting specific objectives for this component of the remuneration.

3. Certain amendments were introduced to the scheme applicable to the remuneration of directors in their capacity as such, seeking a closer approximation to best market practices. In this regard, the following amendments were approved:

i. The amount of fixed remuneration for the performance of the office of director in their capacity as such has been increased, with a corresponding decrease in the amount of attendance fees.

ii. The remuneration for the performance of positions on the Board of Directors support committees contemplates the following changes: (1) membership in the support committee is now remunerated - previously, only offices were remunerated and (2) different amounts are established for membership in one or another committee, replacing the previous scheme in which the amounts were linear for all the support committees. Likewise, the amount of the per diems for attendance to the Committees has been reduced.

4. Variable remuneration is linked to the achievement of sustainability objectives, providing for the inclusion of specific metrics aimed at effectively contributing to the achievement of the challenges and commitments assumed by the Unicaja Banco Group in the ESG area.

5. Finally, as part of the review process carried out by the Remuneration Committee, various technical improvements have been made to the wording of the Policy in order to improve its transparency and facilitate understanding of the concepts included in it.

A.3. Identify the direct link to the document containing the company's current Remuneration Policy, which should be available on the company's website.

https://www.unicajabanco.com/en/gobierno-corporativo-y-politica-de-remuneraciones/gobierno-corporativo-y-politica-de-remuneraciones/informacion-sobre-remuneraciones

A.4. Explain, taking into account the data provided in Section B.4, how the shareholders' vote was taken into account in the general meeting at which the annual remuneration report for the previous year was submitted to a consultative vote.

The 2022 Annual Directors' Remuneration Report obtained 95.701% of votes in favor at the Ordinary General Shareholders' Meeting held on March 30, 2023.

B. OVERALL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE FINISHED YEAR

B.1.1 Explain the process followed to apply the Remuneration Policy and determine the individual remuneration reflected in section C of this report. This information will include the role played by the Remuneration Committee, the decisions taken by the Board of Directors and, if applicable, the identity and role of the external advisors whose services have been used in the process of applying the Remuneration Policy in the finished year.

The Remuneration Policy for the Directors of Unicaja Banco, SA for the 2021-2023 period, which was in force until November 14, 2023, establishes that the maximum annual remuneration to be paid to all the directors, in their capacity as such, will amount to 1,187,000 euros gross per annum, an amount which will be duly updated in accordance with the salary revision percentage established in the collective bargaining agreement applicable to the Company's employees, so that for 2023 it amounted to 1,207,862 euros gross.

However, as already mentioned, the Board of Directors submitted the modification of this maximum amount to include the fixed remuneration corresponding to the non-executive Chairpersonship to the General Shareholders' Meeting held in November 2023. In addition, certain modifications have been introduced in the scheme applicable to the remuneration of the directors in their condition as such, seeking a greater approximation to the best market practices, increasing the amount of the fixed remuneration for the performance of the position of director in their condition as such, and a correlative decrease in the amount of attendance fees and with respect to the Support Committees, the membership of the Support Committee is now remunerated – previously, only the offices were remunerated – and different amounts are established for the membership of one or another committee, replacing the previous scheme in which the amounts were linear for all the Support Committees. Likewise, the amount of the per diems for attendance to the Committees has been reduced.

Therefore, as from November 14, the date of entry into force of the new Remuneration Policy, applicable to the 2024-2026 period, and until December 31, 2023, the proportional part of the new maximum amount established for the remuneration of directors in their condition as such 1,950,000 euros is taken into account, which as explained above includes changes in the scheme applicable to the remuneration of directors in their condition as such and the part corresponding to the non-executive Chairman for the performance of their duties.

The Board of Directors has distributed the fixed remuneration for positions and attendance fees over the year 2023, according to the functions and responsibilities attributed to each director.

Of the total maximum amount of the remuneration set for all the directors in their capacity as such, amounting to 1,050,168.50 euros gross, corresponding to the proportional part of the term of the 2021-2023 policy (until November 14), and taking into account the variation in the number of members of the Board of Directors that occurred during the year, the amount finally used amounted to 910,124.64 euros. Since November 14, the amount used in accordance with the new distribution criteria has been 236,363.78 euros of the total of 254,583.33 euros that should have been applied to this period, taking into account that this amount includes the part corresponding to the remuneration of the non-executive chairpersonship of the entity.

With respect to the variable remuneration of the members of the Identified Group, the Remuneration Committee has carried out the following actions during the year 2023:

The Remuneration Committee, at its meeting held in May 2023, in view of the information presented in relation to the fulfillment of objectives for fiscal year 2022, agreed to report favorably on the proposal for the payment of incentives corresponding to fiscal year 2022 and to submit it to the Board of Directors for approval.

Regarding the variable remuneration of executive directors:

· At its meeting held on June 1, 2023, within the framework of the agreement to terminate the business relationship with the outgoing Chief Executive Officer, the Remuneration Committee reported favorably on the payment of the amount of 110,018.99 euros gross as variable remuneration for the year ended December 31, 2022, after verifying compliance with the corporate objectives and complying with the requirements regarding deferral, retention and payment in instruments, as provided both in the contract and in the Directors' Remuneration Policy.

Specifically, the amount paid in 2023 corresponding to the variable remuneration accrued in 2022 amounts to 44,007.60 euros.

With regard to contributions to the social welfare system, it reported favorably on the contribution corresponding to 15% of the annual amount, corresponding to discretionary pension benefits, which are considered as variable remuneration (30,000 euros).

· At its meeting held on June 26, 2023, the Remuneration Committee reported favorably on the contribution corresponding to discretionary benefits of the Executive Chairman's social welfare system for the 2022 fiscal year, amounting to 15% of the total amount of 43,658.93 euros.

With respect to the incentive system for fiscal year 2023, the Remuneration Committee has carried out the following actions:

· Report favorably on the Incentive System for the Identified Group, to which the executive directors belong, establishing the objectives, the weighting of the metrics, as well as the scale to be applied to the fulfillment of each one of them, being submitted to the Board of Directors for its approval.

· Periodic monitoring of the Corporate Objectives throughout the year.

Following a favorable report from the Remuneration Committee, at its meeting held on February 16, 2024 the Board of Directors concluded that one of the key restrictions, namely the self-financing restriction, had not been met, and therefore no right to receive variable remuneration in 2023 accrued, despite the fact that compliance with the corporate objectives was above 90%.

With respect to the establishment of the multi-year incentive system for the Chief Executive Officer, it was not approved.

In the process of applying the Remuneration Policy in 2023, the Bank has relied on Sagardoy Abogados as external advisors for the agreement to terminate the contract with Manuel Menéndez Menéndez.

B.1.2 Explain any deviations from the established procedure for the application of the Remuneration Policy that have occurred during the fiscal year.

There have been no deviations from the procedure established for the application of the Remuneration Policy during fiscal year 2023.

B.1.3 Indicate whether any temporary exceptions to the remuneration policy have been applied and, if so, explain the exceptional circumstances that have led to the application of these exceptions, the specific components of the remuneration policy affected and the reasons why the entity considers that these exceptions have been necessary to serve the long-term interests and sustainability of the company as a whole or to ensure its viability. Also quantify the impact that the application of these exceptions has had on the remuneration of each director during the year.

There have been no exceptions to the application of the Remuneration Policy during fiscal year 2023.

B.2. Explain the different actions taken by the company in relation to the remuneration system and how they have contributed to reducing exposure to excessive risks, aligning it with the company’s objectives, values and long-term interests, including a reference to the measures that have been adopted to ensure that the remuneration accrued has taken into account the company’s long-term results and achieved an appropriate balance between the fixed and variable components of the remuneration. Also outline the measures have been taken in relation to those categories of personnel whose professional activities have a material impact on the entity’s risk profile, and what measures have been taken to avoid conflicts of interest, if any.

Unicaja Banco, like other entities in the financial sector, 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 set of regulations is reflected, in particular, in the Remuneration Policy Associated with Risk Management, which applies not only to Directors, but also to Senior Executives, risk-taking employees, those exercising control functions and all employees receiving overall remuneration that includes them in the same remuneration scale as senior executives and risk-taking employees whose professional activities have a significant impact on Unicaja Banco’s risk profile at group, parent company and subsidiary levels (the “Identified Group”).

These criteria, which particularly affect the Directors, were expressly included in the Policy for the 2021-2023 period, specifically in section 2, “General Principles of Unicaja Banco’s Remuneration Policy”, and have been maintained in the new Remuneration Policy approved in November 2023, having been mentioned in section A.1.2. of this report, to which we refer.

In compliance with the provisions of Article 32 et seq. of Law 10/2014, as well as by the EBA Guidelines, the Directors’ Remuneration Policy provides that both a percentage of the variable remuneration, as well as payments for early termination and the so-called discretionary pension benefits are paid through shares, thus achieving an ideal correlation between the remuneration of the directors and the long-term strategy and interests of the Bank.

Continued in Section D1.

B.3. Explain how the remuneration accrued and consolidated in the year complies with the provisions of the current remuneration policy and, in particular, how it contributes to the sustainable and long-term performance of the company.

Outline the relationship between the remuneration obtained by the directors and the company's short and long term results or other measures of performance, explaining, if applicable, how variations in the performance of the company may have influenced the variation in the remuneration of the directors, including those accrued where payment has been deferred and how these contribute to the short and long term results of the company.

The total remuneration earned by non-executive directors in their capacity as such does not exceed the maximum amount established in each of the Remuneration Policies in force during the year, respecting both the maximum proportional amount established in the Policy in force until November 13, once updated in accordance with the salary review percentage established in the Collective Bargaining Agreement applicable to the Company's employees, and the maximum proportional amount corresponding to the new Policy, applicable as from November 14, which includes the proportional part corresponding to the non-executive Chairpersonship.

The total amount of the fixed monetary remuneration of the executive directors, the annual contribution to long-term savings systems and the amount of health insurance corresponding to the executive directors also respect the maximum amount established in the applicable Remuneration Policies.

Only the annual variable remuneration of executive directors is linked to the results of the Bank, being therefore linked to its main economic indicators, so that the right to receive it and its total amount will be based, in all cases, on objective indicators, without prejudice to the qualitative and/or non-financial evaluation carried out by the Remuneration Committee based on non-financial criteria but which may be relevant in relation to the receipt of the variable remuneration by the Director in question.

Likewise, as indicated in the previous section, the fact that a percentage of variable remuneration, such as early termination payments and discretionary pension benefits, is paid in shares, provides a perfect correlation between directors' remuneration and the Bank's long-term strategy and interests.

B.4. Report the result of the consultative vote of the General Shareholders' Meeting on the annual report on remuneration for the previous year, indicating the number of abstentions, negative votes, blank votes and votes in favor, that have been cast:

	Number	% of total
Votes cast	2,285,240,664	100

	Number	% of issued
Votes against	18,825,886	0.8
Votes in favor	2,187,008,624	95.7
Blank votes	24,424	0
Abstentions	79381.730	3.50

Observations

B.5. Explain how the fixed components accrued and consolidated during the year by the directors in their capacity as such have been determined, their relative proportion for each director and how they have varied with respect to the previous year.

The individual remuneration of the Directors in their condition as such, until November 14, date of the entry into force of the new Remuneration Policy, consisted of the following:
(i) a fixed annual amount for membership on the Board;
(ii) amounts allocated for the performance of offices on the Board and on the Committees; and
(iii) per diems for attending meetings of the Board of Directors and its committees.

The breakdown of the remuneration of the Board Members in their condition as such by the positions and responsibilities attributed to each one, was in accordance with the following rules:
· Fixed compensation per office:
· Membership on the Board: 45,000 euros gross/year
· Vice-Chairperson: 15,000 euros gross/year
· Coordinating Director: 15,000 euros gross/year
· Board Secretary: 12,500 euros gross/year
· Committee Chairman: 10,000 euros gross/year
· Committee Secretary: 7,500 euros gross/year
· Per diems for attendance to the Board or Committees: 700 euros gross/session

There are no variations with respect to the 2022 fiscal year with respect to the individual amounts corresponding to the directors for their membership on the Board, for the exercise of positions on the Board or its Committees, or for attendance fees paid during the period of validity of the former Remuneration Policy (January 1 to November 14). The variations with respect to the previous year are due to the periods in fiscal year 2023 in which the Board was not composed of 15 members, due to the resignation and non-ratification of the appointments of directors during the fiscal year and the moment of incorporation of the new directors, as well as the greater number of meetings of some Committees with respect to the previous year and the variations that occurred during the fiscal year in positions on the Board and the Committees.

CONTINUED IN SECTION D.1.

B.6. Explain how the salaries accrued and consolidated, during the year ended, by each of the executive directors for the performance of management functions have been determined, and how they have varied with respect to the previous year.

The Board Members, for the performance of executive duties, received the following fixed annual remuneration:

The Executive Chairman, Manuel Azuaga Moreno, received 446,852.31 euros gross, the proportional part of the period up to September 29 when the chairpersonship became non-executive, being the only modification with respect to the previous year, together with the updating of the amount in accordance with the salary revision percentage established in the collective bargaining agreement applicable to the Bank's employees.

The Chief Executive Officer, Manuel Menéndez Menéndez, received 382,155.89 euros gross. The difference with respect to the previous year is due to the fact that he left his position as Chief Executive Officer of the Bank effective September 20, not having held the position during the entire fiscal year, and in addition to the update that took place in the maximum amount of his fixed compensation, in accordance with the salary review percentage established in the collective bargaining agreement applicable to the Bank's employees.

The amount paid to the new Chief Executive Officer, Isidro Rubiales Gil. amounts to the sum of 133,719.43 euros, corresponding to the period between September 29 and December 31 during which he has held office.

B.7. Explain the nature and main characteristics of the variable components of the remuneration systems accrued and consolidated in the year ended.

In particular:

a) Identify each of the compensation plans that have determined the different variable compensation accrued by each of the directors during the year ended, including information on their scope, date of approval, date of implementation, vesting conditions, if any, vesting periods and term, criteria used to evaluate performance and how this has impacted the setting of the variable amount accrued, as well as the measurement criteria that have been used and the period necessary to be able to adequately measure all the conditions and criteria stipulated. Explain in detail the criteria and factors that have been applied in terms of the time required and methods to verify that the performance conditions or any other type of conditions to which the accrual and consolidation of each component of the variable remuneration was linked have been effectively fulfilled.

b) In the case of stock option plans or other financial instruments, the general characteristics of each plan will include information on the conditions both to acquire unconditional ownership (vesting) and to be able to exercise such options or financial instruments, including the exercise price and term.

c) Each of the directors, and their category (executive directors, external proprietary directors, external independent directors and other external directors), who are beneficiaries of remuneration systems or plans that include variable compensation.

d) If applicable, information will be provided on the established accrual or deferral periods that have been applied and/or the periods of withholding/non-disposal of shares or other financial instruments, if any.

Explain the short-term variable components of the compensation systems:

In accordance with the provisions of the 2021-2023 Directors' Remuneration Policy, the principles for setting, where applicable, the variable components of the remuneration of executive directors are as follows:

- The payment of incentives will be linked in a balanced manner to the fulfillment of the strategic objectives set forth in the Company's current Business Plan and to the comparative profitability of Unicaja Banco with the rest of the System.

- Variable remuneration will be affected by changes in the Company's results, adjusting for all types of current and future risks, taking into account the cost of capital and required liquidity, which may cause variable remuneration to be reduced to zero.

- In the event that the short-term liquidity ratio is not met, the payment of the variable remuneration will be deferred for one year and, if the ratio is not met in a second consecutive year, the variable remuneration will not be paid.

- The target variables and metrics in relation to the accrual, quantification and payment of the variable remuneration of executive directors are established and evaluated annually by the Board of Directors of Unicaja Banco, at the proposal of the Remuneration Committee, within the framework established in this Policy.

The only executive Director to whom a variable remuneration plan is recognized is the Chief Executive Officer. The maximum amount projected in annual terms to which the Chief Executive Officer's variable remuneration plan could give rise for 2023 will be the amount resulting from applying 25% to the figure for the restated annual fixed monetary compensation, i.e. 132,613 euros.

The main characteristics of the short-term (annual) Incentive System applicable to the Identified Group, of which the Chief Executive Officer is a member, approved by the Board of Directors in accordance with the Policy, are detailed below.

The annual variable compensation for the year 2023 for eligible executive directors has been determined based on the level of compliance with corporate objectives.

The system of corporate objectives for the 2023 financial year, reported in the 2022 IARC, was modified in June by the Board of Directors, following a favorable report from the Remuneration Committee, with the inclusion in the "Group" block of the NPS Customers variable as a measure of the quality of service provided to customers. In addition, it was proposed to modify the weightings of the digital sales and climate risk variables, so that the three "Group" variables have a weight of 5% each.

The corporate objectives system is composed of 4 elements a) Target variables or KPls: b) Weightings: c) Goals and: d) Levels of compliance.

a) The target variables are classified into four blocks:
1. Profitability: Return on tangible equity (ROTE) Efficiency (efficiency ratio) and Cost of Risk
2. Balance Sheet Non-Profitable Assets (NPA). Performing loans (annual growth) and retail customer funds under management (annual growth).
3. Group: Digital sales Climate risk and customer Net Promoter Score (NPS)

Climate risk is defined in turn as a synthetic index of 3 indicators:
- Percentage of interest income and financial fees generated by companies in the most greenhouse gas (GHG) intensive sectors as a percentage of total interest income and financial fees in the corporate loan portfolio. This indicator has a weight of 10% in the construction of the synthetic index.
- Weighted average by exposure of GHG emissions per Euro of turnover for each of the 15 accredited companies with the highest exposure in the sectors considered to be intensive in GHG emissions. This indicator has a weight of 50%.
- Percentage of the outstanding debt of the mortgage portfolio of individuals whose collateral has an Energy Efficiency Certificate (EEC) A or B over the total outstanding debt of the mortgage portfolio of individuals. This indicator has a weight of 40% in the construction of the synthetic index.

4. Solvency: CET 1 Fully loaded and Pay-out ratio.

b) Weightings:
To determine the level of compliance with the corporate objectives system, a weighting is assigned to each variable:

1 Profitability, 45% weighting: (i) ROTE (30%), (ii) Efficiency (10%) and (iii) Cost of risk (5%).
2 Balance Sheet, 40% weighting: (i) NPA (20%): (ii) Performing loans (10%) and (iii) Resources managed for retail clients (10%).
3 Group, 15% weighting (i) Digital sales (5%) and (ii) Climate risk (5%) and (iii) NPS clients (5%).

The solvency variables are not weighted because they act as a "key". Failure to reach the solvency and pay-out level defined in the goals will cancel the fulfillment of the other variables.

c) Targets: they emanate directly from the Strategic Plan and are annual in nature and are the numerical value of a target variable or KPI.

d) Levels of compliance: The fulfillment of the objectives is represented by a line that relates the levels of fulfillment to the different values of the objective variable. It can range from 0% to 150% and is determined by the following formula: Compliance level = 100% ± Dispersion factor (actual data - target data).

In addition, the variable remuneration for 2023 was conditioned, among other requirements, to the Company reaching at least the target ROTE level established for 2023.

In fiscal year 2023, compliance with corporate objectives was above 90% and the self-financing restriction was not met, so no entitlement to receive variable compensation in 2023 has accrued for eligible executive directors.

Explain the long-term variable components of compensation systems:

Pursuant to the provisions of the Remuneration Policy applicable to the three-year 2021-2023 period, the Board of Directors may establish in favor of the Chief Executive Officer a multi-year variable remuneration, in addition to the annual variable remuneration and subject to the same restrictions. According to such multi-year variable remuneration, the CEO will be entitled to receive it if, in terms of annual projection, the average rate of achievement of the objectives of the fiscal years to be considered, as well as the degree of achievement of the main objectives of the Business Plan, measured as a single synthetic indicator, is equal to or higher than 100%. This additional variable remuneration will not exceed the sum of 130,000 euros, which corresponds to 25% of the annual fixed monetary remuneration corresponding to fiscal year 2021.

The multi-year variable remuneration referred to in the aforementioned Remuneration Policy corresponding to the Chief Executive Officer has not been approved, and therefore there is no type of long-term variable remuneration for the three-year period from 2021 to 2023.

B.8. Indicate whether certain accrued variable components have been reduced or claimed back when, in the first case, the payment of unconsolidated amounts has been deferred or, in the second case, consolidated and paid, based on data whose inaccuracy has been subsequently and manifestly proven. Describe the amounts reduced or refunded by the application of the malus or clawback clauses, why they have been executed and the fiscal years to which they correspond.

No reduction or refund of any amount or any circumstance that would justify a reduction or refund has been claimed.

B.9. Explain the main characteristics of the long-term savings systems whose amount or equivalent annual cost is shown in the tables in Section C, including retirement and any other survival benefits, which are financed, partially or totally, by the company, whether internally or externally funded, indicating the type of plan, whether it is a defined contribution or defined benefit plan, the contingencies it covers, the conditions of consolidation of the economic rights in favor of the directors and its compatibility with any type of compensation for early termination or termination of the contractual relationship between the company and the director.

In the area of social welfare, the executive directors are entitled to a welfare component consisting of a defined savings contribution for their benefit, instrumented in an insurance contract.

These maximum annual contributions for the year 2023 were included in the current Remuneration Policy for the 2021-2023 period. Specifically, for fiscal year 2023, the maximum contributions established for each executive director are as follows:
· Manuel Azuaga Moreno: 291,000 euros.
· Manuel Menéndez Menéndez: 200,000 euros.

For executive directors, a significant portion of contributions to pension commitments or savings insurance covering similar contingencies, which will not be less than 15%, will be based on variable components and will be treated as discretionary pension benefits.

In the event that discretionary pension benefits have been instrumented through an insurance policy, the policy must include the necessary provisions to ensure the application of the rules regarding payment in the form of instruments and withholding by the Company included in the current Remuneration Policy.

In line with the aforesaid Policy, discretionary pension commitments will be established under criteria that, in any case, are aligned with the interests of the Company, so that their accrual and effectiveness periods do not give rise to remuneration for this concept that is not in line with the economic situation of the Company at the time they are made effective.

The forfeiture of the contributions made by the Company will be caused by the wilful or grossly negligent breach by the person entitled thereto of their duties as an executive director, as determined by resolution adopted by the Board of Directors.

As a form of variable remuneration, these discretionary pension commitments will be subject to deferral and will be partially paid in Unicaja Banco shares. Likewise, malus and clawback clauses will be applied to this type of remuneration.

The contingencies covered are survival to a specific date (access to retirement status), death and total permanent disability, absolute disability or severe disability. Contributions made from the savings system (regardless of whether they are treated as discretionary pension benefits) are compatible with any type of compensation for early termination or termination of the contractual relationship between the company and the director.

The defined contributions of a fixed amount in cash corresponding to 2023 and made in 2023, due to the termination of the relationship with the Chief Executive Officer and the transition to the non-executive presidency that occurred during this fiscal year, are as follows:

· Manuel Azuaga Moreno: 184,863.21 euros. (Corresponding to the period from January 1, 2023 to September 29, 2023).

· Manuel Menéndez Menéndez: 122,777.81 euros (Corresponding to the period from January 1, 2023 to September 20, 2023).

In fiscal year 2023, contributions of the amount corresponding to the discretionary pension benefits for fiscal year 2022 have been made, once the compliance with the variable income objectives has been verified, according to the following detail:
· Manuel Azuaga Moreno: 43,658.93 euros
· Manuel Menéndez Menéndez: 30,000 euros

With respect to the year 2023, it is not appropriate to make the contribution corresponding to the discretionary pension benefits, since the objectives established for earning the right to receive the variable remuneration have not been met.

B.10. Explain, if applicable, the indemnities or any other type of payment derived from the early termination, whether the termination is at the will of the company or of the director, or from the termination of the contract, under the terms provided therein, accrued and/or received by the directors during the fiscal year ended.

Of the total financial compensation foreseen for the departure in 2019 of the former Chief Executive Officer, the amount of 26,128.06 euros gross corresponding to 20% of the deferred part of the financial compensation has been paid in 2022, as a 5-year deferral is applicable. Of the total amount paid this year, 50% (13,064.03 euros gross) was paid in cash and the other 50% (13,064.03 euros gross) was paid in shares with a one-year retention period.

Of the total financial compensation foreseen for the departure in 2023 of the CEO. In 2023, Manuel Menéndez Menéndez was paid 211,655.57 euros gross, corresponding to 40% of the non-deferred portion of the financial compensation. Of the total amount paid this year, 50% was paid in cash (105,827.78 euros gross) and the other 50% was paid in shares (105,871 shares).

B.11. Indicate whether there have been any significant changes in the contracts of those who perform senior management functions as executive directors and, if so, explain them. Also explain the main conditions of the new contracts signed with executive directors during the year, unless they have been explained in section A.1.

The non-executive Chairman's contract remained unchanged until its termination on September 20, 2023, when the Chairpersonship became non-executive.

In relation to the contract of Manuel Menéndez Menéndez, as Chief Executive Officer, there were no modifications during the period that was in force until its termination on September 20, 2023.

Regarding the contract of Isidro Rubiales Gil, the current CEO, its main characteristics have already been reported in Section A above.

B.12. Explain any supplementary remuneration accrued to directors in consideration for services rendered other than those inherent to their position.

No remuneration has been accrued for this concept.

B.13. Explain any remuneration derived from the granting of advances, credits and guarantees, indicating the interest rate, their essential characteristics and the amounts eventually repaid, as well as the obligations assumed on their behalf by way of guarantee.

No remuneration has been accrued for this concept.

B.14. Detail the remuneration in kind accrued by the directors during the year, briefly explaining the nature of the different salary components.

No remuneration has been accrued for this concept.

B.15. Explain the remuneration accrued by the director by virtue of payments made by the listed company to a third party entity in which the director provides services, when such payments are intended to remunerate the director's services in the company.

No remuneration has been accrued for this concept.

B.16. Explain and detail the amounts accrued during the year in relation to any other remuneration item other than the above, regardless of its nature or the group entity that pays it, including all benefits in any form, such as when it is considered a related-party transaction or, especially, when it significantly affects the true and fair view of the total remuneration accrued by the director, explaining the amount granted or pending payment, the nature of the consideration received and the reasons why it would have been considered, as the case may be, that it does not constitute remuneration to the director in their capacity as such or in consideration for the performance of their executive duties, and whether or not it has been considered appropriate to include it among the amounts accrued under "other items" in section C.

No remuneration has been accrued for this concept.

C. DETAIL OF THE INDIVIDUAL REMUNERATION CORRESPONDING TO EACH OF THE DIRECTORS

Name	Typology	Accrual period fiscal year 2023
MANUEL AZUAGA MORENO	Other, External Chairperson	From 1/01/2023 to 12/31/2023
MANUEL MENÉNDEZ MENÉNDEZ	CEO	From 1/01/2023 to 09/20/2023
JUAN FRAILE CANTÓN	Proprietary vice-chairman	From 1/01/2023 to 03/30/2023
CAROLINA MARTÍNEZ CARO	Independent director	From 1/01/2023 to 12/31/2023
TERESA SÁEZ PONTE	Proprietary board member	From 1/01/2023 to 03/30/2023
MARIA TERESA COSTA CAMPI	Independent director	From 1/01/2023 to 03/30/2023
JORGE DELCLAUX BRAVO	Independent director	From 1/01/2023 to 04/21/2023
RAFAEL DOMÍNGUEZ DE LA MAZA	Proprietary board member	From 1/01/2023 to 12/31/2023
FELIPE FERNÁNDEZ FERNÁNDEZ	Proprietary board member	From 1/01/2023 to 12/31/2023
MARÍA GARAÑA CORCES	Independent director	From 1/01/2023 to 03/30/2023
PETRA MATEOS-APARICIO MORALES	Proprietary board member	From 1/01/2023 to 03/30/2023
MANUEL MUELA MARTÍN-BUITRAGO	Proprietary board member	From 1/01/2023 to 03/30/2023
ISIDORO UNDA URZÁIZ	Independent director	From 1/01/2023 to 03/30/2023
DAVID VAAMONDE JUANATEY	Proprietary board member	From 1/01/2023 to 08/01/2023
ISIDRO RUBIALES GIL	CEO	From 9/29/2023 to 12/31/2023
MIGUEL GONZÁLEZ MORENO	Proprietary vice-chairman	From 3/30/2023 to 12/31/2023
NATALIA SÁNCHEZ ROMERO	Proprietary board member	From 3/30/2023 to 12/31/2023
ROCÍO FERNÁNDEZ FUNCIA	Coordinating director	From 9/29/2023 to 12/31/2023
NURIA ALIÑO PÉREZ	Independent director	From 10/31/2023 to 12/31/2023

Name	Typology	Accrual period fiscal year 2023
ANTONIO CARRASCOSA MORALES	Independent director	From 9/29/2023 to 12/31/2023
MARÍA LUISA ARJONILLA LÓPEZ	Independent director	From 1/01/2023 to 12/31/2023
INÉS GUZMÁN ARRUE	Independent director	From 9/29/2023 to 12/31/2023
JUAN ANTONIO IZAGUIRRE VENTOSA	Proprietary board member	From 3/30/2023 to 12/31/2023
JOSE RAMÓN SÁNCHEZ SERRANO	Proprietary board member	From 3/30/2023 to 12/31/2023

C.1. Complete the following tables with respect to the individual remuneration of each of the directors (including remuneration for the exercise of executive functions) accrued during the fiscal year.

a) Remuneration of the company that is the subject of this report:

i) Remuneration accrued in cash (thousands of euros)

Name	Fixed remuneration	Allowances	Remuneration for membership on board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnities	Other	Total for 2023	Total for 2022
MANUEL AZUAGA MORENO	86	18		447					551	652
MANUEL MENÉNDEZ MENÉNDEZ	33	14		382	22		106		557	584
JUAN FRAILE CANTÓN	17	10							27	87
CAROLINA MARTÍNEZ CARO	58	54	12						124	39
TERESA SÁEZ PONTE	15	8	2						25	89
MARIA TERESA COSTA CAMPI	11	8	2						21	5
JORGE DELCLAUX BRAVO	14	12	3						29	86
RAFAEL DOMÍNGUEZ DE LA MAZA	47	28	9						84	27
FELIPE FERNÁNDEZ FERNÁNDEZ	47	22	5						74	75

Name	Fixed remuneration	Allowances	Remuneration for membership on board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnities	Other	Total for 2023	Total for 2022
MARÍA GARAÑA CORCES	12	8	5						25	102
PETRA MATEOS-APARICIO MORALES	11	7	4						22	79
MANUEL MUELA MARTÍN-BUITRAGO	11	9	2						22	76
ISIDORO UNDA URZÁIZ	12	12	2						26	26
DAVID VAAMONDE JUANATEY										
ISIDRO RUBIALES GIL	14	4		134					152	
MIGUEL GONZÁLEZ MORENO	45	14							59	
NATALIA SÁNCHEZ ROMERO	43	15	2						60	
ROCÍO FERNÁNDEZ FUNCIA	20	12	6						38	
NURIA ALIÑO PÉREZ	10	4	5						19	
ANTONIO CARRASCOSA MORALES	15	8	6						29	
MARÍA LUISA ARJONILLA LÓPEZ	47	54	22						123	109
INÉS GUZMÁN ARRUE	14	7	5						26	
JUAN ANTONIO IZAGUIRRE VENTOSA	34	31	10						75	
JOSE RAMÓN SÁNCHEZ SERRANO	34	27	8						69	

Observations

David Vaamonde Juanatey waived any type of remuneration that may correspond to him in the performance of his duties.

ii) Table of movements of share-based compensation systems and gross profit from consolidated shares or financial instruments.

Name	Name of the Plan	Financial instruments at the beginning of fiscal year 2023		Financial instruments granted during the financial year 2023		Consolidated financial instruments in the year				Expired and unexercised instruments	Financial instruments at the end of fiscal year 2023	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / consolidated shares	Consolidated share price	Gross profit on consolidated shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
MANUEL MENÉNDEZ MENÉNDEZ	INDEMNITIES			264,676	264,676	105,871	105,871	0.99	106		158,805	158,805
MANUEL MENÉNDEZ MENÉNDEZ	VARIABLE REMUNERATION 2022			60,717	60,717	24,287	24,287	0.9	22		36,430	36,430

Observations

iii) Long-term savings systems.

Name	Remuneration for consolidation of rights to savings systems
No data	

Name	Contribution for the year by the company (thousands of euros)				Amount of accumulated funds (thousands of euros)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights	
	2023	2022	2023	2022	2023	2022	2023	2022
MANUEL AZUAGA MORENO	185	247	44			3,878	44	
MANUEL MENÉNDEZ MENÉNDEZ	123	170	30		363	240	30	
ISIDRO RUBIALES GIL					427			

Observations

iv) Detail of other items

Name	Concept	Compensation amount
MANUEL MENÉNDEZ MENÉNDEZ	Medical insurance	4
ISIDRO RUBIALES GIL	Medical insurance	1

Observations

b) Remuneration to the directors of the listed company for their membership in the administrative bodies of its subsidiaries:

i) Remuneration accrued in cash (thousands of euros)

Name	Fixed remuneration	Allowances	Remuneration for membership on board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnities	Other	Total for 2023	Total for 2022
No data										

Observations

ii) Table of movements of share-based compensation systems and gross profit from consolidated shares or financial instruments.

Name	Name of the Plan	Financial instruments at the beginning of fiscal year 2023		Financial instruments granted during the financial year 2023		Consolidated financial instruments in the year				Expired and unexercised instruments	Financial instruments at the end of fiscal year 2023	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / consolidated shares	Consolidated share price	Gross profit on consolidated shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
No data												

Observations

iii) Long-term savings systems.

Name	Remuneration for consolidation of rights to savings systems
No data	

Name	Contribution for the year by the company (thousands of euros)				Amount of accumulated funds (thousands of euros)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights	
	2023	2022	2023	2022	2023	2022	2023	2022
No data								

Observations

iv) Detail of other items

Name	Concept	Compensation amount
No data		

Observations

c) Summary of remuneration (thousands of euros):

The amounts corresponding to all the compensation items included in this report that have been accrued by the director should be included in the summary, in thousands of euros.

	Remuneration accrued at the Company					Accrued remuneration at Group companies					
Name	Total remuneration in cash	Gross profit on consolidated shares or financial instruments	Remuneration through savings systems	Remuneration for other items	Company total for 2023	Total remuneration in cash	Gross profit on consolidated shares or financial instruments	Remuneration through savings systems	Remuneration for other items	Group total for 2023	Company+ Group total fiscal year 2023
MANUEL AZUAGA MORENO	551		229		780						780
MANUEL MENÉNDEZ MENÉNDEZ	557	128	153	4	842						842
JUAN FRAILE CANTÓN	27				27						27
CAROLINA MARTÍNEZ CARO	124				124						124
TERESA SÁEZ PONTE	25				25						25
MARIA TERESA COSTA CAMPI	21				21						21
JORGE DELCLAUX BRAVO	29				29						29
RAFAEL DOMÍNGUEZ DE LA MAZA	84				84						84

	Remuneration accrued at the Company					Accrued remuneration at Group companies					
Name	Total remuneration in cash	Gross profit on consolidated shares or financial instruments	Remuneration through savings systems	Remuneration for other items	Company total for 2023	Total remuneration in cash	Gross profit on consolidated shares or financial instruments	Remuneration through savings systems	Remuneration for other items	Group total for 2023	Company+ Group total fiscal year 2023
FELIPE FERNÁNDEZ FERNÁNDEZ	74				74						74
MARÍA GARAÑA CORCES	25				25						25
PETRA MATEOS-APARICIO MORALES	22				22						22
MANUEL MUELA MARTÍN-BUITRAGO	22				22						22
ISIDORO UNDA URZÁIZ	26				26						26
DAVID VAAMONDE JUANATEY											
ISIDRO RUBIALES GIL	152			1	153						153
MIGUEL GONZÁLEZ MORENO	59				59						59
NATALIA SÁNCHEZ ROMERO	60				60						60
ROCÍO FERNÁNDEZ FUNCIA	38				38						38
NURIA ALIÑO PÉREZ	19				19						19
ANTONIO CARRASCOSA MORALES	29				29						29

	Remuneration accrued at the Company					Accrued remuneration at Group companies					
Name	Total remuneration in cash	Gross profit on consolidated shares or financial instruments	Remuneration through savings systems	Remuneration for other items	Company total for 2023	Total remuneration in cash	Gross profit on consolidated shares or financial instruments	Remuneration through savings systems	Remuneration for other items	Group total for 2023	Company+ Group total fiscal year 2023
MARÍA LUISA ARJONILLA LÓPEZ	123				123						123
INÉS GUZMÁN ARRUE	26				26						26
JUAN ANTONIO IZAGUIRRE VENTOSA	75				75						75
JOSE RAMÓN SÁNCHEZ SERRANO	69				69						69
TOTAL	2,237	128	382	5	2,752						2,752

Observations

C.2. Indicate the evolution over the last 5 years of the amount and percentage variation of the remuneration accrued by each of the directors of the listed company who have been directors during the fiscal year, the Company's consolidated results and the average remuneration on a full-time equivalent basis of the employees of the Company and its subsidiaries who are not directors of the listed company.

	Total amounts accrued and % annual variation								
	2023	% Variation 2023/ 2022	2022	% Variation 2022/ 2021	2021	% Variation 2021/ 2020	2020	% Variation 2020/ 2019	2019
Executive directors									
ISIDRO RUBIALES GIL	153	-	0	-	0	-	0	-	0
MANUEL MENÉNDEZ MENÉNDEZ	842	11.08	758	142.17	313	-	0	-	0
External Directors									
MANUEL AZUAGA MORENO	780	-13.24	899	0.45	895	0.11	894	0.22	892
MIGUEL GONZÁLEZ MORENO	59	-	0	-	0	-	0	-	0
NATALIA SÁNCHEZ ROMERO	60	-	0	-	0	-	0	-	0
ROCÍO FERNÁNDEZ FUNCIA	38	-	0	-	0	-	0	-	0
NURIA ALIÑO PÉREZ	19	-	0	-	0	-	0	-	0
MARÍA LUISA ARJONILLA LÓPEZ	123	12.84	109	29.76	84	13.51	74	-	0
ANTONIO CARRASCOSA MORALES	29	-	0	-	0	-	0	-	0
RAFAEL DOMÍNGUEZ DE LA MAZA	84	211.11	27	-	0	-	0	-	0
FELIPE FERNÁNDEZ FERNÁNDEZ	74	-1.33	75	141.94	31	-	0	-	0
INÉS GUZMÁN ARRUE	26	-	0	-	0	-	0	-	0
JUAN ANTONIO IZAGUIRRE VENTOSA	75	-	0	-	0	-	0	-	0

	Total amounts accrued and % annual variation								
	2023	% Variation 2023/ 2022	2022	% Variation 2022/ 2021	2021	% Variation 2021/ 2020	2020	% Variation 2020/ 2019	2019
CAROLINA MARTÍNEZ CARO	124	217.95	39	-	0	-	0	-	0
JOSE RAMÓN SÁNCHEZ SERRANO	69	-	0	-	0	-	0	-	0
JUAN FRAILE CANTÓN	27	-68.97	87	0	87	4.82	83	-3.49	86
TERESA SÁEZ PONTE	25	-71.91	89	0	89	2.3	87	0	87
JORGE DELCLAUX BRAVO	29	-66.28	86	132.43	37	-	0	-	0
MARÍA GARAÑA CORCES	25	-75.49	102	209.09	33	-	0	-	0
PETRA MATEOS-APARICIO MORALES	22	-72.15	79	-1.25	80	3.9	77	-1.28	78
MANUEL MUELA MARTÍN-BUITRAGO	22	-71.05	76	-3.8	79	2.6	77	-2.53	79
DAVID VAAMONDE JUANATEY	0	-	0	-	0	-	0	-	0
MARIA TERESA COSTA CAMPI	21	320	5	-	0	-	0	-	0
ISIDORO UNDA URZÁIZ	26	0	26	-	0	-	0	-	0
Consolidated results of the company									
	370,569	2.59	361,214	-64.64	1,021,433	930.73	99,098	-43.07	174,075
Average employee remuneration	48	11.63	43	-15.69	51	13.33	45	2.27	44

Observations

In the 2023/2022 variations, “-” indicates Directors who joined the Company in 2023, with the exception of David Vaamonde Juanatey, who joined in 2021 and waived the receipt of remuneration.
The negative 2023/2022 variations of less than -20% correspond to Directors who have left office during 2023 and who in 2022 have held office as Directors for the entire fiscal year (6 Directors).
The 2023/2022 variations of more than 200% correspond to Directors who have held office during the entire 2023 fiscal year, but who had not held office during the entire 2022 fiscal year, as they joined the Board during that year (3 Directors).

In relation to the heading “Consolidated results of the company”, where it is indicated that, in the year 2021, they amounted to 1,021,433 thousand euros, it should be pointed out that, due to the merger by absorption of Liberbank by Unicaja Banco carried out in that year, the amount included in the consolidated financial statements of the Unicaja Banco Group includes the extraordinary adjustments due to the impact of the goodwill arising from the integration of Liberbank and the labor and commercial network restructuring costs.

For the sole purpose of comparing the 2021 financial year with the 2022 and 2020 financial years, it is indicated that, if the aforementioned extraordinary adjustments were excluded, the consolidated profit before tax on the pro-forma income statement for the 2021 financial year would amount to 180.5 million euros, which would represent a percentage variation of 100.1% in the financial year 2022 with respect to the pro-forma result of the Unicaja Banco Group 2021 and of 82.1% in the financial year 2021 with respect to the result of the Unicaja Banco Group in 2020, taking into account that the latter (result of the consolidated Unicaja Banco Group 2020) does not include the results of the Liberbank Group for the year 2020.

D. OTHER RELEVANT INFORMATION

If there is any relevant aspect regarding the remuneration of directors that has not been included in the other sections of this report, but which is necessary to include in order to provide more complete and reasoned information on the structure and remuneration practices of the company in relation to its directors, briefly describe them.

A.1.1.

The current Remuneration Policy establishes that the maximum amount of annual remuneration to be paid to all directors, in their capacity as such, will amount to 1,950,000 euros gross per year. This amount includes the amount of 300,000 euros gross that is set as annual remuneration for the non-executive Chairperson for the performance of the duties set forth in the Capital Companies Act, in the Bylaws, in the Regulations of the Board of Directors, and those that the Board of Directors may agree to entrust to this position.

This maximum amount will remain in force for fiscal year 2024 until such time as the General Shareholders' Meeting resolves to modify it, and will be updated for fiscal years 2025 and 2026 in accordance with the salary revision percentage established in the collective bargaining agreement applicable to the Company's employees.

Subject to the limits and conditions established in the Remuneration Policy, the Board of Directors, determines the distribution of such amount and establishes the remuneration of the different directors, taking into account the functions and responsibilities attributed to each director, the membership in board committees, the attendance to the meetings of the Board of Directors and its committees and any other objective circumstances it deems relevant.

The Remuneration Policy also establishes the concepts and remuneration of directors for the performance of executive functions.

Thus, in addition to the allowance corresponding to the directors in their capacity as such, the executive directors will be entitled to receive a remuneration corresponding to their executive duties, the components of which are as follows:

a. Fixed remuneration, appropriate to the services and responsibilities assumed, and which constitutes a relevant part of the total remuneration package.

b. Variable remuneration, correlated to the performance indicators of the director and the Company, and which may have an annual and/or multi-year horizon.

c. Welfare component, which will include the appropriate welfare and insurance systems.

d. An indemnity in the event of separation or any other form of termination of the legal relationship with the Company due to circumstances not attributable to the director.

The Board of Directors is responsible for determining the target variables or metrics for the calculation of the variable portion, attendance provisions and compensation or their calculation criteria, within the limits and conditions set forth in the Remuneration Policy.

For 2024, the fixed remuneration foreseen for the executive director will amount to a maximum of 529,000 euros gross, an amount that must be duly updated in accordance with the salary revision percentage established in the collective bargaining agreement applicable to the Bank's employees, as established in the current remuneration policy. At the date of issuance of this report, the aforementioned Agreement has not yet been signed.

In addition, as part of his fixed remuneration, the CEO will enjoy, as part of other social benefits, health insurance for a maximum annual amount of 5,000 euros gross.

With regard to employee welfare, the Chief Executive Officer will be entitled to a defined contribution allowance, the maximum annual amount of which for 2024 will be 200,000 euros.

The variable part corresponding to the Chief Executive Officer, in accordance with the provisions of his contract and within the framework set forth in the Remuneration Policy, will consist, for fiscal year 2024, of a variable remuneration, whose maximum annual amount -corresponding to a level of 100% compliance with objectives- will amount to an amount equivalent to 25% of the annual fixed remuneration, once said amount has been updated in accordance with the salary revision percentage applicable to this fiscal year.

The payment of this short-term variable remuneration will be linked to the fulfillment of the objectives to be defined by the Board of Directors, following a proposal from the Remuneration Committee, which may be referenced, among others, to (i) the strategic objectives set forth in the Company's current Business Plan – including, in any case, compliance with the minimum level of recurring Profit Before Taxes, (ii) the profitability (ROE) of Unicaja Banco compared to the rest of the System, and (iii) in short, the factors and criteria, including those relating to ESG – referred to in Section 3.1.2.2 of the Remuneration Policy. Each of these objectives will be assigned a weighting on the total short-term variable remuneration, as well as a scale of achievement, without the maximum amount exceeding the limit indicated in the preceding paragraph.

The Board of Directors will be responsible for evaluating the degree of compliance with the aforementioned objectives on an annual basis, following a proposal from the Remuneration Committee.

a) Description of the procedures and bodies of the company involved in the determination, approval and application of the Remuneration Policy and its conditions.

In accordance with the Capital Companies Act, the sectorial regulations applicable to credit institutions and in accordance with the provisions of Article 29 of the Company's Bylaws, the Board of Directors submits the Remuneration Policy for the members of the Board of Directors to the General Shareholders' Meeting for approval, with a specific prior report from the Remuneration Committee. The Board of Directors is assisted in matters of remuneration by the Remuneration Committee, which acts in due coordination with the Risk Committee so that the latter may exercise the powers attributed to it with regard to the remuneration structure applicable in the Company.

In relation to the Remuneration Policy, the following functions, among others, correspond to the Remuneration Committee, in accordance with Article 27 bis, Paragraph 3, of the Company's Bylaws:

· Ensure compliance with the remuneration policy established by the Company, as well as the proposal to the Board of Directors of the remuneration policy for senior managers, employees who assume risks, exercise control functions or are similar to any of the above categories, the individual remuneration of executive directors and the other basic conditions of the contracts of senior managers who assume risks, exercise control functions or are similar to any of the above categories, in accordance with the general corporate legislation and the legislation governing the credit institutions sector.

· Prepare the specific report, which will accompany the remuneration policy proposal of the Board of Directors.

Based on the provisions of Article 33.5 of the Board Regulations, the Remuneration Committee is responsible for the following functions in addition to those already indicated:

· Preparing the decisions related to remuneration, including those that have repercussions for the Company's risk and risk management, that must be adopted by the Board of Directors.

· Periodically reviewing the remuneration policy that is applied to directors and senior management, including the remuneration systems with shares and their application, ensuring that their individual remuneration is proportionate to that paid to the other directors and the senior management of the company.

The Risk Committee is responsible for the following functions in relation to compensation, pursuant to Article 26 of the Company's bylaws:

· Working together on the establishment of rational remuneration policies and practices. To this end, the Risk Committee will examine, without prejudice to the functions of the Remuneration Committee, if the envisaged incentives policy takes the risk, capital, liquidity, and the probability and opportunity of profit into account.

The Board of Directors is also responsible for the Remuneration Policy, in accordance with Article 7.4 of the Board Regulations:

- the distribution among the Board Members of the remuneration corresponding to them in their condition as such, taking into account the functions and responsibilities attributed to each board member, the membership of committees and any other objective circumstances deemed relevant, all in accordance with the Remuneration Policy approved by the General Shareholders' Meeting.

- prior approval of the contracts to be entered into between the Company and the directors to whom executive functions are attributed, including the items for which remuneration may be obtained for the performance of such functions and the setting of the remuneration to be received under such contracts, always in accordance with the provisions of the law and the Remuneration Policy approved by the General Shareholders' Meeting.

The Board of Directors, at the proposal of the Remuneration Committee, is responsible for determining the accrual, quantification and payment of variable compensation, as well as the variable part of the welfare provisions and compensation or their calculation criteria.

The internal services, which report to the Governing Bodies and Human and Material Resources General Management departments, are responsible for making and monitoring payments in application of this Policy.

At least once a year, the Internal Audit General Management department conducts a central and independent internal evaluation of the application of the risk-related remuneration policy in order to check whether the remuneration guidelines and procedures adopted by the Board of Directors are being satisfied.

The Global Risk Control and Supervisory Relations General Management department is responsible for controlling all the risks incurred by the Bank, taking as a reference the RAF in force at any given time, contributing to defining performance measures that are adjusted to risk, as well as evaluating how the variable remuneration structure affects the risk profile and culture of the Bank, validating and evaluating risk adjustment data and cooperating as necessary with the Remuneration and Risk Committees.

The Planning, Objectives and Reporting General Management department is responsible for preparing, proposing and monitoring the business objectives of the Bank's different centers and verifying compliance with them with a view to their payment to those to whom they are addressed.

b) Indicate and, if applicable, explain whether comparable companies have been taken into account to establish the company's Remuneration Policy.

When the Policy was drawn up, it used publicly available market information relating to the remuneration of the Boards of Directors of other Spanish financial institutions and companies belonging to the Ibex 35 Index, as well as the Annual Director Remuneration Report prepared by Spencer Stuart, the latest version of which dates from October 2022.

c) Information on whether any external advisors have participated and, if so, their identity.

For the preparation of the Remuneration Policy applicable to the 2024-2026 period, the Company received external advice from Sagardoy Abogados for the legal aspects of the Policy.

d) Procedures contemplated in the current director Remuneration Policy for applying temporary exceptions to the Policy, conditions under which such exceptions may be used and components that may be subject to exception under the policy.

This type of procedure has been regulated in Section B of the current Remuneration Policy.

Depending on the exceptional circumstances that may arise during the years in which the Policy is in force, the Board of Directors, following a reasoned proposal from the Remuneration Committee and in order to ensure its viability insofar as necessary to serve the long-term interests and sustainability of the Company, may agree to do the following:

i. Apply a temporary exception to the Policy in relation to the granting, consolidation and/or payment of the remuneration components set forth therein.

ii. Make adjustments to the criteria for calculating the multi-year remuneration system.

iii. Alter the rules for granting, consolidation and payment of the remuneration provided for in this Policy.

Any application of exceptionality will be duly recorded and explained in the corresponding Annual Report on Directors' Remuneration.

B.2.

This remuneration through instruments and, therefore, the link between remuneration and the sound and prudent management of the Bank, is manifested in:

i. Variable compensation. At least 50% of the variable compensation, both deferred and non-deferred, will be paid in instruments (shares in the Bank). For the purpose of determining the number of shares to be delivered – if the variable remuneration foreseen in each of the corresponding dates is accrued – the price of the Unicaja Banco share corresponding to the average value of the listed price of the Bank's share between the closing date of the fiscal year and the date of approval of the financial statements corresponding to the accrual year by the Ordinary General Shareholders' Meeting (both exclusive) will be taken into account.

ii. Discretionary pension benefits. The insurance contracts through which these benefits may be instrumented will incorporate the necessary provisions to guarantee the application of the rules regarding payment in the form of instruments and withholding by the Bank.

iii. Application of malus and clawback clauses when the Bank obtains negative or poor results. Thus, up to 100% of the variable remuneration is subject to these clauses when there is a deficient financial performance, either in the Company as a whole, or in a relevant management department or unit and/or in connection with the corresponding management.

The Company's Remuneration Committee acts in due coordination with the Risk Committee so that the latter may comply with the powers attributed to it with regard to the remuneration structure applicable in the Company, in accordance with the statutory and regulatory framework, and, in particular, to analyze whether the incentive system in force at any given time takes into consideration risk, capital, liquidity and the probability and timeliness of the benefits. Specifically, the Risk Committee intervenes, where appropriate, in the actual determination of the total incentive pool to be distributed, in the setting of objectives and performance measurement, as well as at the time of payment of variable remuneration, in order to verify that the remuneration is adjusted for all types of current and future risks, and that the necessary cost of capital and liquidity are taken into account.

As a reinforcement of the application of the compensation system, executive directors may not use personal hedging strategies, or compensation and liability-related insurance, that undermine the effects of the alignment with risk included in their compensation systems.

When the remuneration is linked to results, the right to receive it and its total amount will be based, in all cases, on objective indicators, without prejudice to the qualitative and/or non-financial evaluation to be carried out by the Remuneration Committee based on non-financial criteria but which may be relevant in relation to the receipt of the variable remuneration by the director in question.

The variable remuneration, including the deferred part, will be paid or consolidated only if this is sustainable according to the financial situation of Unicaja Banco as a whole, and if it is justified based on the results of the Company, the business unit, and the person in question.

With regard to the measures adopted to avoid conflicts of interest, in accordance with the provisions of the Company's Bylaws and the Regulations of the Board of Directors, the directors have a duty of loyalty to the Company and the obligation to adopt the necessary measures to avoid conflicts of interest and situations in which their interests, whether their own or those of others, may conflict with the corporate interest, immediately informing the Company of any situations that could generate a possible conflict, whether real or potential.

Likewise, directors may not (a) take advantage of any business opportunity of the Company for their own benefit (b) make use of the Group's assets for private purposes (c) take advantage of their position in the Company to obtain a patrimonial advantage; they must inform the Company of all the positions they hold and the activities they carry out in other companies or entities, and, in general, of any fact or situation that may be relevant to their performance as directors of the Company.

In line with the above, as regards compensation, the Compensation Committee is responsible for submitting proposals regarding individual compensation, the incentive system and other contractual conditions of the executive directors. It also prepares decisions on the objectives, criteria and metrics that have to be met in order to receive variable remuneration and, if applicable, verify whether the circumstances are met to apply the reduction or recovery clauses. Likewise, the Risk Committee, as already mentioned, collaborates with the Remuneration Committee in establishing sound remuneration policies and practices, examining whether the incentive policy provided for in the remuneration system takes into consideration risk, capital, liquidity and the likelihood and timing of returns. The Remuneration and Risk Committees are made up entirely of non-executive members, the majority of which, and in all circumstances their chairperson, are independent directors. Within the Board of Directors, the director concerned, in accordance with the provisions of the Regulations of the Board of Directors on the duties of directors to avoid conflicts of interest, is obliged to abstain from attending and participating in deliberations and voting on resolutions or decisions that are related to their remuneration.

B.5

As of November 14, 2023, with the approval and entry into force of the new Remuneration Policy, the remuneration system for directors, in their capacity as such, was modified: the breakdown of such remuneration by the positions and responsibilities attributed to each of the non-executive directors, as well as the scope of the variations with respect to the previous Remuneration Policy and the reason why they have been carried out have already been reported in sections A.1.3 and A.2. of this report, to which we refer in order to avoid repetition.

The total amounts actually received by each of the members of the Board of Directors in their capacity as such in fiscal year 2023 are detailed below in Section C.1.

This annual remuneration report was approved by the Board of Directors of the Company at its meeting held on this date:

02/29/2024

State whether there have been directors that have voted against or abstained from the approval of this Report.

[ ] Yes

[✓] No

Unicaja Banco, S.A.
and subsidiaries

Independent verification report,
Consolidated Non-Financial Information Statement
31st December 2023

A free translation from the original in Spanish

This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Independent verification report

To the shareholders of Unicaja Banco, S.A.:

Pursuant to article 49 of the Code of Commerce, we have verified, with the scope of a limited assurance engagement, the Consolidated Non-Financial Information Statement (“NFIS”) for the year ended 31 December 2023 of Unicaja Banco, S.A. (Parent company) and subsidiaries (hereinafter "Grupo Unicaja Banco" or the Group) which forms part of the accompanying Grupo Unicaja Banco’s consolidated management report.

The content of the consolidated management report includes information additional to that required by current mercantile legislation in relation to non-financial information, which has not been covered by our verification work. In this respect, our work was limited solely to verifying the information identified in "GRI index and information requested by Law 11 /2018, of December 28, linked to theGRI standards and article 8 of the European Union Environmental Taxonomy Regulation (EU)" section included in the accompanying consolidated management report.

Responsibility of the directors of the Parent company

The preparation of the NFIS included in Grupo Unicaja Banco's consolidated management report and the content thereof, are the responsibility of the directors of Unicaja Banco, S.A. The NFIS has been drawn up in accordance with the provisions of current mercantile legislation and using as a reference the criteria of the *Sustainability Reporting Standards* of the *Global Reporting Initiative* (“GRI Standards”) and GRI G4 Financial Services Industry Supplement as per the details provided for each matter in the "GRI index and information requested by Law 11 /2018, of December 28, linked to theGRI standards and article 8 of the European Union Environmental Taxonomy Regulation (EU)" section of the consolidated management report.

This responsibility also includes the design, implementation and maintenance of the internal control considered necessary to allow the NFIS to be free of material misstatement due to fraud or error.

The directors of Unicaja Banco, S.A. are also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the NFIS is obtained.

Our independence and quality management

We have complied with the independence requirements and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code of Ethics) which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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Inscrita en el R.O.A.C. con el número S0242 - NIF: B-79031290

The engagement team consisted of professionals specialising in Non-financial Information reviews, specifically in information on economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in a limited assurance independent report based on the work we have performed. We carried out our work in accordance with the requirements laid down in the current International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements other than Audits or Reviews of Historical Financial Information (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and in the Guidelines for verification engagements of the Statement of Non-Financial Information issued by the Spanish Institute of Auditors ("Instituto de Censores Jurados de Cuentas de España").

In a limited assurance engagement, the procedures performed vary in nature and timing of execution, and are less extensive, than those carried out in a reasonable assurance engagement and accordingly, the assurance provided is also lower.

Our work consisted of posing questions to management as well as to the various units of Grupo Unicaja Banco that were involved in the preparation of the NFIS, of the review of the processes for compiling and validating the information presented in the NFIS, and in the application of certain analytical procedures and review procedures on a sample basis, as described below:

- Meetings with the Grupo Unicaja Banco personnel to understand the business model, policies and management approaches applied, principal risks relating to these matters and to obtain the information required for the external review.

- Analysis of the scope, relevance and integrity of the content of the NFIS for the year 2023, based on the materiality analysis carried out by Grupo Unicaja Banco and described in section "Identification of material aspects", taking into account the content required by current mercantile legislation.

- Analysis of the procedures used to compile and validate the information presented in the NFIS for the year 2023.

- Review of information relating to risks, policies and management approaches applied in relation to material matters presented in the NFIS for the year 2023.

- Verification, by means of sample testing, of the information relating to the content of the NFIS for the year 2023 and that it was adequately compiled using data provided by the sources of the information.

- Obtaining a management representation letter from the directors and management of the Parent company.

Conclusion

Based on the procedures performed in our verification and the evidence we have obtained, nothing has come to our attention that causes us to believe that the NFIS of Unicaja Banco, S.A. and its subsidiaries, for the year ended 31 December 2023 has not been prepared, in all material respects, in accordance with the provisions of current mercantile legislation and using as a reference the criteria of GRI and GRI G4 Financial Services as per the details provided for each matter in the "GRI index and information requested by Law 11 /2018, of December 28, linked to theGRI standards and article 8 of the European Union Environmental Taxonomy Regulation (EU)" section of the consolidated management report.

Emphasis of matter

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 relating to the establishment of a framework to facilitate sustainable investments, as well as the Delegated Acts promulgated in accordance with the provisions of the aforementioned Regulation, establish the obligation to disclose information on the manner and extent to which the company's investments are associated with eligible economic activities in relation to the environmental objectives of sustainable use and protection of water and marine resources, transition to a circular economy, prevention and control of pollution and protection and restoration of biodiversity and ecosystems (the rest of the environmental objectives), and with respect to certain new activities included in the objectives of climate change mitigation and adaptation to climate change, for the first time for the 2023 financial year. The aforementioned regulations also establish for the first time for the 2023 financial year the obligation to disclose information on the manner and extent to which the company's activities are associated with economic activities aligned with the activities included in the objectives of climate change mitigation and climate change adaptation, excluding the new activities mentioned above. Consequently, the accompanying NFIS does not include comparative information on alignment in relation to the objectives of climate change mitigation and climate change adaptation, nor does it include comparative information on eligibility in relation to the rest of the environmental objectives, nor in relation to the new activities included in the objectives of climate change mitigation and climate change adaptation. Furthermore, to the extent that the information referring to eligible activities in the 2022 financial year was not required with the same level of detail as in the 2023 financial year, the information disclosed on eligibility is not strictly comparable either in the accompanying NFIS. In addition, it should be noted that Unicaja Banco, S.A.'s directors have incorporated information on the criteria that, in their opinion, allow for improved compliance with the aforementioned obligation and which have been defined in note “Indicators of Article 8 ofthe European Un ion (EU)Environmental Taxonomy Regulation” of the accompanying NFIS. Our conclusion has not been modified in relation to this matter.

Use and distribution

This report has been drawn up in response to the requirement established in current Spanish mercantile legislation and therefore may not be suitable for other purposes and jurisdictions.

PricewaterhouseCoopers Auditores, S.L.

Margarita de Rosselló Carril

29 February 2024

Unicaja Banco, S.A.

Auditor's report
Information regarding the Internal Control System over Financial Reporting (ICSFR)
2023 financial year

This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation

Auditor’s report on “Information regarding the Internal Control System over Financial Reporting (ICSFR)”

To the administrators of Unicaja Banco, S.A.:

In accordance with the request of the Board of Directors of Unicaja Banco, S.A. ("the Company") and our engagement letter dated 15 December 2023, we have applied certain procedures in respect of the attached "Information regarding the ICSFR", included in section F of the Annual Corporate Governance Report of Unicaja Banco, S.A. for the 2023 financial year, which includes a summary of the Company's internal control procedures relating to its annual financial information.

The administrators are responsible for adopting the necessary measures to reasonably ensure the implementation, maintenance and supervision of an appropriate internal control system, and for developing improvements to that system and preparing and establishing the content of the accompanying Information regarding the ICSFR.

In this regard, it should be borne in mind that, regardless of the quality of the design and operating efficiency of the internal control system used by the Company in relation to its annual financial information, only a reasonable, but not absolute, degree of assurance may be obtained in relation to the objectives it seeks to achieve, due to the limitations inherent in any internal control system.

In the course of our audit work on the consolidated annual accounts and in accordance with Spanish Auditing Standards, the sole purpose of our evaluation of the Company's internal control system is to enable us to establish the scope, nature and timing of our audit procedures in respect of the Company’s annual accounts. Accordingly, our internal control evaluation, performed for the purposes of our audit, is not sufficient in scope to enable us to issue a specific opinion on the effectiveness of such internal control over the regulated annual financial information.

For the purposes of the present report, we have exclusively applied the specific procedures described below, as indicated in the “Guidelines concerning the auditor's Report on the Information regarding the Internal Control System over Financial Reporting for listed entities” published by the National Securities Market Commission (hereinafter NSMC) on its web site, which sets out the work to be performed, the scope of such work and the content of this report. In view of the fact that, in any event, the scope of the work resulting from these procedures is reduced and substantially less than the scope of an audit or review of the internal control system, we do not express an opinion on the effectiveness thereof, its design or operational efficiency, in relation to the Company's annual financial information for the 2023 financial year described in the accompanying Information regarding the ICSFR. Had we applied additional procedures to those determined by the aforementioned Guidelines, or had we performed an audit or review of the internal control system in relation to the regulated annual financial information, other matters could have come to light in respect of which you would have been informed.

In addition, provided that this special work neither constitutes an account audit it is not even submitted to the governing regulations of audit, we do not express an opinion of audit in the terms foreseen in the mentioned regulation.

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The Procedures applied were as follows:

1) Reading and understanding the information prepared by the Company in relation to the ICSFR – as disclosed in the Directors' Report – and the evaluation of whether such information includes all the information required as per the minimum content set out in Section F regarding the description of the ICSFR, in the model of the Annual Corporate Governance Report, as established in Circular 5/2013 of the NSMC, dated June 12, 2013, and subsequent amendments, the most recent being Circular 3/2021, of September 28, of the NSMC (from now on the Circulars of NSMC).

2) Making enquiries of personnel in charge of preparing the information mentioned in point 1 above in order to: (i) obtain an understanding of the preparation process; (ii) obtain information that enables us to assess whether the terminology used is in line with the framework of reference; (iii) obtain information as to whether the control procedures described have been implemented and are functioning in the Company.

3) Review of supporting documentation explaining the information described in point 1 above and which mainly comprises the information made directly available to the persons responsible for preparing the information on the ICSFR. Such documentation includes reports prepared by the internal audit function, senior management and other internal and external specialists in support of the functions of the Audit and Control Committee.

4) Comparison of the information described in point 1 above with our knowledge of the Company´s ICSFR, obtained by means of the application of the procedures performed within the framework of the audit engagement on the consolidated annual accounts.

5) Reading the minutes of meetings of the Board of Directors, Audit and Control Committee and other committees of the Company, for the purposes of evaluating the consistency between the matters dealt with therein in relation to the ICSFR and the information described in point 1 above.

6) Obtaining a representation letter concerning the work performed, duly signed by the persons responsible for the preparation and drafting of the information mentioned in point 1 above.

As a result of the procedures applied in relation to the Information regarding the ICSFR, no inconsistencies or incidents have been identified which could affect such information.

This report has been prepared exclusively within the framework of the requirements of article 540 of the revised Spanish Companies Act and by the Circulars of de NSMC, for the purposes of describing the ICSFR in Annual Corporate Governance Reports.

PricewaterhouseCoopers Auditores, S.L.

Original in Spanish signed by
Carlos Caballer Fernández-Manrique

29 February 2024