UNICAJA BANCO, S.A.

Annual accounts as at December 31, 2022,
and management report for fiscal year 2022

UNICAJA BANCO, S.A.
BALANCE SHEETS AT DECEMBER 31, OF 2022 y 2021
(Thousands of euros)

ASSETS	Note	2022	2021
CASH, CASH BALANCES WITH CENTRAL BANKS, AND OTHER DEMAND DEPOSITS	6	4,660,517	21,295,899
FINANCIAL ASSETS HELD FOR TRADING	7.1	32,771	15,514
Derivatives		32,771	14,499
Equity instruments		-	-
Debt securities		-	1,015
Loans and advances		-	-
Central banks		-	-
Credit institutions		-	-
Customers		-	-
Pro memoria: lent or given as collateral with the right to sell or pledge		-	-
NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS	7.2	146,549	228,227
Equity instruments		41	41
Debt securities		33,522	93,822
Loans and advances		112,986	134,364
Central banks		-	-
Credit institutions		-	-
Customers		112,986	134,364
Pro memoria: lent or given as collateral with the right to sell or pledge		485	-
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-
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	8	485,657	566,099
Equity instruments		292,613	536,803
Debt securities		193,044	29,296
Loans and advances		-	-
Central banks		-	-
Credit institutions		-	-
Customers		-	-
Pro memoria: lent or given as collateral with the right to sell or pledge		*31,030*	*29,296*
FINANCIAL ASSETS AT AMORTIZED COST	9	83,585,076	83,906,848
Debt securities		26,867,077	24,849,659
Loans and advances		56,717,999	59,057,189
Central banks		-	-
Credit institutions		930,505	1,119,085
Customers		55,787,494	57,938,104
Pro memoria: lent or given as collateral with the right to sell or pledge		*10,774,603*	*24,200,623*
DERIVATIVES - HEDGE ACCOUNTING	10	1,812,887	815,044
CHANGES IN FAIR VALUE OF HEDGED ITEMS OF A PORTFOLIO WITH HEDGED INTEREST RATE RISK	10	(237,836)	99,301
INVESTMENT IN JOINT VENTURES AND ASSOCIATES	11	1,722,996	1,682,612
Subsidiaries		970,259	935,169
Joint ventures		50,276	50,338
Associates		702,461	697,105
TANGIBLE ASSETS	12.1	1,602,221	1,683,156
Tangible fixed assets		1,220,476	1,288,043
Own use		1,220,476	1,288,043
Loaned under operating lease		-	-
Investment property		381,745	395,113
Pro memoria: acquired under a finance lease		*51,290*	*76,582*
INTANGIBLE ASSETS	12.2	37,418	35,939
Goodwill		-	-
Other intangible assets		37,418	35,939

(continued on next page)

ASSETS	Note	2022	2021
TAX ASSETS	19	4,876,970	5,022,357
Current tax assets		443,394	470,373
Deferred tax assets		4,433,576	4,551,984
OTHER ASSETS	13.2	576,453	329,329
Insurance contracts linked to pensions	35	23,167	31,060
Inventories		-	-
Other assets		553,286	298,269
NON-CURRENT ASSETS AND DISPOSAL GROUPS OF ITEMS CLASSIFIED AS HELD FOR SALE	13.1	179,210	282,874
TOTAL ASSETS		**99,480,889**	**115,963,199**

(*) Shown solely and exclusively for comparative purposes (Note 1.5).
The Notes 1 to 43 described in the Annual Report and the Annexes I, II, III and IV form an integral part of the balance sheet of December 31, 2022.

LIABILITIES	Note	2022	2021
FINANCIAL LIABILITIES HELD FOR TRADING	7	37,919	15,355
Derivatives		37,919	15,355
Short positions		-	-
Deposits		-	-
Central banks		-	-
Credit institutions		-	-
Customers		-	-
Debt securities issued		-	-
Other financial liabilities		-	-
FINANCIAL LIABILITIES VALUED AT FAIR VALUE THROUGH PROFIT OR LOSS		-	-
Deposits		-	-
Central banks		-	-
Credit institutions		-	-
Customers		-	-
Debt securities issued		-	-
Other financial liabilities		-	-
Pro memoria: subordinate liabilities		-	-
FINANCIAL LIABILITIES AT AMORTIZED COST	14	89,594,738	106,238,850
Deposits		83,877,864	101,950,529
Central banks		5,320,889	10,291,702
Credit institutions		3,448,807	6,697,573
Customers		75,108,168	84,961,254
Debt securities issued		3,329,354	2,497,755
Other financial liabilities		2,387,520	1,790,566
Pro memoria: subordinate liabilities		*547,951*	*623,658*
DERIVATIVES - HEDGE ACCOUNTING	10	1,081,824	999,690
CHANGES IN FAIR VALUE OF HEDGED ITEMS OF A PORTFOLIO WITH HEDGED INTEREST RATE RISK		-	-
PROVISIONS	15	1,071,953	1,528,710
Pensions and other benefit obligations defined as post-employment		127,539	178,799
Other long-term employee benefits		132,696	188,566
Outstanding tax litigation and procedural matters		-	-
Commitments and guarantees granted		126,128	106,649
Remaining provisions		685,590	1,054,696
TAX LIABILITIES	19	349,400	339,215
Current tax liabilities		28,818	12,987
Deferred tax liabilities		320,582	326,228
SHARE CAPITAL REPAYABLE ON DEMAND		-	-
OTHER LIABILITIES	16	601,106	370,800
Of which: welfare fund (only savings banks and credit cooperatives)		-	-
LIABILITIES INCLUDED IN DISPOSABLE GROUPS OF ITEMS CLASSIFIED AS HELD FOR SALE		-	-
TOTAL LIABILITIES		**92,736,940**	**109,492,620**

(*) Shown solely and exclusively for comparative purposes (Note 1.5).
The Notes 1 to 43 described in the Annual Report and the Annexes I, II, III and IV form an integral part of the balance sheet of December 31, 2022.

EQUITY	Note	2022	2021
OWN FUNDS	18	**6,863,031**	**6,679,258**
SHARE CAPITAL		663,708	663,708
Paid-up capital		663,708	663,708
Non paid-up capital required		-	-
Pro memoria: unclaimed capital		-	-
SHARE PREMIUM		1,322,995	1,322,995
EQUITY INSTRUMENTS ISSUED OTHER THAN SHARE CAPITAL		547,385	547,385
Net equity component of compound financial instruments		547,385	547,385
Other equity instruments issued		-	-
OTHER NET EQUITY ITEMS		-	-
ACCUMULATED EARNINGS		3,832,350	2,803,600
REVALUATION RESERVES		-	-
OTHER RESERVES		261,682	260,084
(-) OWN SHARES		(148)	(3,359)
PROFIT OR LOSS FOR THE YEAR	3	235,059	1,084,845
(-) INTERIM DIVIDENDS		-	-
ACCUMULATED OTHER COMPREHENSIVE INCOME	17	**(119,082)**	**(208,679)**
ELEMENTS THAT WILL NOT BE RECLASSIFIED AS INCOME		(18,694)	95,596
Actuarial gains or (-) losses on defined benefit pension plans		(1,684)	9,218
Non-current assets and disposable groups of items classified as held for sale		-	-
Changes in fair value of equity instruments at fair value through other comprehensive income	8.3	(17,010)	86,378
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 through profit or loss attributable to changes in credit risk		-	-
ITEMS THAT CAN BE RECLASSIFIED TO PROFIT OR LOSS		(100,388)	(304,275)
Hedges of net investments in foreign transactions (efficient part)		-	-
Conversion of foreign currency		(55)	(55)
Hedging derivatives. Cash flow hedging reserve (effective portion)		(98,702)	(304,535)
Changes in fair value of debt instruments at fair value through other comprehensive income	8.2	(1,631)	315
Hedging instruments (non-designated elements)		-	-
Non-current assets and disposable groups of items classified as held for sale		-	-
TOTAL NET EQUITY		**6,743,949**	**6,470,579**
TOTAL NET WORTH AND LIABILITIES		**99,480,889**	**115,963,199**
PRO MEMORIA: OFF-BALANCE SHEET EXPOSURES			
COMMITMENTS FOR LOANS GRANTED	26.3	4,521,265	5,351,395
FINANCIAL GUARANTEES GRANTED	26.1	67,888	248,973
OTHER COMMITMENTS GRANTED	26.1	4,753,333	6,038,273

(*) Shown solely and exclusively for comparative purposes (Note 1.5).
The Notes 1 to 43 described in the Annual Report and the Annexes I, II, III and IV form an integral part of the balance sheet of December 31, 2022.

UNICAJA BANCO, S.A.

INCOME STATEMENT
FOR THE FISCAL YEARS ENDING
December 31, 2022 and 2021
(Thousands of Euros)

	Note	(debits) credits 2022	2021
INTEREST INCOME	27	1,260,632	864,515
Financial assets at fair value with changes in other comprehensive income		2,539	3,334
Financial assets at amortized cost		1,861,053	1,000,473
Others		(602,960)	(139,292)
INTEREST EXPENSE	28	(201,503)	(121,900)
EXPENSES FOR SHARE CAPITAL REPAYABLE ON DEMAND		-	-
NET INTEREST MARGIN		**1,059,129**	**742,615**
DIVIDEND INCOME	29	92,779	46,715
FEE REVENUE	30	519,176	366,617
FEE EXPENSES	31	(50,771)	(32,999)
NET GAINS OR LOSSES FOR DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES NOT AT FAIR VALUE THROUGH PROFIT OR LOSS	32	36,292	38,967
NET GAINS OR LOSSES ON FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING	32	14,680	12,661
NET GAINS OR (LOSSES) ON NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS	32	(9,216)	(1,987)
NET GAINS OR LOSSES ON FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	32	-	-
NET GAINS OR LOSSES RESULTING FROM HEDGE ACCOUNTING	32	5,512	(1,403)
NET EXCHANGE DIFFERENCES (PROFIT OR LOSS)		9,546	3,998
OTHER OPERATING INCOME	33	38,229	35,188
OTHER OPERATING EXPENSES	34	(178,306)	(172,094)
GROSS MARGIN		**1,537,050**	**1,038,278**
ADMINISTRATIVE EXPENSES	35	(737,042)	(609,633)
Personnel expenses		(472,036)	(411,071)
Other administration expenses		(265,006)	(198,562)
AMORTIZATION	12	(78,759)	(62,074)
(PROVISIONS OR REVERSAL OF PROVISIONS)	15	(94,283)	(498,720)
(IMPAIRMENT LOSS OR REVERSAL OF IMPAIRMENT LOSS ON FINANCIAL ASSETS NOT AT FAIR VALUE THROUGH PROFIT OR LOSS AND LOSSES OR NET GAINS DUE TO CHANGES)		(210,426)	(178,605)
Financial assets at fair value with changes in other comprehensive income		-	-
Financial assets at amortized cost		(210,426)	(178,605)
PROFIT OR LOSS FROM OPERATING ACTIVITY		**416,540**	**(310,754)**
IMPAIRMENT OR REVERSAL OF INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES, OR ASSOCIATES	36	(109,240)	(4,167)
IMPAIRMENT OF VALUE OR REVERSAL OF NON-FINANCIAL ASSETS	36	12,832	(2,769)
Tangible assets		435	(1,569)
Intangible assets		-	-
Others		12,397	(1,200)
NET GAINS OR LOSSES ON DERECOGNITION OF NON-FINANCIAL ASSETS AND HOLDINGS	37	7,704	5,130
NEGATIVE GOODWILL RECOGNIZED IN PROFIT OR LOSS		-	1,301,333
GAINS OR LOSSES FROM NON-CURRENT ASSETS AND DISPOSABLE GROUPS OF ITEMS CLASSIFIED AS HELD FOR SALE THAT ARE INADMISSIBLE AS DISCONTINUED OPERATIONS	38	7,057	(5,994)
GAINS OR LOSSES BEFORE TAX FROM CONTINUING OPERATIONS		**334,893**	**982,779**
EXPENSE OR INCOME FROM TAX ON GAINS FROM CONTINUING OPERATIONS		(99,834)	102,066
GAINS OR LOSSES AFTER TAX FROM CONTINUING OPERATIONS		**235,059**	**1,084,845**
GAINS OR LOSSES AFTER TAX FROM DISCONTINUED OPERATIONS		-	-
PROFIT OR LOSS FOR THE YEAR		**235,059**	**1,084,845**
EARNINGS PER SHARE			
Basic earnings per share (Euros)		0.086	0.530
Diluted earnings per share (Euros)		0.086	0.530

(*) Shown solely and exclusively for comparative purposes (Note 1.5).
The Notes 1 to 43 described in the Annual Report and the Annexes I, II, III and IV form an integral part of the income statement at December 31, 2022.

UNICAJA BANCO, S.A.

STATEMENT OF RECOGNIZED INCOME AND EXPENSE FOR THE FISCAL YEARS ENDED December 31, 2022 and 2021
(Thousands of euros)

	Note	Year 2022	Year 2021
PROFIT OR LOSS FOR THE YEAR		**235,059**	**1,084,845**
OTHER COMPREHENSIVE INCOME		**89,597**	**(129,977)**
Elements that will not be reclassified as income		**(114,290)**	**23,308**
Actuarial gains (losses) on defined benefit pension plans	35	(15,575)	9,321
Non-current assets and disposal groups classified as held for sale		-	-
Changes in fair value of equity instruments at fair value through other comprehensive income		(105,755)	23,977
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 through profit or loss attributable to changes in credit risk		-	-
Income tax related to items that will not be reclassified to income	19	7,040	(9,990)
Items that can be reclassified as income		**203,887**	**(153,285)**
Hedging of net investments in businesses abroad (effective portion)		-	-
Value gains or (-) losses entered under net equity		-	-
Transferred to profit or loss		-	-
Other reclassifications		-	-
Conversion of foreign currency	2.4	-	-
Value gains or (-) losses entered under net equity		-	-
Transferred to profit or loss		-	-
Other reclassifications		-	-
Cash flow hedges (effective portion)	10	294,047	(218,799)
Value gains or (losses) entered under net equity		(128,532)	(447,528)
Transferred to profit or loss		422,579	228,729
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		(2,780)	(180)
Value gains or (-) losses entered under net equity		(2,780)	(180)
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		-	-
Income tax in relation to items that may be reclassified as profit or loss	19	(87,380)	65,694
TOTAL OVERALL PROFIT OR LOSS FOR THE YEAR		**324,656**	**954,868**

(*) Shown solely and exclusively for comparative purposes (Note 1.5).
The Notes 1 to 43 described in the Annual Report and the Annexes I, II, III and IV form an integral part of the statement of recognized income and expense at December 31, 2022.

UNICAJA BANCO, S.A.

STATEMENTS OF CHANGES IN NET EQUITY FOR THE YEARS ENDED DECEMBER 31, 2006 and 2007
FISCAL YEARS ENDED December 31, 2022 and 2021
(Thousands of euros)

	Share capital	Share premium	Equity instruments issued other than share capital	Other net equity items	Accumulated earnings	Revaluation reserves	Other reserves	Own shares	Profit or loss for the year	Interim dividends	Other cumulative overall income	Total
Opening balance at 12.31.2021	**663,708**	**1,322,995**	**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 at 01.01.2022	**663,708**	**1,322,995**	**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) (Notes 3 and 18.2)	-	-	-	-	(98,291)	-	-	-	-	-	-	(98,291)
Purchase of treasury stock (Note 18.3)	-	-	-	-	-	-	-	(15)	-	-	-	(15)
Sale or cancellation of treasury stock (Note 18.3)	-	-	-	-	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)	-	-	-	-	1,084,845	-	-	-	(1,084,845)	-	-	-
Increase or (-) decrease in net equity resulting from business combinations (Note 1.14)	-	-	-	-	-	-	-	-	-	-	-	-
Stock-based payments	-	-	-	-	-	-	-	-	-	-	-	-
Other increases (decreases) in net equity	-	-	-	-	41,689	-	1,598	-	-	-	-	43,287
Closing balance at 12.31.2022	**663,708**	**1,322,995**	**547,385**	**-**	**3,832,350**	**-**	**261,682**	**(148)**	**235,059**	**-**	**(119,082)**	**6,743,949**

(*) Shown solely and exclusively for comparative purposes (Note 1.5).
The Notes 1 to 43 described in the Annual Report and the Annexes I, II, III and IV form an integral part of the statement of changes in total equity at December 31, 2022.

UNICAJA BANCO, S.A.

STATEMENTS OF CHANGES IN NET EQUITY FOR THE YEARS ENDED DECEMBER 31, 2006 and 2007
FISCAL YEARS ENDED December 31, 2022 and 2021
(Thousands of euros)

	Share capital	Share premium	Equity instruments issued other than share capital	Other net equity items	Accumulated earnings	Revaluation reserves	Other reserves	Own shares	Profit or loss for the year	Interim dividends	Other cumulative overall income	Total
Opening balance at 12/31/2020	**1,579,761**	**1,322,995**	**47,429**	**-**	**917,786**	**-**	**261,485**	**(92)**	**163,927**	**-**	**(78,702)**	**4,214,589**
Effects of error correction	-	-	-	-	-	-	-	-	-	-	-	-
Effects of changes to accounting policies	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance at 01/01/2021	**1,579,761**	**1,322,995**	**47,429**	**-**	**917,786**	**-**	**261,485**	**(92)**	**163,927**	**-**	**(78,702)**	**4,214,589**
Total overall profit or loss for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,084,845**	**-**	**(129,977)**	**954,868**
Other changes in net equity	**(916,053)**	**-**	**499,956**	**-**	**1,885,814**	**-**	**(1,401)**	**(3,267)**	**(163,927)**	**-**	**-**	**1,301,122**
Issue of common shares	1,075,072	-	-	-	-	-	-	-	-	-	-	1,075,072
Issue of preferred shares	-	-	-	-	-	-	-	-	-	-	-	-
Issue of other equity instruments	-	-	500,000	-	-	-	(3,061)	-	-	-	-	496,939
Exercising or expiry of other equity instruments issued	-	-	-	-	-	-	-	-	-	-	-	-
Conversion of debt into net equity	-	-	-	-	-	-	-	-	-	-	-	-
Share capital decrease	(1,991,125)	-	-	-	1,991,125	-	-	-	-	-	-	-
Dividends (or remuneration of shareholders) (Notes 3 and 18.2)	-	-	-	-	(23,492)	-	-	-	-	-	-	(23,492)
Purchase of treasury stock (Note 18.3)	-	-	-	-	-	-	-	(55)	-	-	-	(55)
Sale or cancellation of own shares (Note 18.3)	-	-	-	-	-	-	-	15	-	-	-	15
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)	-	-	-	-	163,927	-	-	-	(163,927)	-	-	-
Increase or (-) decrease in net equity resulting from business combinations (Note 1.14)	-	-	-	-	(244,579)	-	1,652	(3,227)	-	-	-	(246,154)
Stock-based payments	-	-	-	-	-	-	-	-	-	-	-	-
Other increases (decreases) in net equity	-	-	(44)	-	(1,167)	-	8	-	-	-	-	(1,203)
Closing balance at 12/31/2021	**663,708**	**1,322,995**	**547,385**	**-**	**2,803,600**	**-**	**260,084**	**(3,359)**	**1,084,845**	**-**	**(208,679)**	**6,470,579**

(*) Shown solely and exclusively for comparative purposes (Note 1.5).
The Notes 1 to 43 described in the Annual Report and the Annexes I, II, III and IV form an integral part of the statement of changes in total equity at December 31, 2022.

UNICAJA BANCO, S.A.

CASH FLOW STATEMENTS FOR THE FISCAL YEARS ENDED December 31, 2022 and 2021
(Thousands of euros)

	Note	Year 2022	Year 2021
A) CASH FLOWS FROM OPERATING ACTIVITIES		**(16,845,022)**	**13,963,284**
Profit or loss for the year		**235,059**	**1,084,845**
Adjustments to obtain the cash flows from operating activities		**629,981**	**1,124,518**
Amortization	2.14 and 12	78,759	62,074
Other adjustments	2.23	551,222	1,062,444
Net increase/decrease in operating assets		**(457,971)**	**4,372,159**
Financial assets held for trading	7	(17,257)	164,264
Financial assets not held for trading obligatorily valued at fair value through profit or loss	7.2	81,678	2,557
Financial assets recorded at fair value with changes in income		-	-
Financial assets at fair value through other comprehensive income	8	80,441	483,383
Financial assets at amortized cost	9	229,350	7,515,094
Other operating assets		(832,183)	(3,793,139)
Net increase/decrease of operating liabilities		**(17,228,244)**	**7,772,928**
Financial liabilities held for trading	7.2	22,564	1,909
Financial liabilities recorded at fair value with changes in income		-	-
Financial liabilities at amortized cost	14	(17,106,489)	7,501,763
Other operating liabilities		(144,319)	269,256
Tax on gains collections/payments		**(23,847)**	**(391,166)**
B) CASH FLOWS FROM INVESTMENT ACTIVITIES		**(157,657)**	**189,391**
Payments		**(640,969)**	**(47,851)**
Tangible assets	12.1	(62,847)	(19,683)
Intangible assets	12.2	(19,234)	(25,249)
Investments in subsidiaries, joint ventures, and associates	11	(558,888)	(2,919)
Subsidiaries and other business units		-	-
Non-current assets and liabilities classified as held for sale	13	-	-
Other payments related to investment activities		-	-
Collections		**483,312**	**237,242**
Tangible assets	12.1	94,655	26,789
Intangible assets	12.2	1,485	6,289
Investments in subsidiaries, joint ventures, and associates	11	289,116	12,966
Subsidiaries and other business units		-	994
Non-current assets and liabilities classified as held for sale	13	98,056	190,204
Other charges related to investment activities		-	-
(continued on next page)			

(*) Shown solely and exclusively for comparative purposes (Note 1.5).
The Notes 1 to 43 described in the Annual Report and the Annexes I, II, III and IV form an integral part of the statement of cash flows of December 31, 2022.

UNICAJA BANCO, S.A.

CASH FLOW STATEMENTS FOR THE FISCAL YEARS ENDED December 31, 2022 and 2021
(Thousands of euros)

	Note	Year 2022	Year 2021
C) CASH FLOWS FROM FINANCING ACTIVITIES		**367,297**	**476,424**
Payments		**(432,206)**	**(23,591)**
Dividends	3	(67,338)	(16,909)
Subordinated liabilities	13.5	(333,899)	-
Amortization of equity instruments		-	(44)
Acquisition of equity instruments		(16)	(55)
Other payments related to financing activities		(30,953)	(6,583)
Collections		**799,503**	**500,015**
Subordinated liabilities	13.5	297,588	-
Issuance of equity instruments		-	500,000
Disposal of equity instruments		3,226	15
Other collections related to financing activities		498,689	-
D) EFFECT OF EXCHANGE RATE VARIATIONS		**-**	**-**
E) NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)		**(16,635,382)**	**14,629,099**
F) CASH AND EQUIVALENTS AT THE BEGINNING OF THE PERIOD		**21,295,899**	**6,666,800**
G) CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		**4,660,517**	**21,295,899**
COMPONENTS OF CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD			
Cash	2.23	494,042	581,756
Balances of cash equivalents with Central Banks	2.23	4,072,779	20,560,122
Other financial assets	2.23	93,696	154,021
Minus: Bank overdrafts repayable on demand			
TOTAL CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD	2.23	**4,660,517**	**21,295,899**

(*) Shown solely and exclusively for comparative purposes (Note 1.5).
The Notes 1 to 43 described in the Annual Report and the Annexes I, II, III and IV form an integral part of the statement of cash flows of December 31, 2022

UNICAJA BANCO, S.A.

ANNUAL REPORT FOR THE FISCAL YEAR ENDED December 31, 2022.
(Expressed in thousands of Euros)

Contents

1. Nature of the Entity, basis of presentation of the financial statements and other information

1.1 Nature of the Entity

Unicaja Banco, S.A., (hereinafter Unicaja Banco, the Bank or the Entity) is a credit institution incorporated in Spain for an indefinite period of time on December 1, 2011. 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. Also, on July 31, 2021, the merger by absorption of Liberbank S.A. (as absorbed entity) by Unicaja Banco, S.A. (as absorbing entity) (see Note 1.14) took place.

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 the Bylaws, the activities that comply with the requirements of Law 10/2014, of June 26, on the regulation, supervision and solvency of credit institutions and that form part of the business purpose may be carried out totally or partially, indirectly, in any of the forms permitted by law and, in particular, through the ownership of shares or equity interests in companies or participation in other entities the business purpose of which is identical, similar, or complementary to such 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. In addition, the Bank holds a license to exercise banking activity granted in accordance with the provisions of Article 1 and concordant provisions of Royal Decree 1245/1995, a rule that was replaced by the current Royal Decree 84/2015, of February 13, implementing Law 10/2014, of June 26, on the regulation, supervision and solvency of credit institutions.

The Bank's financial statements for fiscal year 2022 were prepared by the Board of Directors on February 23, 2023, and are pending approval by the General Shareholders' Meeting. Nonetheless, the Bank's Board of Directors expects the financial statements to be approved without significant changes.

On December 31, 2022, the Bank is the parent company of a group of subsidiaries engaged in various activities and which make up the Unicaja Banco Group.

The Bank has its registered office and residence in Malaga and is subject to Spanish law, submitting its financial statements to the Commercial Registry of that city.

1.2 Basis of presentation of the financial statements

The financial statements have been prepared on the basis of the Bank's accounting records and in accordance with the provisions of the Bank of Spain Circular 4/2017, of November 27, and subsequent amendments, and with the Commercial Code, Capital Companies Act, approved by Royal Legislative Decree 1/2010, of July 2, and other applicable Spanish legislation, that give a true and fair view of the Bank's equity and financial position as at December 31, 2022, and of the results of its operations, changes in net equity and cash flows for the year ended on that date.

Generally accepted accounting principles and valuation criteria have been followed in the preparation of the financial statements, and a summary of the most significant accounting principles and policies and valuation criteria applied in the preparation of these financial statements is included in Note 2. All mandatory accounting principles and valuation criteria with a significant effect on the financial statements were applied.

Unless otherwise stated, these financial statements are presented in thousands of Euros.

1.3 Membership of a group of companies

As indicated in Note 1.1, on December 31, 2022, the Bank was the parent entity of a group of subsidiaries engaged in various activities and which make up the Unicaja Banco Group.

Pursuant to article 6 of Royal Decree 1159/2010, of September 17, 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, and the General Accounting Plan for Small and Medium-Sized Companies approved by Royal Decree 1515/2007, of November 16, 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 Banco, S.A. and its subsidiaries (Unicaja Banco Group) in accordance with current legislation.

The latest consolidated financial statements of the Unicaja Banco Group that have been prepared are those for the fiscal year ended December 31, 2021, and have been filed with the Commercial Registry of Malaga.

The effect of consolidation on the accompanying balance sheets of December 31, 2022 and 2021, income statement, statement of changes in net equity and the statement of cash flows for 2022 and 2021 is summarized below:

	Thousands of euros			
	2022		2021	
	Individual	**Consolidated**	**Individual**	**Consolidated**
Assets	99,480,889	99,003,053	115,963,199	115,549,993
Net equity	6,743,949	6,463,949	6,470,579	6,326,041
Profit or loss for the year	235,059	259,674	1,084,845	1,113,198
Total revenues and expenditures of the statement in changes in equity	324,653	196,581	954,868	1,018,937
Net increase or (-) decrease in cash or equivalent	(16,635,382)	(16,635,677)	14,629,099	14,630,314

1.4 Responsibility for the information and estimates made

The information in these financial statements is the responsibility of the Bank's Directors.

These financial statements have been prepared under the going concern principle, which considers that the Bank's management will continue in the foreseeable future, so that the application of accounting standards is not intended to determine the value of the net worth for the purpose of its global or partial transfer, nor the amount resulting in the event of its liquidation.

In these annual accounts, estimates, opinions, and assumptions were occasionally made by the 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 8, 9, 11, 12, 13, and 16), especially with respect to the individual and collective estimation of losses due to insolvency 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 assumptions used in the actuarial calculation of liabilities and commitments for post-employment benefits and other long-term commitments to employees (Note 35).

- The useful lives of property, plant, and equipment and intangible assets (Notes 2.12, 2.14, and 12).

- 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 2.15 and 15).

- The reversal period and recoverability of deferred tax assets of temporary differences (Notes 2.11 and 19.4).

- The fair value of certain unlisted assets (Note 21).

- The fair value of certain guarantees assigned to the collection of assets (Notes 22 and 41).

Although these estimates were made based on the best information available at December 31, 2022, on the events analyzed, considering the uncertainties existing at that date derived from the environment of high inflation and volatility of the main macroeconomic variables caused mainly by the war conflict in Ukraine and the scarcity of certain resources, it is possible that events that may take place in the future may make it necessary to modify them (upwards or downwards) significantly in future years. This would be done prospectively by recognizing the effects of the change in the estimation of the corresponding profit and loss account of the affected years.

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 the 2022 fiscal year have not affected the comparability of the financial information, so it has not been necessary to adapt or reclassify the quantitative information corresponding to 2021 that was published in the previous year's financial statements. Neither were any errors produced that required rectification of the comparative information for fiscal year 2021.

1.5.2. Comparison of information

The information contained in these financial statements for the 2021 fiscal year is shown solely and exclusively for comparative purposes with the information relative to the 2022 fiscal year and therefore does not constitute the Bank's financial statements for the 2021 fiscal year.

It should be noted that for accounting effects at July 31, 2021, the merger by absorption of Liberbank, S.A. (as the absorbed entity) by Unicaja Banco, S.A. (as the absorbing entity) took place, which means that the figures corresponding to the balance sheet and income statement, as well as the statement of recognized income and expenses, the statement of total changes in equity and the statement of cash flows, between 2022 and 2021, are not fully comparable. In this regard, it should be noted that the profit and loss account of Unicaja Banco, S.A. for the year ended December 31, 2021 includes the results from the business acquired from Liberbank, S.A. only from August 1, 2021 (5 months), while the profit and loss account for the year 2022 includes the results from Liberbank for the whole year (12 months). The same applies to the statement of recognized income and expense, the statement of changes in net equity, and the statement of cash flows.

1.6 Holdings in the share capital of credit institutions

Pursuant to the provisions of Article 28 of Royal Decree 84/2015, of February 13, implementing Law 10/2014, of June 26, 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, 2022 and 2021 that exceed 5% of their capital or voting rights:

	% holding	
Entity	**2022**	**2021**
Banco Europeo de Finanzas, S.A.U.	100.00%	100.00%

At December 31, 2022 and 2021, no domestic or foreign credit institution holds an interest equal to or greater than 5% of Unicaja Banco's share capital.

1.7. Agency agreements

Annex I of the annual report includes a list of Bank agents at December 31, 2022, that meet the requirements established in Article 21 of Royal Decree 84/2015, of February 13, implementing Law 10/2014, of June 26, on the organization, supervision, and solvency of credit institutions, and in Bank of Spain Circular no. 4/2010.

1.8 Environmental impact and climate risk management

The Bank's global operations are governed by Laws relating to the protection of the environment (Environmental Laws). The Bank believes that it is in material compliance with such laws and maintains procedures designed to ensure and encourage compliance.

The Bank 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 2022 and 2021, the Entity did not make any significant investment of an environmental nature nor considered it necessary to record any provision for environmental risks and charges, nor does it consider there to be any significant contingencies related to the protection and improvement of the environment.

For the proper management of ESG risks (which encompass climate-related and environmental risks), the Entity started a series of initiatives, including an Action Plan on Sustainable Finance, approved in June 2020 and reviewed in April and November 2021, which is reported elsewhere in this Statement.

Likewise, the Bank set up a departmental structure to promote sustainability, currently comprising the ESG Business Department and the Sustainability and Corporate Social Responsibility Department. The Sustainability and CSR Committee is the body that brings together, in addition to these two units, other Bank units with ESG factor management attributes. Other areas expressly include the management of these risks among their responsibilities.

It should be noted that in fiscal year 2022 the Sustainability Committee has been established as a support committee of the Board of Directors, with attributions to supervise that the Company's practices related to sustainability are in line with the strategy, the established policies, and the commitments. More details on the composition and functions of this Committee can be found on Unicaja Banco's corporate website, as well as in the following section, "Climate Risk Management".

On the other hand, the execution of the aforementioned Sustainable Finance Action Plan has been included in the Banco Unicaja Group's Strategic Plan. The new challenge of sustainability, in all its facets, is assumed by Unicaja Banco as an opportunity for development and improvement in its daily management, for which the Bank will work on a renewed offer of products and services, on the reduction of its carbon footprint and, at the same time, promote the culture of sustainability, the identification and management of climate and environmental risk, which denotes a holistic approach to the management of these risks.

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

Unicaja Banco considers that the appropriate management of ESG risks is part of a global work program, which analyzes financial, marketing, and good governance impacts, to position itself as an Entity committed to sustainability and its derived impacts.

1.9 Minimum requirements

1.9.1 Minimum Equity Ratio

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 equates to a state of permanent development, for which reason the Bank is continuously adapting processes and systems to ensure that the calculation of capital consumption and deductions from equity is fully aligned with the new requirements established.

At the same time, on February 10, 2016, Bank of Spain Circular 2/2016, of February 2, for Credit Institutions regarding monitoring and solvency, came into force. 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. sets forth 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 equity ratio

In accordance with these regulations, the capital ratios required for 2022 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 has agreed to set this buffer at 0% for credit exposures in Spain from January 1, 2016.

For the 2022 fiscal year, in the context of the SREP (Supervisory Review and Evaluation Process), and taking into account the merger by absorption of Liberbank (Note 1.14), the European Central Bank required the Unicaja Banco Group to comply with a minimum total capital ratio of 12.65% *phase-in* (the result of adding the minimum required by Pillar 1 of 8%, plus a Pillar 2 requirement of 2.15% and the capital conservation buffer of 2.5%) and a minimum Common Equity Tier 1 (CET 1) *phase-in* ratio of 8.21% (the result of adding the minimum required by Pillar 1 of 8%, plus a Pillar 2 requirement of 2.15% and the capital conservation buffer of 2.5%) and a minimum Common Equity Tier 1 (CET 1) *phase-in* ratio of 8.21% (the result of adding the minimum Pillar 1 requirement of 4.5%, plus a Pillar 2 requirement of 1.21% (to cover at least three quarters of the Pillar 2 Regulatory requirement through CET1 and at least three quarters with T1) plus the capital conservation buffer of 2.5%).

The capital requirements that the Unicaja Banco Group will have to meet in 2023, 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 Banco 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 Banco Group at December 31, 2022, is 13.65%, while the total capital ratio amounts to 17.05% (both including retained earnings for the year). Consequently, with the current levels of capital, the Unicaja Banco 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, 2022 and 2021:

	Thousands of euros	
	2022	**2021**
Computable Common Equity Tier 1 Capital (a)	4,658,865	4,802,028
Computable Additional Tier 1 Capital (b)	547,385	547,385
Computable Tier 2 Capital (c)	611,760	586,446
Risks (d)	34,133,035	35,291,236
Common Equity Tier 1 Capital Ratio (CET 1) (A) = (a)/(d)	13.65%	13.61%
Additional Tier 1 Capital Ratio (AT 1) (B) = (b)/(d)	1.60%	1.55%
Tier 1 Capital Ratio (Tier 1) (A)+ (B)	15.25%	15.16%
Tier 2 Capital Ratio (Tier 2) (C)=(c)/(d)	1.79%	1.66%
Total capital Ratio (A) + (B) + (C)	**17.05%**	**16.82%**

Note: At December 31, 2022 and December 31, 2021, 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 2022 and 2021, 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, 2022, and 2021:

	Thousands of euros	
	2022	**2021 (*)**
Tier 1 Capital (a)	5,206,250	5,349,413
Exposure (b)	97,393,448	98,293,020
Leverage Ratio (a)/(b)	**5.35%**	**5.44%**

Note: The leverage ratio, although comparable in regulatory terms, has undergone a transitional adjustment in the calculation of the denominator, introduced by the quickfix (Article 500b introduced in the CRR through Regulation (EU) 2020/873), and extended by the ECB Decision 2021/1074, until March 31, 2022. Until that date, institutions could exclude the following positions vis-à-vis the institution's central bank from the measure of their total exposure: (a) coins and banknotes that are legal tender within the central bank's territorial jurisdiction; and (b) assets representing claims on the central bank, including reserves at the central bank. The amount excluded by the entity may not exceed the average daily amount of the exposures listed in (a) and (b) throughout the most recent reserve maintenance period of the entity's central bank.

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 Banco Group as a result of the 2022 SREP (Pillar 2), and the capital conservation buffer of 2.5%, amount to 1,500,481 thousand euros at December 31, 2022. Similarly, the CET1 surplus taking into account all the previous requirements, applied at the CET1 level, amounts to 1,856,756 thousand euros at December 31, 2022.

On June 28, 2021, Unicaja Banco 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 Banco 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 in the merger with Liberbank (Note 1.14).

Solvency risk management

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

With regard to the capital self-assessment process and solvency risk management, Unicaja Banco pays strict attention to maintaining the following basic principles as far as risk management processes are concerned:

- 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 Entity'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.

In the Bank, the policies, methods and procedures related to Global Risk Management are approved by the Board of Directors of the Parent Company. One of the functions of Unicaja Banco's governing bodies and management is to ensure proper compliance with these policies, methods, and procedures, ensuring that they are adequate, effectively implemented, and regularly reviewed.

1.9.2 Minimum reserve ratio

In fiscal years 2022 and 2021, the Bank complied with the minimum required for this ratio by the applicable Spanish regulations.

1.10 Deposit guarantee fund

Unicaja Banco 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, 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 fiscal years 2022 and 2021, the expense incurred for ordinary and additional contributions and overruns made to this organization amounted to 87,665 thousand euros and 88,688 thousand euros, respectively, which has been recorded under "Other operating expenses" in the income statement (Note 34).

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 2022, the FGDEC's Management 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 FGDEC as follows:

- Annual contribution to the FGDEC’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, 2021, with the contribution of each entity calculated on the basis of the amount of guaranteed deposits and its risk profile.

- Annual contribution to the FGDEC's Securities Guarantee Compartment equal to 2.0 per thousand of the calculation basis, made up of 5 percent of the amount of the guaranteed securities as stated in Article 3.2.b) of Royal Decree 2606/1996, existing at December 31, 2022.

In addition, with regard to extraordinary contributions, the Management Committee of the FGDEC, in order to restore the sufficiency of the Fund's assets in accordance with the provisions of Article 6.2 of Royal Decree-Law 16/2011, of October 14, it was agreed on July 30, 2012, to receive an extraordinary fee from the member institutions, distributed on the basis of the calculation of contributions at December 31, 2011, to be paid in 10 equal annual installments. The amount of the installments to be paid on each date may be deducted from the ordinary annual contribution, if any, paid by the entity on that same date, up to the amount of the ordinary dues. At December 31, 2021, the present value of these contributions amounted to 5,496 thousand euros (at December 31, 2022 it was zero).

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 ensure first, 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 ("FUR"), which is managed by the "JUR". 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 shall 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 shall 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.

During the 2022 financial year, the contributions made by the Bank for the contributions to the resolution funds corresponding to the 2022 contribution period itself amount to 24,149 thousand euros, recorded under "Other operating expenses" in the income statement (Note 34). The contributions made by the Bank during fiscal year 2021 amounted to 30,079 thousand euros of which 16,036 thousand euros were recorded under "Other Operating Expenses" and 14,043 thousand euros were made by Liberbank, S.A. during the first half of 2021, prior to the date of the accounting effects of the merger by absorption (Note 1.14) and did not form part of the income statement, precisely because they were recorded prior to the merger.

1.12 Information by business segment

The Entity's main activity is retail banking. At the same time, it carries out practically all of its activity in Spain, and the Directors consider that the type of clientèle 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 Bank's operations into different business lines and geographic segments is not relevant.

1.13 New temporary levy on banks

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

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.

Taking into account that this new temporary bank levy has the nature of a "lien" from the accounting point of view, and taking into account the date on which the payment obligation arises (January 1, 2023 and 2024), Unicaja Banco will record this levy during fiscal years 2023 and 2024, respectively.

Unicaja Banco's current estimate of the amount that the final settlement of this levy will represent in 2023 is approximately 64 million euros.

1.14 Merger by absorption of Liberbank by Unicaja Banco

On December 29, 2020, the Boards of Directors of Unicaja Banco, S.A. and Liberbank, S.A. agreed to approve and sign the Common Merger Project by absorption of Liberbank (the absorbed company) by Unicaja Banco (the absorbing company). The transaction was subsequently approved by the general shareholders' meetings of both entities on March 31, 2021.

This approval was subject to certain precedent conditions, which were fulfilled on July 26, 2021, at which time it is considered that Unicaja Banco took control over the assets and liabilities of the Liberbank Group, although the deed of merger by absorption was registered at the Mercantile Registry of Malaga, thus giving legal effectiveness to the transaction, on July 30, 2021.

The date of the accounting effective of the transaction was established as July 31, 2021. In this regard, the effect on shareholders' net equity and income of using the aforementioned date of convenience for the accounting records of the business combination with respect to the effective date of the acquisition of control was not significant.

The exchange ratio of the shares was 1 newly issued Unicaja Banco share, with a par value of 1 euro each, with the same characteristics and the same rights as the Unicaja Banco shares existing at the time of issue, for every 2.7705 Liberbank shares, with a par value of 2 euro cents each.

The quantitative information relating to the impact of the merger by absorption of Liberbank, S.A. (as the absorbed entity) by Unicaja Banco, S.A. (as the absorbing entity) is included in Note 1.14 of the notes to the financial statements of Unicaja Banco for the year ended December 31, 2021.

In this context, and in accordance with the milestones set forth in the schedule defined by the Unicaja Banco Group for the technological and operational integration, the integration of the information systems of Unicaja Banco and Liberbank was completed on May 20, 2022. The work carried out has enabled full integration from a technological, commercial, and operational point of view, resulting in a unified technological platform that is more powerful, efficient, with greater capabilities and higher security and quality standards in all Unicaja Banco's service centers and channels.

1.15 Subsequent events

In the period from year-end December 31, 2022, to the date of preparation of these financial statements, there have been no events of special significance that are not disclosed in the notes to the financial statements.

2. Accounting principles and policies, and measurement criteria applied

The following accounting principles and policies and valuation criteria were applied in preparing the annual financial statements for 2022 and 2021:

2.1 Investments in subsidiaries, joint ventures, and affiliates

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 50 percent or more of the political rights of the investee or, even if this percentage is lower or zero, when, for example, there are other circumstances or agreements that give the Dominant Entity control.

At December 31, 2022 and 2021, subsidiaries are considered to be those entities controlled by a subsidiary, which, taking into account the Group's interest in such subsidiary, are considered to be controlled by the Group (see detail in Appendix II).

These investments are reflected in these financial statements under "Investments in subsidiaries, joint ventures and associates - Subsidiaries" on the balance sheet and are stated at acquisition cost, net of any impairment losses on these investments.

When, in accordance with the provisions of Bank of Spain Circular 4/2017, of November 27, there is evidence of impairment of these investments, the amount of said impairment is estimated as the negative difference between its recoverable amount (calculated as the higher between the fair value of the investment less the costs necessary for its sale and its value in use, being defined as the current value of the cash flows expected to be received from the investment in the form of dividends and those corresponding to its sale or disposal through other means) and its carrying amount. Impairment losses on these investments and the recovery of such losses are charged or credited, respectively, to "Impairment or reversal of investments in subsidiaries, joint ventures, or associates" in the income statement (Notes 11.5 and 36).

Dividends accrued during the year on these investments are recorded under "Dividend income" in subsidiaries in the income statement (Note 29).

As of December 31, 2022 and 2021, Unicaja Banco has no outstanding balances of securitizations or any other type of transfer of financial assets or participation in unconsolidated structured entities.

Note 11.4 provides information on the most significant acquisitions, disposals, and movements of subsidiaries that took place during fiscal years 2022 and 2021.

Relevant information on these entities is provided in Annex II.

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.

The Bank's holdings in entities considered as joint ventures are shown in these financial statements under "Investments in subsidiaries, joint ventures, and associates - Joint ventures" on the balance sheet and are stated at acquisition cost, net of any impairment losses on these holdings.

When, in accordance with the provisions of Bank of Spain Circular 4/2017, of November 27, there is evidence of impairment of these investments, the amount of said impairment is estimated as the negative difference between its recoverable amount (calculated as the higher between the fair value of the investment less the costs necessary for its sale and its value in use, being defined as the current value of the cash flows expected to be received from the investment in the form of dividends and those corresponding to its sale or disposal through other means) and its carrying amount. Impairment losses on these investments and the recovery of such losses are charged or credited, respectively, to "Impairment or reversal of investments in subsidiaries, joint ventures, or associates" in the income statement (Notes 11.5 and 36).

Dividends accrued during the year on these investments are recorded under "Dividend income" in the income statement (Note 29).

Note 11.4 provides information on the most significant acquisitions, disposals, and movements in relation to joint ventures that have taken place during fiscal years 2022 and 2021.

Relevant information on these entities is provided in Annex III.

2.1.3 Associates

"Associates" are considered to be companies in relation to which the Bank has the capacity to exercise significant influence, although they do not constitute a decision unit with the Bank nor are they under joint control. In general, this capacity is reflected by means of an interest (direct or indirect) of no less than 20 percent 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 shall 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.

Investments in entities considered as "Associates" are presented in these financial statements under "Investments in subsidiaries, joint ventures, and associates - Associates" on the balance sheet and are stated at acquisition cost, net of any impairment losses on these investments.

When, in accordance with the provisions of Bank of Spain Circular 4/2017, of November 27, there is evidence of impairment of these investments, the amount of said impairment is estimated as the negative difference between their recoverable amount (calculated as the higher between the fair value of the investment less the costs to sell necessary for its sale and its value in use, the latter being defined as the present value of the cash flows expected to be received from the investment in the form of dividends and those corresponding to its sale or disposal through other means) and their carrying amount. Impairment losses on these investments and the recovery of such losses are charged or credited, respectively, to "Impairment or reversal of investments in subsidiaries, joint ventures, or associates" in the income statement (Notes 11.5 and 36).

Dividends accrued during the year on these investments are recorded under "Dividend income" in the income statement (Note 29).

Note 11.4 provides information on the most significant acquisitions, disposals, and movements in relation to associated entities that have taken place during fiscal years 2022 and 2021.

Relevant information on these entities is provided in Annex IV.

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 Bank for the management of such assets.

    The business model for the management of financial assets is the mechanism whereby the Bank 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 irrevocable choice made by the Bank to present subsequent changes in the fair value of an investment in an equity instrument that, in falling within the scope of Circular 4/2017, is not held for trading, in other comprehensive income.

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 instruments into an amortized cost or fair value category has to 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 shall 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, and also meets the SPPI test.

- A financial instrument is classified at fair value through profit or loss whenever the Bank's business model for its management or the characteristics of its contractual cash flows make it inappropriate to classify it in any of the portfolios described above.

Nevertheless, financial instruments that must be considered as "non-current assets and disposable groups of items classified as held for sale" are recorded in the financial statement according to the criteria set out in Note 2.17.

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 Bank segments the portfolio of financial instruments for SPPI testing purposes, differentiating products with standard contracts (all instruments have the same contractual features), for which the Bank performs the SPPI test by reviewing the standard master agreement and the particular contractual features. For its part, 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 Bank 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 said accounting policy, Unicaja Banco defines the fair value of the financial asset as principal on initial recognition. 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 and relevant factors such as the currency in which the financial asset is presented and the period for which the interest rate is fixed are considered.

- 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.

Based on the foregoing, the Bank evaluates 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 modify 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, Unicaja Banco evaluates 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, and of the "non genuine" effect, which becomes apparent when it is estimated that the probability of the clause or financial effect materializing is remote (in the terms of Bank of Spain Circular 4/2017, remote should be understood as meaning that it would be an extremely exceptional, highly anomalous, and very unlikely event).

In this regard, the Bank considers that the impact of a clause that is not aligned with the requirements linked to the SPPI test will have a relevant impact on the contractual cash flows of the transaction when the difference in relation to the cash flows of the same transaction without such non-compliance is greater than 5 percent.

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) they have been irrevocably designated as such upon initial recognition by the Bank, or (ii) they have been designated as a hedged item for credit risk management through the use of a credit derivative measured at fair value through profit or loss by the Bank upon initial recognition or subsequently.

- 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, these 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, upon initial recognition, the Bank 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 Bank other than the granting of financing.

2.2.4 Subsequent valuation of financial instruments

After initial recognition, the Bank 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 Bank 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 Bank 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 income statement, distinguishing, for 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 "Net 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" and "Net gains/losses on financial assets and liabilities designated at fair value through profit or loss" in the 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 income statement.

- Exchange differences are recognized in the 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 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. On the other hand, when 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 income statement, using the effective interest rate of the transaction on the gross carrying amount of the transaction (except in the case of doubtful 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. The interest accrued on these securities, calculated using the interest method, is recorded under "Interest expense" in the income statement.

As part of the financial liabilities at amortized cost, "Other financial liabilities" includes trade payables, which are those financial liabilities arising from the purchase of goods and services for transactions carried out by the Bank 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.

Specifically, the fair value of financial derivatives traded on organized, transparent and deep markets included in the trading portfolios is assimilated to their daily quotation and if, for exceptional reasons, it is not possible to establish their quotation on a given date, they are valued using methods similar to those used to value derivatives not traded on organized markets.

The fair value of derivatives not traded on organized markets or traded on shallow or transparent organized markets is assimilated to the sum of the future cash flows originating from the instrument, discounted at the valuation date ("present value" or "theoretical closing"), using methods recognized by the financial markets in the valuation process: "net present value", option pricing models, etc.

All investments in equity instruments and contracts on these instruments are valued at fair value. However, in certain circumstances the Bank 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.

2.2.6 Reclassification of financial instruments

Exclusively when the Bank changes its business model for the management of financial assets, 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 Bank reclassifies a debt instrument from amortized cost to fair value through profit or loss, the Bank estimates its fair value as 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 income statement for the corresponding period.

- When the Bank reclassifies a debt instrument from fair value through profit or loss to amortized cost, the fair value of the asset as at the reclassification date becomes its new gross carrying amount.

- When the Bank reclassifies a debt instrument from amortized cost to fair value through other comprehensive income, the Bank estimates its fair value as at the date of reclassification. 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 Bank reclassifies a debt instrument from fair value through other comprehensive income to amortized cost, the financial asset is reclassified at fair value as 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 Bank reclassifies a debt instrument from fair value through profit or loss to fair value through other comprehensive income, the financial asset continues to be measured at fair value, without changing the accounting due to changes in value recorded previously.

- When the Bank reclassifies a debt instrument from fair value through other comprehensive income to fair value through profit or loss, the financial asset continues to be measured at fair value. The cumulative gain or loss previously accumulated under "Other cumulative overall 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

Financial assets are derecognized when any 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.

Financial liabilities are derecognized when the related obligations are extinguished or when they are repurchased by the Bank.

In this regard, the financial reporting framework applicable to the Bank establishes that normal purchases or sales of financial assets shall be recognized and derecognized according to the trade date or settlement date. Unicaja Banco has opted to carry out such registration on the settlement date.

2.3 Accounting hedges and risk mitigation

In trying to align accounting with economic risk management, Bank of Spain Circular 4/2017 allows the application of hedge accounting to a greater variety of risk and hedging instruments. IFRS 9, the adaptation of which to the accounting regulatory framework for Spanish credit institutions was carried out by Bank of Spain Circular 4/2017, 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, Bank of Spain Circular 4/2017 includes an accounting policy option to continue applying the previous hedge accounting regulations that applied before the modification by IFRS 9.

The Bank's governing bodies have analyzed the accounting implications of Circular 4/2017 on hedge accounting and have decided, for the time being, to maintain the accounting of these financial instruments in accordance with the criteria of Bank of Spain Circular 4/2004.

The Group uses financial derivatives as part of its strategy to reduce its exposure to interest rate, foreign currency, and market risk, among others. When these transactions meet certain requirements established in the Thirty-first or Thirty-second Rules of Bank of Spain Circular 4/2017, of November 27, said transactions are considered as "hedging".

When the Bank 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 adequately identifies 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 Bank to assess the effectiveness of the hedge over its entire lifespan, taking into account the risk to be hedged.

The Bank 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 Bank analyzes whether or not 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, from the beginning to the end of the term defined for the hedge.

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

- Fair value hedges: these hedge exposure to changes in the fair value of financial assets or liabilities or firm commitments, or of an identified portion of such assets, liabilities, or firm commitments 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 differences in fair value occurring both in the hedging instruments and the hedged items in terms of 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 income statement, with a balancing entry under "Derivatives - hedge accounting" on the asset or liability side of the balance sheet, as appropriate.

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

- In cash flows 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 hedging (effective portion) 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, as a general rule, the differences in valuation of the hedging instruments, in the effective portion of the hedge, are not recognized as income in the income statement until the gains or losses on the hedged item are recorded in income or, in the event that the hedge corresponds to a highly probable forecast transaction that will result in the recognition of a non-financial liability asset, they are recorded as part of the acquisition or issue cost when the asset is acquired or taken on.

  The differences in valuation of the hedging instrument corresponding to the ineffective portion of cash flow hedge operations are recognized directly in the earnings (losses) on financial assets and liabilities sections of the income statement.

The Bank discontinues hedge accounting when the hedging instrument expires or is sold, the hedge no longer meets the requirements for hedge accounting, or the designation as a hedge is revoked.

When, as explained in the preceding paragraph, a fair value hedging operation is discontinued, in the case of hedged items carried at amortized cost, the value adjustments made as a result of the hedge accounting described above are recognized in the income statement up to the maturity of the hedged items, applying the effective interest rate recalculated as at the date of discontinuation of said hedge accounting.

In the event that a cash flow hedge transaction is discontinued, the cumulative gain or loss on the hedging instrument recorded under "Equity - Accumulated other comprehensive income" in equity in the balance sheet will remain recorded under that heading until the forecast hedged transaction occurs, at which time it will be charged to the profit or loss account, or the acquisition cost of the asset or liability to be recorded will be adjusted, in the event that 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 Bank’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, 2022 amounts to 1,613,147 thousand euros and 1,709,433 thousand euros, respectively 1,010,613 thousand euros and 1,005,016 thousand euros, respectively, at December 31, 2021). The ratios of 91% and 90%, respectively, at December 31, 2022 correspond to the U.S. dollar (86% and 80%, respectively, at December 31, 2021), 0.26% and 0.07%, respectively, at December 31, 2022 correspond to the British pound sterling (0.42% and 0.13%, at December 31, 2022, 7% and 10%, respectively, at December 31, 2022 correspond to the Swiss franc (13% and 19%, respectively, at December 31, 2021), and the remainder are all other currencies traded on the Spanish market.

2.4.2 Conversion criteria for foreign currency balances

Transactions in foreign currencies are initially recorded in the financial statements at the equivalent Euro value resulting from applying the exchange rates in effect at the dates of the transactions. Subsequently, the Bank translates monetary balances in foreign currency 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 Applied exchange rates

The exchange rates used by the Bank to translate balances denominated in foreign currencies into euros for the purpose of preparing the financial statements are the market rates at December 31, 2022 and 2021, as published by the European Central Bank on each of those dates.

2.4.4 Recognition of exchange differences

Exchange differences arising on the conversion of foreign currency balances into the functional currency of the Bank are generally recognized at their net value in the profit or loss account under "Net exchange differences", except for exchange differences that take place in financial instruments at fair value through profit or loss, which are recorded in the profit or loss account without distinguishing these from the rest of the variations their reasonable value may undergo under "Net gains or losses on financial assets and liabilities at fair value through profit or loss” of the profit or loss account.

During the 2022 financial year, the amount of exchange differences recorded in the Bank's income statement amounted to9,546 thousand euros of gain (net), while during the 2021 financial year it amounted to 3,998 euro thousand 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 income statement under "Net exchange differences (gain 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 equity reserves, without going through the income statement.

During fiscal years 2022 and 2021, there was no impact from exchange differences charged to the statement of income and expenses recognized as "Foreign currency translation".

2.5 Recognition of Income and Expense

The most significant accounting criteria used by the Bank to recognize its income and expense can be summarized as follows:

2.5.1 Income and expenses for interest, dividends, and similar concepts

As a general rule, interest income and expense and similar items are recognized on the basis of their accrual period, applying the effective interest method as defined in Bank of Spain Circular 4/2017 of November 27. Dividends received from other companies are recognized as income when the right to receive them from the Bank.

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 at fair value through profit or loss, are recognized in the income statement using different criteria depending on their nature. The most significant are:

- Those related to the acquisition of financial assets and liabilities classified at fair value through profit or loss, which are recognized in the income statement at the time of payment.

- Those arising from transactions or services that are prolonged over time, which are recorded in the income statement over the life of such transactions or services.

- Those relating to a single act, which are charged to the income statement when the act giving rise to them occurs.

2.5.3 Non-financial income and expenses

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)

The event that generates the obligation that gives rise to a liability to pay a levy is the activity that produces the payment of the levy, in the terms indicated by the legislation. 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 applicable financial reporting framework, the event that generates the obligation giving rise to a liability to pay this temporary tax is the development of the activity that produces the payment of the tax 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, at 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 of balances

Asset and liability balances are offset, i.e., reported on the 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 of these annual accounts according to Bank of Spain Circular 4/2017 regarding the financial assets subject to valuation adjustments due to depreciation or impairment, net of these concepts, is not considered “offsetting" according to IFRS-EU.

2.7 Impairment of value of financial assets

The criteria described in this section apply to debt instruments (loans and advances and debt securities) measured at amortized cost or at fair value through other comprehensive income, as well as at other exposures that imply credit risk, (loan commitments given, financial guarantees given, and other commitments given).

For these purposes, and in accordance with the provisions of Circular 4/2017, 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 haircuts on the reference values of real estate collateral and foreclosed 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 on these instruments in each period are recognized as an expense under “Impairment or reversal of impairment of financial assets not measured at fair value through profit or loss and net gains or losses due to changes” on the 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 measured at fair value through profit or loss and net gains or losses due to changes” on the income statement.

Coverage for impairment losses on other exposures that bring credit risk with them and which are not debt instruments are recorded as a provision under “Provisions - commitments and guarantees given” on the balance sheet. Provisions and reversals of these hedges are recorded under “Provisions or reversal of provisions” on the income statement.

When the recovery of any recorded amount is considered unlikely, this amount is removed from the 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 Bank 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 Bank under the financial asset contract and all cash flows expected to be received by the Bank (i.e. the entire cash flow shortfall), discounted at the original effective interest rate or, for purchased or originated credit-impaired financial assets, at the effective interest rate adjusted for credit quality.

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

The Bank 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 Bank uses the remaining contractual term of the transaction, including extension options. Among the cash flows taken into account, the Bank 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.

- Doubtful 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.

- Failed risk. 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 "Doubtful risk" (Stage 3).

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

Likewise, following the business combination resulting from the merger by absorption of Liberbank, S.A. (as the absorbed entity) by Unicaja Banco, S.A. (as the absorbed entity) by Unicaja Banco, S.A. (as the absorbing entity), Unicaja Banco 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 Banco has developed automatic classification criteria that are part of the classification algorithm and that enable it to identify situations of objective default (i.e. transactions with overdue amounts more than 90 days old), bankruptcy, refinancing criteria, as well as the dragging effect (whereby all transactions of a holder are considered doubtful when transactions with overdue amounts more than 90 days old exceed 20% of the outstanding amounts receivable). In addition, the Bank has established individual and collective triggers that allow early identification of weaknesses and objective evidence of impairment.

In this regard, the Bank has implemented objective criteria for the classification in stage 3 (doubtful 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 "drag effect": doubtful transactions due to delinquency that represent more than 20% of the borrower's outstanding amounts).
- A 50% drop in the Shareholders' equity 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.

Significant increase in credit risk

To determine the significant increase in risk, the Bank considers both automatic triggers, which involve direct classification in the category of normal risk in special surveillance (or doubtful), 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 indicator of reclassification from stage 1 (normal risk) to stage 2 (normal risk under special surveillance) for defaults older than 30 days, the Bank has a robust system of automatic triggers in line with the provisions of Bank of Spain Circular 4/2017, which allow reclassifying transactions as soon as indications or evidence of significant increase in risk are identified.

Among these automatic triggers maintained by Unicaja Banco at December 31, 2022, the following are noteworthy for 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. Although they depend on each portfolio, the thresholds used by Unicaja Banco at December 31, 2022, do not exceed 0.8% in absolute terms and 200% in relative terms.

- **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 that 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, for individuals the 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 Banco's Credit Risk Monitoring and Control Department on certain borrowers, portfolios and groups based on expert criteria and in response to temporary situations of weakness that may arise. This trigger of expert analysis arose as a consequence of the situation caused by Covid-19, and within this trigger some of the specific portfolio analyses that have been carried out since the beginning of the Covid-19 crisis and that continue to be carried out today as part of the monitoring tasks to detect any significant increase in risk.

Low credit risk

In accordance with the provisions of Bank of Spain Circular 4/2017, the Bank 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, Unicaja Banco 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 corporations 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, Unicaja Banco considers that the definition of low credit risk established in Bank of Spain Circular 4/2017 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 their contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the long term may reduce, but what may not necessarily reduce is the borrower's ability to meet their contractual cash flow obligations.

On the other hand, it is necessary to point out that, for debt securities that are not classified as low credit risk, the Bank 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 3 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 as 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 Bank: (i) on an individual basis for those exposures that, presenting evidence of impairment or significant increase in risk, are held with individually significant borrowers, (ii) on a collective basis for the main modelable portfolios and (iii) through the alternative solution established by Bank of Spain Circular 4/2017 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 Bank 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 doubtful 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.

  Unicaja Banco estimates the coverage of credit exposures using 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) micro enterprises, (ii) small companies, (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.

  Unicaja Banco applies methodologies based on the sectorial 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 basing the estimates on the historical experience of observed losses. Based on the foregoing, the portfolios not modeled by the Unicaja Banco Group are as follows: (i) development and land, (ii) civil works, (iii) other specialized financing, and (iv) large companies.

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

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

- Accredited classified as normal in special surveillance, those not doubtful 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 doubtful 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 Bank estimates the expected credit losses on 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, Unicaja Banco applies individualized estimation methodologies to determine impairment hedges for exposures with low credit risk, calculating the hedge as the difference between the gross carrying 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 Bank of Spain Circular 4/2017, in this estimate Unicaja Banco always reflects the possibility of a credit loss occurring or not occurring, even if the most likely outcome is no credit loss, and discarding only remote scenarios. In this regard, the Bank reserves the application of the 0% coverage 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 Bank starts from the macroeconomic picture published by the main national and European organizations. In order 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 economic losses of the loan portfolio: (i) year-on-year rate of change 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 General Consumer Price Index (CPI). 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.

In addition to the base scenario, based on the results obtained, two complementary scenarios are defined: adverse scenario and optimistic scenario.

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 (the 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 Banco's Advanced Analytics Department. Once the three PD values are obtained through regression, a reversion of the values toward 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, Unicaja Banco 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.

To determine this posterior 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 purpose of estimating these models is to make the portfolio's PD parameter more sensitive to inflation. The macroeconomic scenario used for this projection, updated at December 31, 2022, is as follows:

			%
	2022	**2023**	**2024**
Real GDP (% year-on-year change, annual average)	4.6%	1.1%	1.5%
Unemployment rate (%, annual average, EPA)	12.7%	13.0%	12.8%
CPI (%, annual average)	9.8%	7.4%	3.1%
Housing prices (% year-on-year change, end of period)	5.8%	2.7%	2.4%
3-month Euribor (%)	0.45%	3.02%	2.74%
Spanish 10-year bond yields (%)	2.19%	3.03%	3.17%

As of December 31, 2022, the adjustment subsequent to the expected loss estimate of the models amounts to 148.5 million euros.

The Bank considers that it is reasonable to treat these circumstances through a subsequent adjustment to the models, since the historical information available to the Bank does not show such high levels of inflation that are currently occurring, and it is not possible to find an internal model that is capable of incorporating these circumstances with sufficient accuracy, and consequently, a subsequent adjustment to the models is required that is capable of reflecting 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 2022. 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. Unicaja Banco plans to incorporate specific methodologies in the medium/long term for determining potential additional adjustments to the extent that this risk factor may become significant and is not incorporated with the current measurement tools.

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.

The Bank initially records the financial guarantees provided on the liability side of the balance sheet at fair value, plus the directly attributable transaction costs, which is generally equivalent to the amount of the premium received plus, where applicable, the present value of the fees, commissions, and interest receivable from these contracts over the term thereof, and it simultaneously recognizes, on the asset side of the balance sheet, the amount of commissions and similar income collected at the beginning of the transactions and the accounts receivable for the present value of the commissions and income pending collection. Subsequently, these contracts are recognized on the liability side of the balance sheet at the higher of the following two amounts:

- The amount determined in accordance with the general provisioning regulations. 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 related amortization charged to the income statement on a straight-line basis over the contract term.

Provisions, if any, for these instruments are recorded under “Provisions - Commitments and guarantees given” on the liability side of the balance sheet. These provisions are recognized and reversed with a charge or credit, respectively, to “Provisions or provisions reversed” on the income statement.

If, in accordance with the foregoing, a provision is required for these financial guarantees, the unearned commissions on these transactions, which are recognized under “Financial liabilities at amortized cost - other financial liabilities”, on the liability side of the balance sheet, are reclassified to the corresponding provision.

2.9 Accounting for leasing transactions

2.9.1 When the Bank acts as lessor

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 Bank acts as lessor in operating lease transactions, it presents the acquisition cost of the leased assets under “Tangible assets”, either as “Investment property” or as “Property, plant and equipment - Assigned under operating leases”, 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 income statement on a straight-line basis under “Other operating income”.

In the case of finance leases in which Unicaja Banco acts as lessor, the Bank recognizes in its balance sheet the assets held under such finance lease and presents them as a receivable under “Financial assets at amortized cost” in the balance sheet. Subsequent to initial recognition, the Bank uses the interest rate implicit in the lease to value the net investment in the lease and recognizes interest income over the lease term using the effective interest rate method, recording such income under “Interest income” in the income statement.

2.9.2 When the Bank acts as lessee

When the Bank acts as lessee in leasing transactions, and following the entry into force of Bank of Spain Circular 2/2018, amending Circular 4/2017, the accounting principles and valuation standards adopted by the Bank are as 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 Bank 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 Bank's balance sheet.

- *Initial valuation of the right-of-use asset*: At the contract inception date, the Bank recognizes a right-of-use asset which it values 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 Bank 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 Bank 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 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 Commitments to employees

2.10.1 Post-employment commitments

Under the collective labor agreement in force, the Bank is required to supplement the social security benefits that its employees, or their beneficiaries, accrue in the event of retirement, death of a spouse, death of a parent, or permanent or major 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, part of the pension commitments accrued with personnel were externalized in Unifondo Pensiones V, Pension Fund. The remaining pension commitments included in the internal funds at December 31, 2001 were insured by policies during 2004 and 2005 (Note 35.1).

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 each of the commitments.

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, Malaga, 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, Malaga, 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 other hand, on the occasion of Unicaja's bankarization process, the Control Committee of the Unicaja Employees' Pension Plan agreed to modify this plan into a Joint Promotion Plan whose specifications were updated in November 2016.

During 2014, the Unicaja Banco 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. (Note 1.14), a series of post-employment commitments are contributed to the Unicaja Banco 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 workers' 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 workers' legal representation agreed to replace the established employee benefit model, moving to a mixed system for the participants involved at that time.

- Said system is defined contribution for the retirement contingencies and defined benefit for the contingencies of disability, survivors' pensions, and orphanhood. 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):

- 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.

On the other hand, and regarding the assumptions used in the accounting quantification of Unicaja Banco'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 Bank's commitment regarding the revaluation of the pensions of annuity beneficiaries, depending on their origin, is linked to the CPI (groups from Unicaja Banco 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 different origins). 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 Banco). Additionally, it affects the commitment called "loyalty award" and the group called "early retirees group 13".

At the present time, at the end of fiscal year 2022, observing the behavior of the CPI applicable in that fiscal year, observing the forecasts of the same for fiscal year 2023, while taking into account the stipulations of the agreement and the possible future forecasts with respect to salary growth for the next fiscal year, some changes have been made in the calculation hypotheses related to the projection of the salary and pension variable, with the following nuances:

- Pension revaluation rate for commitments linked to the CPI: for 2023, an additional rate has been considered in addition to the 1.5% annual rate set as a hypothesis for future years (1.6% for Castilla la Mancha), based on the CPI estimates known last November, which entails a sufficient additional provision to be able to meet the growth of these pensions in 2023 at January 1, 2022.

- Pension revaluation rate for commitments linked to collective bargaining agreements: 2% per annum, except for commitments with Liberbank whose rate is set at 1%.

- Salary growth rate: between 2.5% and 3.5%, the latter for "loyalty bonuses" and commitments derived from pre-retirement agreements for those benefits based on the employee's salary.

When estimating this additional increase to be applied that will affect the revaluation of CPI-linked pensions, the Bank's specific commitment has been taken into account in each case, depending on its origin:

1) In Unicaja's own commitments linked to CPI, an additional estimated increase has been applied for the year 2023 to complete a revision percentage equivalent to 70% of the estimated CPI, with a minimum of 4%.

2) In Banco Castilla-La Mancha's commitments linked to CPI, an additional estimated increase has been applied for the year 2023 to complete a revision percentage equivalent to 80% of the estimated CPI, with a minimum of 6%.

3) In Duero's commitments linked to CPI, an estimated increase has been applied for the year 2023 to complete a revision percentage equivalent to 100% of the estimated CPI.

However, on an ongoing basis, year by year, it will be necessary to analyze whether this behavior of the CPI in 2022 and 2023 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 either to 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 2022 in the accounting quantification of pension commitments, it should be noted that these tables are the PER 2020 of the 1st order, as stated in the Resolution of December 17, 2020, of the Directorate General of Insurance of Pension Plans and Funds, for each and every one of the commitments, regardless of their origin. These tables were already applicable in fiscal year 2021.

At December 31, 2022 and 2021, 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 Banco	**2022**	**2021**
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 Order	PER 2020 1st Order

(**) For 2023, the above rate has been increased to 70% of the estimated CPI with a minimum of 4%.

Plan 2 Unicaja Banco	2022	2021
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 Order	PERMF 2020 1st Order

(*) At December 31, 2022 and 2021, there is no group of assets in this Plan, so the effect of salary growth and Social Security coverage is nil.
(**) For 2023, the pension revaluation rate set in assumptions has been increased to 70% of the estimated CPI with a minimum of 4%.

Plan 1 España Duero	2022	2021
Salary growth	0% (*)	0% (*)
Growth in Social Security coverage (Contribution bases)	0% (*)	0% (*)
Pension review rate	2% (**)	2% (**)
Mortality tables	PERMF 2020 1st Order	PERMF 2020 1st Order

(*) As of December 31, 2022 and there is no group of assets in this Plan whose benefits are affected by salary growth and Social Security coverage.
(**) For 2023, the pension revaluation rate set in the assumptions has been increased to 100% of the estimated CPI for a small group. Remaining revaluation based on that stipulated in the agreement).

Plan 2 España Duero	2022	2021
Salary growth	0% (*)	0% (*)
Growth in Social Security coverage (Contribution bases)	0% (*)	0% (*)
Pension review rate	2%	2%
Mortality tables	PERMF 2020 1st Order	PERMF 2020 1st Order

(*) As of December 31, 2022 and there is no group of assets in this Plan whose benefits are affected by salary growth and Social Security coverage.

Plans of Liberbank Origin	2022	2021
Salary growth	0% (*)	0% (*)
Growth in Social Security coverage (Contribution bases)	0% (*)	0% (*)
Pension review rate	1%,1.6%, 2%	(**)
Mortality tables	PERMF 2020 1st Order	PERMF 2020 1st Order

(*) As of December 31, 2022, there is no group of assets in this Plan whose benefits are affected by salary growth and Social Security coverage.
(**) In 2021 the revisable pension growth rate was 0.75% for 2022 and 1% for the following years for all the commitments originating from Liberbank, except for plans originating from Banco Castilla-La Mancha whose rate is set at 1.6% or for some policies external to the pension plans which was 2%. In 2023 this rate was 1% (1.6% for BCM origins not linked to the CPI or 2% for some policies external to the pension plans), except for annuity pensions from Banco Castilla la Mancha whose revaluation is linked to the CPI; in this case, for 2023, the *pension revaluation rate set in hypothesis has been increased to 80% of the estimated CPI with a minimum of 6%*.

The commitments accrued by Unicaja Banco's personnel liabilities at December 31, 2022 and 2021 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 has been issued to cover the CPI at 1%.

As of December 31, 2022 and 2021, 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, in order to insure the risk derived from the group of beneficiaries under the defined benefit plan, has taken out insurance policy 52493.

- 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, contracted on the basis of an insured interest rate of 0.8%.

- Defined contribution commitments

The defined contribution accrued in this fiscal year is recorded under “Administrative expenses - personnel costs” on the income statement.

As of December 31, 2022 and 2021, there are no outstanding amounts to be contributed to external defined contribution plans.

- Defined benefit commitments

The Bank records under “Provisions - Pensions and other post-employment defined benefit obligations” on the liability side of the 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 Circular 4/2017, of November 27, of the Bank of Spain for their recording) the present value of the defined benefit pension commitments, net, as explained below, of the fair value of the assets that meet the requirements to be considered as “Assets assigned to the plan” and of the “Cost for past services”.

"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 not owned by the Bank, but by a legally separate third party that is not a related party to the Bank.

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

- They may not be returned to the Bank, except when the assets remaining in such plan are sufficient to meet all obligations of the plan or the entity related to current or past employee benefits or to reimburse employee benefits already paid by the Bank.

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

If the Bank can look to an insurer to pay part or all of the expenditure required to settle a defined benefit obligation, and it is practically certain that said insurer will reimburse some or all of the expenditure required to settle that obligation, but the insurance policy does not qualify as a plan asset, the Bank records its right to reimbursement on the asset side of the balance sheet under “Other assets - Pension-linked insurance contracts”, 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.

In accordance with Bank of Spain Circular 4/2017, the Bank records any actuarial gains or losses that may arise in connection with its post-employment commitments to employees in the year in which they arise, through the corresponding charge or credit to the statement of recognized income and expense, through the heading “Actuarial gains (losses) on defined benefit pension plans”, 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 benefits 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 income statement for the year in which it is incurred.

Post-employment benefits are recognized in the income statement as follows:

- The cost of these obligations are recognized on the 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 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 present value of the obligations during the year as a result of the passage of time, is recorded under the "Interest expense" caption in the statement of income. 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 assigned to hedge the commitments and the gains and losses on their value, less any costs arising from their administration and taxes affecting them, are recorded under "Interest income" in the statement of income.

- The recalculation of the net liability/asset defined benefit is recognized in the chapter of "Other accumulated global income" in shareholders' 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.

2.10.1.1 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 the Bank of Spain regulations and, specifically, for the determination of the discount rate, the criteria set forth in letter d) of point 10 of section B.3) of Rule Thirty-Fifth of Bank of Spain Circular 4/2017. At the end of fiscal years 2022 and 2021, for commitments insured under insurance policies, the fair value of assets and obligations has been calculated by applying a discount rate based on the measured duration of the commitments.

- **For insured 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 Euro Zone) as of December 31, 2021.

2.10.1.2 Defined post-employment benefit obligations

The defined post-employment obligations maintained by Unicaja Banco at the close of the 2022 fiscal year are grouped into the following plans:

Plan 1 Unicaja Banco

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 is Unicorp 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 for this policy is Unicorp Vida, S.A.

Plan 2 Unicaja Banco

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, 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, 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 de Seguros y Reaseguros, S.A. and MEDVIDA PARTNERS de Seguros y Reaseguros, S.A.

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. Their insurance companies are CASER, Vida y pensiones, S.A.

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 companies of these companies is MEDVIDA PARTNERS de Seguros y Reaseguros, S.A.

b) 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 insurers are CASER de Seguros y Reaseguros, S.A.

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 of the defined benefit commitments, passing the financial and actuarial risk to the insurer. The insurance company is CASER, de Seguros y reaseguros, S.A.

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 insurers are CASER de Seguros y Reaseguros, S.A.

Caja de Ahorros de Castilla-La Mancha Employment Pension Plan

a) Defined post-employment remuneration benefits externalized through a pension plan of the employment system called "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 of the defined benefit commitments, passing the financial and actuarial risk to the insurer. The insurance company is CCM Vida y Pensiones, 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 CCM Vida y Pensiones, S.A.

2.10.2 Other long-term remuneration

During fiscal years 2022 and 2021, the Bank has reached a series of individual agreements consisting mainly of early retirements through contract terminations, whose commitments are adequately covered on each of the dates mentioned.

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

2.10.3 Termination benefits

Termination benefits are payments made as a result of either the entity's decision to terminate the employee's contract before the normal retirement age or the employee's decision to voluntarily accept termination of the 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, the entity should recognize the termination benefits when, and only when, it has made a clear commitment to terminate an employee or group of employees before the normal retirement dates or to pay termination benefits as a result of an offer made to the employees to achieve the voluntary recision of their contracts. Severance indemnities do not imply for the entity the obtainment of economic benefits in the future, so they should be recognized immediately as an expense.

2.10.4 Voluntary severance plans

Plans for employees with Unicaja Banco origin

On December 21, 2015, Unicaja Banco 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 Banco employees and will run for a period of two years from January 1, 2016. In the case of early retirements, Unicaja Banco 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 Banco reached an agreement with the majority of the Workers' 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, with the same conditions as those included in the previous plan, and which 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, 2022, and are not covered by any of the current severance plans.

Voluntary severance indemnities of employees with Liberbank origin

On June 21, 2017, Liberbank, S.A. and Banco de Castilla-La Mancha, S.A. signed a labor agreement with the majority of the trade union for the purpose of addressing a restructuring process allowing for a leaner, more agile and efficient structure. One of the main measures agreed in this agreement was to establish a voluntary severance plan for a maximum of 525 workers and a reduction in working hours for all workers.

As at Friday, December 31, 2021, the Bank had recorded a provision to cover this commitment in the amount of 464 thousand Euros as at recorded under “Provisions - pensions and other post-employment defined benefit obligations”.

2.10.5 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 duplicities and overlaps resulting from the process of merger by absorption of Liberbank by Unicaja Banco. To cover the effect of this agreement, the Bank made a provision of 368 million euros during the 2021 financial year.

2.10.6 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.

2.10.7 Seniority awards

The Bank has undertaken with its employees the commitment to pay a benefit of 1,680.56 euros and 2,081.19 euros in the event that the employee reaches 20 and 35 years of service in the Bank, respectively.

Commitments for seniority premiums are treated for accounting purposes, in all applicable aspects, using the same criteria explained above for defined benefit commitments.

2.11 Income tax

The Bank is taxed under the tax consolidation regime contemplated in Title VII of Law 27/2014, of November 27, approving the revised text of the Corporate Income Tax Law. 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 income statement, unless it arises from a transaction the result of which is recognized directly in equity, in which case the income tax is also recognized with a charge or credit to the Bank's equity.

The current income tax expense is calculated as the tax payable with respect to the tax loss/profit for the year, adjusted according to the amount of any changes in the year in the assets and liabilities recognized as a result of temporary differences, tax credits, or tax loss carryforwards (Note 19).

The Bank 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 bank to make a payment to the related authorities. A deductible temporary difference is one that will generate a right for the Bank 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 Bank 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 Bank only recognizes deferred tax assets arising from deductible temporary differences and from tax credits and tax loss carryforwards when the following conditions are met:

- Deferred tax assets are only recognized if it is considered probable that the Bank will have sufficient future profits against which to offset the assets or it is guaranteed pursuant to Royal Decree Law 14/2013, of November 20, on urgent measures to adapt Spanish law to EU legislation on the supervision and solvency of financial institutions, as follows; and

- in the case of deferred tax assets due to tax loss carryforwards, the tax losses result from identified causes that are unlikely to recur.

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.

2.12 Tangible assets

2.12.1 Tangible fixed assets for own use

Fixed assets for own use include those assets, owned or acquired under finance leases, as well as the rights of use that meet the conditions established in the Circular 2/2018, and which the Bank holds for current or future use for administrative purposes or for the production or supply of goods and which are expected to be used for more than one fiscal year. This category includes, inter alia, tangible assets received by the Bank 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.

Property, plant and equipment for own use, excluding rights of use, are stated in the 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, the estimated losses resulting from comparing the net value of each item with its corresponding recoverable amount. The acquisition cost of unrestricted tangible 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 Bank's tangible fixed assets for own use, is the same as the carrying amount of the financial assets settled through foreclosure.

Depreciation is calculated by applying the straight-line method to the acquisition cost of the assets less their residual value. The land on which Group buildings and other constructions are located is deemed to have an indefinite life and is therefore not depreciated.

The depreciation charge for the year is recognized under “Depreciation and amortization” on the income statement and is calculated using the following depreciation rates (based on the average years of estimated useful life of the various assets):

	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 rights of use for leases is calculated as described in Note 2.9.2.

At each reporting date, the Bank tests for indications, either internal or external, that the carrying amount of its tangible assets exceeds their recoverable value (Note 2.13), 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 tangible assets for own use is reduced with a charge to “Impairment losses or reversal of impairment losses of non-financial assets - Tangible assets” in the profit and loss account.

Similarly, if there is an indication of a recovery in the value of an impaired tangible asset item, the Bank recognizes the reversal of the impairment loss recognized in prior periods by crediting “Impairment losses or reversal of impairment losses of non-financial assets - tangible assets” on the 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 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 depreciation charge to be recognized on the 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 year in which they are incurred under the heading “Administrative expenses - other general administrative expenses” on the income statement. Finance costs incurred as a result of the financing of property, plant and equipment for own use are charged to the income statement on an accrual basis and do not form part of the acquisition cost thereof.

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.

2.12.2 Real estate investments

The “Real estate investments” heading in the balance sheet includes the net values of land, buildings and other structures held either for rental purposes or to obtain a capital gain on their sale as a result of future increases in their respective market prices.

The criteria used to recognize the acquisition cost of investment property, to calculate depreciation and estimated useful life, and to recognize any impairment losses thereon are consistent with those described in relation to tangible assets for own use (Note 2.12.1).

2.12.3 Tangible assets - Leased under operating leases

The heading “Tangible assets - Leased under operating leases” in the balance sheet includes the net values of tangible assets other than land and real estate leased by the Bank 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 2.12.1).

2.13 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 accordance with applicable regulations, the recoverable amount is the higher of the fair value less costs to sell and the value in use of the assets. When a reliable measure of fair value is not available, the recoverable amount is taken to be the "value in use" of such assets, which involves estimating the future cash inflows and outflows arising from their continuing operation and from their disposal and applying an appropriate discount rate to these cash flows.

The following general guidelines should be followed to determine the value in use of an asset:

- Projections of future cash flows should be based on reasonable and supportable assumptions that represent management's best estimate of the overall economic conditions that will exist over the remaining useful life of the asset and on the most recent financial budgets or forecasts approved by management, excluding any estimated future cash inflows or outflows expected to arise from future restructuring or improvements on originally planned return on assets. Estimates based on these budgets or forecasts shall cover a maximum period of five years, unless a longer period can be justified.

- Cash flow projections beyond the period covered by the most recent budgets or financial forecasts, up to the end of the useful life of the asset, should be estimated by extrapolating the aforementioned projections, using a constant or decreasing growth rate, unless the use of an increasing rate can be justified, which in any case should not exceed the long-term average growth rate for the products or industries, as well as for the country in which the entity operates and for the market in which the asset is used, unless a higher growth rate can be justified.

The discount rate used is a pre-tax rate that reflects the current market assessment of the time value of money and the specific risks of the asset that have not already been adjusted for in the estimates of future cash flows.

In this regard, a rate that reflects the current market assessment of the time value of money and the specific risks of the asset is considered to be the return that investors would demand if they were to choose an investment that generates cash flows of amounts, timing and risk profile equivalent to those that the Bank expects to obtain from the asset in question. This discount rate is estimated based on the rate implicit in current market transactions for similar assets. When the discount rate for a specific asset is not available directly from the market, surrogates are used to estimate the discount rate.

2.14 Intangible assets

Intangible assets are identifiable non-monetary assets, albeit without physical appearance, that arise as a result of a legal transaction or have been developed internally by the Bank. Only those intangible assets whose cost can be reasonably objectively estimated and from which the Bank considers it probable that future economic benefits will flow to the Bank are recognized.

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

In accordance with Bank of Spain Circular 4/2017, in line with the wording of Article 39.4 of the Commercial Code, the useful life of intangible assets cannot exceed the period during which the entity has the right to use the asset; if the right of use is for a limited period that can be renewed, the useful life will include the renewal period only when there is evidence that the renewal will be performed without significant cost. When the useful life of intangible assets cannot be reliably estimated, they are amortized over a period of ten years. The useful life of goodwill is presumed to be ten years, unless there is evidence to the contrary.

Intangible assets are amortized in accordance with the criteria established for tangible assets described in Note 2.12. In accordance with the requirements of Bank of Spain Circular 4/2017, the Bank reviews, at least at the end of each fiscal year, the amortization period and method of amortization of each of its intangible assets and, should it consider that they are not appropriate, the impact would be treated as a change in accounting estimates. The annual amortization of intangible assets with finite useful lives is recorded under "Amortization" in the income statement, amounting to 16,270 thousand euros and 8,542 thousand euros, respectively, in the years ended December 31, 2022 and 2021 (Note 12.2).

At each reporting date, the Bank tests 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 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 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 2.13).

2.15 Provisions and contingent liabilities

When preparing the Bank's annual financial statements, the Bank distinguishes between:

- Provisions: amounts covering present obligations at the balance sheet date arising from past events which could give rise to a loss for the entities considered likely to occur and certain in terms of their nature but uncertain in terms of their amount and/or timing.

- Contingent liabilities: possible obligations that arise from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly within the control of the Bank.

The Bank's 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 annual financial statements, but are disclosed, as required by the Bank of Spain Circular 4/2017 of November 27 (Note 15).

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 allocation and release of the provisions considered necessary pursuant to the foregoing criteria are recognized and reversed with a charge or credit to "Provisions or provisions reversed" on the income statement.

At the end of fiscal years 2022 and 2021, various legal proceedings and claims were in progress against the Bank arising from the ordinary course of its business. Both the Bank's legal advisors and the Directors understand that the conclusion of these proceedings and claims will not have a significant effect, in addition to that, if any, included as a provision, in the financial statements for the years in which they are concluded.

The accounting regulatory framework applicable to the Bank and its Group allows that, in those cases in which 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 position of the Bank, the Bank chooses not to disclose such information in detail.

2.16 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 substantially all the risks and rewards of the assets transferred are transferred to third parties – unconditional sale of financial assets, sale of financial assets under an agreement to repurchase them at their fair value on the date of repurchase, sale of financial assets with an acquired purchase option or an issued put option that is considerably out-of-the-money, securitization of assets in which the transferor does not retain a subordinated debt or grant any credit enhancement to the new holders, and other similar cases – the transferred financial asset is derecognized and any rights or obligations retained or created in the transfer are simultaneously recognized.

- 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 recognised.

    - If the transferor retains control: it continues to recognize the transferred financial asset on the 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.

2.17 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 liabilities included in disposal groups that have been classified as held for sale" in the balance sheet includes the carrying value of items, individually or integrated in a group, "disposal group", or forming part of a business unit intended to be disposed of "discontinued operations", whose sale is highly probable to take place, in the conditions in which such assets are currently located, within one year from the date to which these financial statements refer.

Investments in jointly controlled entities or associates that meet the requirements mentioned in the preceding paragraph are also considered as non-current assets 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, real estate or other non-current assets received by the Bank in full or partial satisfaction of its debtors' payment obligations to them are considered as non-current assets held for sale, unless the Bank has decided, based on their nature and intended use, to make continuing use of these assets (Note 13).

Symmetrically, the heading "Liabilities included in disposal groups of items classified as held for sale" in the balance sheet includes, if any, the credit balances associated with disposal groups or discontinued operations that the Bank 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 Bank 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 sales experience of the Bank and its Group and the 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.

Subsequent to initial recognition, these foreclosed real estate assets or those received in the settlement of a debt, classified as “Non-current assets and disposal groups classified as held for sale and liabilities included in these groups” are valued by the lesser value of either their updated fair value less the estimated cost of sale or their carrying amount, with the recognition of an impairment or reversal of impairment due to the difference recorded under “Gains or losses from non-current assets and disposal groups classified as held for sale not considered discontinued operations” of the income statement.

Gains or losses from the sale of non-current assets held for sale are presented under “Gains or losses from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations” in the income statement.

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.

2.18 Business combinations

In accordance with the provisions of Rule Forty-Three of Bank of Spain Circular 4/2017, a business combination is the union of two or more independent entities or economic units into a single entity or group of entities and which may occur as a result of the acquisition:

- Of equity instruments of another entity.

- Of all the assets and liabilities of another entity, such as in a merger.

- Of part of the assets and liabilities of an entity forming an economic unit, such as a network of branches.

In all business combinations, an acquiring entity shall be identified, which shall be the entity that at the acquisition date acquires control of another entity, or in case of doubt or difficulty in identifying the acquiring entity, the following factors, among others, shall be taken into consideration:

- The size of the participating entities, regardless of their legal classification, measured by the fair value of their assets, liabilities and contingent liabilities; in this case the acquiring entity will be the largest.
- The form of payment in the acquisition; in which case the acquiring entity will be the one paying in cash or with other assets.
- The persons in charge of the management of the entity resulting from the combination; in which case the acquiring entity will be the one whose management team manages the entity resulting from the combination.

At the date of acquisition, i.e. when control over the assets and liabilities is obtained:

- The acquiring entity shall include in its financial statements, or in the consolidated financial statements, the assets, liabilities and contingent liabilities of the acquiree, including the intangible assets not recognized by the latter, which at that date meet the requirements to be recognized as such, measured at their fair value calculated in accordance with the valuation criteria indicated in Bank of Spain Circular 4/2017.

- Cost will be the sum of the fair value of the assets given, the liabilities incurred, and the equity instruments issued by the acquirer, if any; and any costs directly attributable to the business combination, such as fees paid to legal advisors and consultants to carry out the combination. The costs of contracting and issuing financial liabilities and equity instruments will not be considered as such.

- The acquirer compares the cost of the business combination with the acquired percentage of the net fair value of the assets, liabilities and contingent liabilities of the acquiree; the difference resulting from this comparison is recorded:

    - When positive, as goodwill in assets.

    - When it is negative, it will be recognized in the income statement as income, under the heading "Negative goodwill recognized in income", after a new verification of the fair values assigned to all the assets and liabilities and the cost of the business combination.

To the extent that the cost of the business combination or the fair values assigned to the identifiable assets, liabilities or contingent liabilities of the acquired entity cannot be definitively determined, the initial accounting for the business combination will be considered provisional; in any case, the process must be completed within a maximum period of one year from the acquisition date and with effect from that date.

Deferred tax assets that at initial recognition did not meet the criteria for recognition as such, but subsequently do, will be recognized as income in accordance with Rule Forty-Second of Bank of Spain Circular 4/2017, and, simultaneously, the reduction in the carrying amount of goodwill to the amount it would have had if the tax asset had been recognized as an identifiable asset at the acquisition date will be recognized as an expense.

2.19 Net equity

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

- Issued capital: The "Capital" caption of the balance sheet includes the amount of capital issued and subscribed, paid in, or required by the Bank'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 item does not form part of the Bank's net worth.

- Share premium: Includes the amount paid 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, among others, transactions with payments based on equity instruments.

- Accumulated earnings: The net amount of retained earnings (profit or loss) recognized in prior years through the 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, regarding public and confidential financial reporting standards and financial statement formats, that have not been transferred to other types of reserves.

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

    - Cumulative reserves or losses on investments in joint ventures and associates: Includes the net amount of retained earnings in previous fiscal years generated by entities accounted for by the equity method recognized through the 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), that have the characteristics of equity, and which have been repurchased by the Bank.

In this respect, the value of the equity instruments issued by Unicaja Banco and held by it is recorded, as a reduction of equity, under the "Shareholders' Equity - Treasury Stock" caption in the balance sheet. These treasury stock instruments are recorded at acquisition cost and gains and losses generated on disposal are credited or debited, as appropriate, to "Shareholders' equity - Other reserves - Other" in the balance sheet. Changes in the value of instruments classified as shareholders' equity are not recorded in the financial statements.

- Result of the fiscal year: This item includes the amount of the results generated in the year recorded through the profit and loss account.

- 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 Bank's Shareholders' Meeting, and a liability is recorded until the time of payment. When interim dividends are distributed as a result of the fiscal year:, they are recorded as a deduction from net equity under "Interim dividends" in the balance sheet until the distribution of income is approved by the Shareholders' Meeting.

- Other cumulative overall income: The title "Other cumulative global income" in the 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 another comprehensive income. Items included in this category are broken down, according to their nature, into "Items that will not be reclassified to profit or loss" and "Items that may be reclassified to profit or loss".

2.20 Balances and transactions with related parties

A party is considered to be related to the entity if such 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.

2.21 Statement of recognized income and expense

This financial statement presents the income and expenses generated by the Bank as a result of its activity during the year, distinguishing between those recorded as income in the income statement for the year and the other income and expenses recorded, in accordance with current regulations, directly in equity, distinguishing between those items that may be reclassified to income in accordance with applicable regulations and those that may not. Accordingly, this statement presents:

a) 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 shareholders' equity.
c) The net amount of income and expenses recognized during the year directly and definitively recorded in shareholders' equity as “Accumulated other comprehensive income”, if any.
d) The income tax accrued for the items indicated in b) and c) above.
e) The transfer to the income statement of income and expenses temporarily recognized in “Other cumulative overall income”.
f) Total recognized revenues and expenses, calculated as the sum of letters a) to d) above.

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. Amounts recognized in the year as “Other cumulative overall income” are recorded under this heading, even if they are transferred to the statement of income, to the initial value of other assets or liabilities or reclassified to another heading in the same year.

- Amounts transferred to the income statement: includes the amount of valuation gains or losses previously recognized in equity, even in the same year, which are recognized in the income statement 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: includes 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.

2.22 Statement of changes in net equity

The statement of changes in net equity presents all the changes in the net patrimony, including those arising from changes in accounting policies 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 other items recorded in equity, such as the distribution of the Bank's results, transactions with own equity instruments, payments with equity instruments, transfers between equity items and any other increase or decrease in equity.

2.23 Cash flow statements

“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 Bank's statements of cash flows for the fiscal years 2022 and 2021, 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 profit or loss for the year. As of December 31, 2022 and 2021, in addition to amortization, “Other adjustments” are included, which correspond to income statement items that do not generate cash flows.

In preparing the 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. Thus, the Bank considers the following financial assets and liabilities as cash or cash equivalents:

- Cash owned by the Bank, which is recorded under “Cash, balances with central banks and other deposits available on demand” in the balance sheet. The amount of cash owned by the Bank at December 31, 2022 and 2021 amounts to 494,042 thousand euros and 581,756 thousand euros, respectively (Note 6).

- 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, 2022 and 2021 amounted to 4,071,871 thousand euros and 20,560,122 thousand euros, respectively (Note 6).

-Demand balances held with credit institutions, other than balances held with Central Banks and except for mutual accounts. The balance of receivables on demand from credit institutions other than Central Banks are recorded, among other items, under the heading "Cash, cash deposits at central banks, and other demand deposits" in the balance sheet, amounting to 93,696 thousand euros and 154,021 thousand euros at December 31, 2022 and 2021, respectively (Note 6).

2.24 Earnings per share

"Basic earnings per share" is intended to provide a measure of the share of each common share of the entity's common stock in the entity's performance for the reporting period. The Bank calculates the basic earnings per share figure on the profit for the year and, if applicable, on the profit for the year of operations or activities other than those of restructuring due to interruption or cessation of one of the components of the entity, or continuing activities. The basic earnings per share are calculated by dividing the Bank's net income for the year (the numerator) by the weighted average number of common shares outstanding (the denominator) during the year.

On the other hand, “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) the profit or loss for the period will be increased by the amount of dividends and interest, after taxes, recognized in the period in respect of the dilutive potential ordinary shares, and adjusted for any other changes in income and expenses that may result from the conversion of the potential ordinary shares with dilutive effects; 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 Bank calculates diluted earnings per share amounts for the profit or loss for the year and, if applicable, the profit or loss for the year from continuing operations attributable to such equity holders. To calculate diluted earnings per share, the Bank adjusts net income attributable to common shareholders and the weighted average number of shares outstanding for all dilutive effects inherent to potential common shares.

In calculating diluted earnings per share, the Bank adjusts income for the year for the effect, net of taxes, of: (a) the amount of dividends, or other items associated with the potential ordinary shares with dilutive effects, that had been deducted in arriving at the profit or loss attributable to holders of ordinary instruments of net patrimony; (b) any rights recognized in the period associated with the dilutive potential ordinary shares; and (c) any other changes in income or expense in the period that would result from the conversion of the dilutive potential ordinary shares.

3. Distribution of the Bank's results

The proposed distribution of the Bank's net income for the fiscal year 2022 that its Board of Directors will submit for approval of the General Shareholders' Meeting, together with the already approved distribution for the fiscal year 2021, is as follows:

	Thousands of Euros	
	Proposal 2022	**Approved 2021**
Dividends - Dividend assets	128,576	67,338
Reserves - Voluntary reserves	106,483	1,017,507
Net income for the year	**235,059**	**1,084,845**

The proposed distribution of the profit for 2022 includes an active dividend of 128,576 thousand euros, which represents a dividend of 0.0484 euros per share. The proposed distribution of the 2021 profit included an active dividend of 67,338 thousand euros, representing a dividend of 0.0254 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 proposed distribution of income for 2022 and 2021, the allocation of the legal reserve has not been proposed since 20% of the paid-in capital stock has already been reached.

4. Earnings per share and dividends paid

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 is 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 Unicaja Banco, S.A. are presented below for the years ended December 31, 2022 and 2021:

	2022	**2021**
Net income for the year (in thousands of euros)	235,059	1,084,845
Adjustments: Remuneration of contingently convertible instruments (thousands of Euros)	(6,850)	(6,850)
Adjusted income (in thousands of Euros)	228,209	1,077,995
Of which: Income (loss) from continuing operations (in thousands of Euros)	*228,209*	*1,077,995*
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 for treasury stock (in thousands)	2,653,191	2,035,034
Basic earnings per share in continuing operations (in euros)	0.086	0.530
Basic earnings per share in discontinued operations (in Euros)	-	-
Basic earnings per share (in Euros)	**0.086**	**0.530**

	2022	**2021**
Net income for the year (in thousands of euros)	235,059	1,084,845
Adjustments: Remuneration of contingently convertible instruments (thousands of Euros)	(6,850)	(6,850)
Adjusted income (in thousands of Euros)	228,209	1,077,995
Of which: Income (loss) from continuing operations (in thousands of Euros)	*228,209*	*1,077,995*
Of which: Income (loss) from discontinued operations (in thousands of Euros)	-	-
Weighted average number of common shares outstanding reduced by treasury stock (in thousands)	2,653,191	2,035,034
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)	2,653,191	2,035,034
Basic earnings per share in continuing operations (in euros)	0.086	0.530
Basic earnings per share in discontinued operations (in Euros)	-	-
Diluted earnings per share (in Euros)	**0.086**	**0.530**

At December 31, 2022 and 2021, Unicaja Banco has issued Contingently Convertible Perpetual Bonds (PeCoCos) recorded under the caption "Equity instruments issued other than capital" whose discretionary remuneration is conditioned on the fulfillment of a series of conditions (Note 18.2).

In application of the applicable regulations, the average number of shares outstanding during fiscal years 2022 and 2021 has been used.

Contingent Convertible Perpetual Debentures (PeCoCos) 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, 2022, they would have an anti-dilutive effect, as earnings per share would increase to 0.087 per share in the event of conversion of PeCoCos into shares (at December 31, 2021, they had a dilutive effect, as earnings per share would be reduced to 0.523 euros per share).

Dividends paid and remuneration from other equity instruments

Dividends paid by Unicaja Banco, S.A. during the years ended December 31, 2022 and 2021 are as follows:

						Thousands of euros
			2022			**2021**
	% of nominal	**Euros per share**	**Amount**	**% of nominal**	**Euros per share**	**Amount**
Ordinary shares	10.15%	0.0254	67,338	1.07%	0.01	16,909
Other shares (with no vote, redeemable, etc.)				-	-	-
Total dividends paid	**10.15%**	**0.0254**	**67,338**	**1.07%**	**0.01**	**16,909**
a) Dividends charged to profit or loss			67,338			16,909
b) Dividends charged to reserves or issue premium			-			-
c) 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 anti-dilutive and dilutive effect in 2022 and 2021, respectively.

Also, during 2022, discretionary distributions were agreed and paid on the Contingently Convertible Perpetual Bonds (PeCoCos) and Contingently Redeemable Preferred Participations issued by Unicaja Banco, for a total amount of 6,850 thousand euros (6,850 thousand euros in 2021) (see Note 18.2). On the other hand, 24,373 thousand euros of discretionary remuneration was paid in relation to the Contingently Redeemable Preferred Participations in 2022 (see Note 18.2).

5. Remuneration of the Board of Directors and Senior Management

5.1 Remuneration of the Board of Directors

The following table shows a detail of the remuneration accrued in favor of the members of the Bank's Board of Directors, exclusively in their capacity as Board Members during fiscal years 2022 and 2021, which correspond to the amounts accrued as attendance fees, as well as fixed remuneration solely for their status as Board Members.

	Thousands of euros	
	2022	**2021**
Manuel Azuaga Moreno	60	60
Ángel Rodríguez de Gracia	-	34
Juan Fraile Cantón	87	87
Victorio Valle Sanchez	-	62
Isabel Martín Castellá	-	59
Teresa Sáez Ponte	89	89
Ana Bolado Valle	13	90
Manuel Conthe Gutiérrez	10	85
Petra Mateos-Aparicio Morales	79	80
Agustin Molina Morales	-	48
Manuel Muela Martín-Buitrago	76	79
María Luisa Arjonilla López	109	84
Jorge Delclaux Bravo	86	37
Felipe Fernández Fernández	75	31
María Garaña Corces	102	33
Manuel González Cid	19	35
Manuel Menéndez Menéndez	60	25
Ernesto Luis Tinajero Flores	53	28
David Vaamonde Juanatey	-	-
María Teresa Costa Campi	5	-
Rafael Domínguez de la Maza	27	-
Carolina Martínez Caro	39	-
Isidoro Unda Urzaiz	26	-

5.2 Senior Management Compensation

For the purposes of preparing these financial statements for the fiscal year 2022, twenty-one people were considered as senior management personnel of Unicaja Banco (twenty-five in 2021), including two Executive Directors (three in 2021). The remuneration received by the members of this group in fiscal years 2022 and 2021 amounted to 5,390 thousand euros and 4,419 thousand euros, respectively. On the other hand, 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 547 thousand euros in 2022, with 570 thousand euros having been charged in 2021, amounts fully covered by the corresponding funds.

5.3 Other operations carried out with the members of the Board of Directors and with Senior Management

Note 39 "Related parties" includes the asset and liability balances at December 31, 2022 and 2021 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 5.1 and 5.2.

5.4 Post-employment benefits of former members of the Bank's Board of Directors and Senior Management

No charge has been made in the income statements for 2022 and 2021 in respect of 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 by contracting insurance policies.

6. Cash, cash balances with central banks, and other demand deposits

The breakdown of this heading of the balance sheet of December 31, 2022 and 2021 is as follows:

	Thousands of euros	
	2022	**2021**
Cash	494,042	581,756
Deposits at the Bank of Spain	4,071,871	20,560,122
Other demand deposits	93,696	154,021
Valuation adjustments - Accrued interest	908	-
	4,660,517	**21,295,899**

The interest accrued during fiscal 2022 on the Deposits in the Bank of Spain amounted to 32,641 thousand euros, and is included under the "Interest income" caption in the statement of income (Note 27). No interest was accrued on these balances during fiscal year 2021.

7. Financial assets and liabilities at fair value through profit or loss

7.1 Financial assets and liabilities held for trading

7.1.1 Balance breakdown and maximum credit risk - receivables

Below is a breakdown of the financial assets included in this category at December 31, 2022 and 2021, classified by class of counterparties and type of instrument:

	Thousands of euros	
	2022	**2021**
By types of counterparts -		
Credit institutions	31,505	15,504
Resident Public Administrations	-	-
Non-Resident Public Administrations	-	-
Other resident sectors	1,266	10
Other non-resident sectors	-	-
	32,771	**15,514**
By instrument type -		
Listed shares	-	-
Obligations and listed bonds	-	1,015
Derivatives traded in organized markets	-	-
Derivatives not traded in organized markets	32,771	14,499
	32,771	**15,514**

The book value recorded in the table above represents the Bank's level of exposure to credit risk at the end of those financial years in relation to the financial instruments included therein.

The interest accrued during 2022 and 2021 on debt instruments classified in the financial assets portfolio held for trading amounted to 20 thousand euros and 36 thousand euros, respectively, and is included under the heading of "Interest income" in the income statement (Note 27).

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, 2022 and 2021 was 0.08%and 2.77%, respectively.

The negative cash flow included in the statement of cash flows for the 2022 fiscal year for the debit balances of the portfolio of financial assets held for trading amounts to 17,257 thousand euros (positive cash flow of 164,264 thousand euros in the 2021 fiscal year).

7.1.2 Composition of the balance - credit balances

Following is a breakdown of the financial liabilities included in this category at December 31, 2022 and 2021, classified by class of counterpart and type of instrument:

	Thousands of euros	
	2022	**2021**
By types of counterparts -		
Credit institutions	24,611	4,829
Other resident sectors	13,308	10,526
	37,919	**15,355**
By instrument type -		
Derivatives traded in organized markets	-	-
Derivatives not traded in organized markets	37,919	15,355
	37,919	**15,355**

The positive cash flow included in the statement of cash flows for the 2022 fiscal year for the credit balances of the portfolio of financial assets held for trading amounts to 22,564 thousand euros (positive cash flow of 1,909 thousand euros in the 2021 fiscal year).

7.1.3 Financial derivatives held for trading

Below is the breakdown, by derivative type, of the fair value of the Group's trading derivatives and their notional amount (amount on which the future payments and collections of these derivatives are calculated) at December 31, 2022 and 2021:

								Thousands of euros
				2022				**2021**
		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 currencies:	**394**	**30,018**	**379**	**29,496**	**748**	**30,473**	**872**	**91,063**
Purchases of foreign currencies against Euros	394	30,018	-	-	-	1,119	723	29,346
Sales of foreign currencies against Euros	-	-	379	29,496	748	29,354	149	61,717
Securities and interest rate futures:	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Purchased	-	-	-	-	-	-	-	-
Sold	-	-	-	-	-	-	-	-
Security options:	**-**	**-**	**223**	**416,393**	**-**	**-**	**956**	**748,316**
Purchased	-	-	-	-	-	-	-	-
Issued	-	-	223	416,393	-	-	956	748,316
Interest rate options:	**2,557**	**34,507**	**2,628**	**78,853**	**48**	**14,628**	**119**	**57,330**
Purchases	2,557	34,507	-	9,084	48	14,628	-	-
Sales	-	-	2,628	69,769	-	-	119	57,330
Other operations on securities	**-**	**-**	-		**-**	**-**	**-**	**-**
Financial swaps on securities	-	-	**-**		-	-	-	-
Term operations	-	-	-		-	-	-	-
Currency options	**-**	**-**	-		**-**	**-**	**-**	**-**
Purchased	-	-	**-**		-	-	-	-
Issued	-	-	-		-	-	-	-
Other interest rate transactions	**29,820**	**126,813**	**34,689**	**399,576**	**13,703**	**131,404**	**13,408**	**132,104**
Interest rate swaps (IRS)	29,820	126,813	34,689	399,576	13,703	131,404	13,408	132,104
Other products	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	32,771	**191,338**	**37,919**	**924,318**	**14,499**	**176,505**	**15,355**	**1,028,813**

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 Bank in the valuation of financial instruments classified in this category are outlined in Note 10.

7.2 Financial assets not held for trading compulsorily valued at fair value through profit or loss

Below is a breakdown of the financial assets included in this category at December 31, 2022 and 2021, classified by class of counterparties and type of instrument:

	Thousands of euros	
	2022	**2021**
By types of counterparts -		
Credit institutions	31,418	81,737
Resident Public Administrations	-	-
Non-Resident Public Administrations	-	-
Other resident sectors	41	9,303
Other non-resident sectors	106,226	122,882
(Impairment losses)	(507)	(1,094)
Other valuation adjustments	9,371	15,399
	146,549	**228,227**
By instrument type -		
Loans and advances to customers	112,986	134,364
Loans to customers	104,122	120,059
Of which: doubtful	-	-
Other financial assets	-	-
(Impairment losses)	(507)	(1,094)
Other valuation adjustments	9,371	15,399
Debt securities:	33,522	93,822
Spanish public debt	-	-
Treasury Bills	-	-
Government bonds	-	-
Other Spanish public administrations	-	-
Foreign Public debt	-	-
Issued by financial institutions	31,418	81,737
Other fixed-income securities	2,104	12,085
(Impairment losses)	-	-
Other valuation adjustments	-	-
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	-	-
	146,549	**228,227**

Interest accrued on debt securities classified in this financial asset portfolio in 2022 and 2021 amounted to 3,670 thousand euros and 3,210 thousand euros, respectively, which are recorded under "Interest income" in the income statement (Note 27).

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, 2022 and 2021 was 2.13%and 2.55%, respectively.

The positive cash flow included in the statement of cash flows for the 2022 fiscal year for the debit balances in the portfolio of non-trading financial assets that must be valued at fair value through profit or loss amounts to 81,678 thousand euros (positive cash flow of 2,557 thousand euros in the 2021 fiscal year).

8. Financial assets at fair value through other comprehensive income

8.1 Composition of balance and maximum credit risk

Below is a breakdown of the financial assets included in this category at December 31, 2022 and 2021, classified by class of counterparties and type of instrument:

	Thousands of euros	
	2022	**2021**
By types of counterparts -		
Credit institutions	198,560	30,168
Resident Public Administrations	-	-
Non-Resident Public Administrations	9	-
Other resident sectors	254,504	455,232
Other non-resident sectors	32,584	80,699
	485,657	566,099
(Impairment losses) (*)	-	-
Valuation adjustments	-	-
	485,657	**566,099**
By type of instrument -		
Debt securities:	193,044	29,296
Spanish public debt	-	-
Treasury Bills	-	-
Government bonds	-	-
Other Spanish public administrations	-	-
Foreign Public debt	9	-
Issued by financial institutions	182,092	29,190
Other fixed-income securities	10,943	106
(Losses from deterioration) (*)	-	-
Valuation adjustments	-	-
Equity instruments:	292,613	536,803
Shares of listed Spanish companies	15,942	22,655
Shares of unlisted Spanish companies	225,030	428,561
Shares of listed foreign companies	-	-
Shares of unlisted foreign companies	-	-
Other investments	21,641	85,587
	485,657	**566,099**

(*) This amount at December 31, 2022 and 2021 corresponds to deterioration losses recorded to hedge credit risk.

The book value recorded in the table above represents the Bank's level of exposure to credit risk at the end of those financial 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 fiscal year 2022, the most significant movements in the portfolio of equity instruments classified as financial assets at fair value through other comprehensive income included the following transactions carried out by the Bank:

-Acquisition of 178,000 shares of Lyxor MSCI EMU Value (DR) UCITS ETF - Dist in the amount of 19,992 thousand euros.
- Acquisition of 22,600,000 shares of iShares STOXX Europe 600 Basic Resources UCITS ETF for 15,000 thousand euros.
- Acquisition of 337,500 shares of NN Group NV for 14,793 thousand euros.
- Acquisition of 158,400 shares of Sanofi S.A. for 14,523 thousand euros.
- Acquisition of 672,000 securities of SPDR® S&P Euro Dividend Aristocrats UCITS ETF (EUR) | EUDI for 13,937 thousand euros.
- Disposal of 1,540,300 securities of Invesco AT1 Capital Bond UCITS ETF EUR Hedged Dist amounting to 30,723 thousand euros, which generated a positive result of 2,649 thousand euros.
- Disposal of 221,120 securities of Invesco iShares J.P. Morgan $ EM Bond EUR Hedged UCITS ETF (Dist), amounting to 19,987 thousand euros, which has generated a negative result of 2,463 thousand euros.

It should also be noted that, on June 27, 2022, Unicaja Banco 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 Banco transfers 718,661 shares of Caser, equivalent to 9.99% of the capital of this company, for a price of 122,519 thousand 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 resulted in a reclassification of the title from "Other cumulative global income" to "Reserves" in the amount of 44,937 thousand euros (of which 7,345 thousand euros represents an increase in equity for the Bank in 2022), since it is an equity instrument classified in the financial asset portfolio at fair value through other comprehensive income. As a result, Unicaja Banco's stake in Caser at year-end 2022 amounts to 9.99%, down from 19.97% at year-end 2021.

On the other hand,in fiscal year 2021, the most significant movements in the portfolio of equity instruments classified as financial assets at fair value through other comprehensive incomeincluded the following transactions carried out by the Bank:

-Acquisition of 718,661 shares of Caser Seguros, S.A. for 115,177,000 Euros. (*)
-Acquisition of 1 share of CECA Association Shares in the amount of 62,609,000 Euros. (*)
-Acquisition of 888,958 shares of Cecabank, S.A. for an amount of 6,674,000 Euros. (*)
-Acquisition of 1,674,550,313 shares of Corporación Alimentaria Peñasanta, S.A. for 39,682,000 Euros. (*)
- Purchase of 598,000 shares of iShares Core Euro Stoxx 50 UCITS ETF Eur in the amount of €24.237 million.
- Acquisition of 162,800 shares of Sanofi S.A. for €13.992 million.
-Acquisition of 212,000 shares of Lyxor MSCI EMU Value (DR) UCITS ETF for 24,263,000 Euros.
-Acquisition of 410,000 shares of Deutsche Telekom AG for 7,020,000 Euros.
-Acquisition of 239,000 AT1 Capital Bond UCITS ETF Acc shares for 5,016,000 Euros.
- Acquisition of 261,000 Euro Stoxx Quality Dividend UCITS ETF 1D securities for 5,014,000 Euros.
- Acquisition of 56,240 securities of iShares JP Morgan JP Morgan $ EM Bond EUR Hedged UCITS ETF (Dist) for 5,001,000 Euros.
- Disposal of 1,355,877 shares of Deutsche Telekom AG for EUR 21,012,000 which gave rise to a gain of EUR 694,000.
- Disposal of 306,360 shares of Bayer AG, amounting to EUR 20,374,000, which gave rise to a loss of EUR 5,052,000.
- Disposal of 2,345,380 Euro Stoxx Quality Dividend UCITS ETF 1D securities, amounting to 42,716,000 Euros, which generated a positive result of 5,684,000 Euros.
- Disposal of 4,703 shares of Cajas Españolas de Ahorros Sicav Class IV Distribution, totaling €28.078 million, leading to a loss of €6.078 million.
- Disposal of 107,300 shares of Sanofi S.A., for an amount of 9,222,000 Euros, which generated a positive result of 156,000 Euros.

- Disposal of 280,281 Total Energies SE shares for 12,621,000 Euros, which generated a negative result of 652,000 Euros.

(*) These shares arise from the merger by absorption of Liberbank (Note 1.14).

In fiscal years 2022 and 2021, the results from the sales of equity instruments were not recorded in the income statement, in accordance with the provisions of Bank of Spain Circular 4/2017 in this regard. Instead, they were transferred from the "Accumulated other comprehensive income" heading to the net equity reserves items.

Interest accrued in 2022 and 2021 on debt instruments classified in this portfolio amounted to 2,539 thousand euros and 3,334 thousand euros, respectively, and is included under "Interest income" in the income statement (Note 27).

The average effective interest rate of the debt instruments classified in this portfolio at December 31, 2022 and 2021 was 3%and 1.00%, respectively.

The positive cash flow included in the statement of cash flows for 2022 for financial assets classified in this portfolio amounts to 80,441 thousand euros (positive cash flow of 483,383 thousand euros in 2021).

8.2 Other cumulative global income - Items that may be reclassified to the income statement

The reconciliation of the opening and closing balances of other cumulative global income for the assets classified in this portfolio, in the portion corresponding to items that can be reclassified in results, of the net equity in the balance sheet for the fiscal years 2022 and 2021, with the amounts recorded in the income statement as results of financial operations and impairment losses of financial assets, and with the amounts recorded in the recognized income and expense statement, is presented below.

	Thousands of euros	
	2022	**2021**
Other cumulative global income - Items that can be reclassified as results - Balance at the end of the previous year	**315**	**441**
Transfers to results	**-**	**-**
Portion allocated to the income statement	-	-
Variation in the fair value of the securities sold in the year from January 1 or from the date of purchase to the date of sale thereof	-	-
Fair value changes	**(2,780)**	**(180)**
Other changes	**-**	**-**
Income tax	**834**	**54**
Other cumulative global income - Items that can be reclassified as results - Balance at the end of the current fiscal year	**(1,631)**	**315**

8.3 Other accumulated comprehensive income - Items that cannot be reclassified in results

The reconciliation of the opening and closing balances of other cumulative overall income - Items that cannot be reclassified as income - Financial assets at fair value with changes in another overall result of equity in the balance sheet for the fiscal years 2022 and 2021, based on the amounts recorded in the recognized income and expenditure statement, is presented below.

	Thousands of euros	
	2022	**2021**
Accumulated other global income - Items that cannot be reclassified as results - Balance at the end of the previous year	**86,378**	**69,594**
Fair value changes	(61,831)	23,977
Other changes	(43,924)	-
Income tax	2,367	(7,193)
Accumulated other global income - Items that cannot be reclassified as results - Balance at the end of the current fiscal year	**(17,010)**	**86,378**

9. Financial assets at amortized cost

Below is a breakdown of the financial assets included in this category at December 31, 2022 and 2021, by nature of exposure:

	Thousands of euros	
	2022	**2021**
Debt securities	26,867,077	24,849,659
Loans and advances	56,717,999	59,057,189
Central banks	-	-
Credit institutions	*930,505*	*1,119,085*
Customers	*55,787,494*	*57,938,104*
	83,585,076	**83,906,848**

9.1 Composition of balance and maximum credit risk

Following is a breakdown of the financial assets included in this category at December 31, 2022 and 2021 classified by kind of counterpart and type of instrument:

	Thousands of euros	
	2022	**2021**
By types of counterparts -		
Credit institutions	2,156,862	2,813,610
Resident Public Administrations	23,051,913	19,825,532
Non-Resident Public Administrations	9,782,922	8,699,767
Other resident sectors	50,452,574	52,802,766
Other non-resident sectors	700,261	918,362
(Impairment losses)	(1,312,068)	(1,360,613)
Valuation adjustments	(1,247,388)	207,424
	83,585,076	**83,906,848**
By instrument type -		
Credits and loans at variable interest rate	27,735,883	31,120,815
Credits and loans at a fixed interest rate	28,507,775	26,209,378
Debt securities	28,510,928	25,093,354
Temporary acquisitions of assets	300,000	971,330
Term deposits with credit institutions	29,847	27,818
Other deposits into credit institutions	-	-
Other financial assets	1,060,099	1,637,342
(Impairment losses)	(1,312,068)	(1,360,613)
Valuation adjustments	(1,247,388)	207,424
	83,585,076	**83,906,848**

The book value recorded in the above table represents the Bank's level of exposure to credit risk at year-end for 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 9.2 and 9.3.

Interest accrued in 2022 and 2021 on credit to customers amounted to 821,969 thousand euros and 571,792 thousand euros, respectively (including doubtful accounts), and is included under "Interest income" in the income statement (Note 27). Interest accrued on deposits with credit institutions amounted to 2,656 thousand euros and 271 thousand euros, respectively, and are also included under the "Interest income" caption in the statement of income (Note 27).

Interest accrued in 2022 and 2021 on debt instruments classified in the financial asset portfolio at amortized cost amounted to 1,042,545 thousand euros and 433,987 thousand euros, respectively, and is included under "Interest income" in the income statement (Note 27).

The average effective interest rate on debt instruments classified in this portfolio at December 31, 2022 and 2021 for credit to customers was 1.43%and 0.98%, respectively, and for deposits with credit institutions was 0.25%and 0.19%, respectively.

The positive cash flow included in the statement of cash flows for 2022 for financial assets at amortized cost classified under this heading amounts to 229,350 thousand euros (positive cash flow of 7,515,094 thousand euros in 2021).

9.2 Loans and advances

The breakdown by counterpart of the gross amount of loans and advances recorded at amortized cost at December 31, 2022 and 2021 is as follows:

	Thousands of euros	
	2022	**2021**
Credit institutions	988,608	1,118,554
Resident Public Administrations	5,680,817	5,471,256
Non-Resident Public Administrations	100,000	100,000
Other resident sectors	50,222,474	52,584,148
Other non-resident sectors	641,706	692,725
	57,633,605	**59,966,683**

The movement during 2022 of gross loans and advances recorded at amortized cost classified by credit risk levels (stages) (excluding impairment losses and other valuation adjustments) is as follows:

	Thousands of euros				
	Stage 1	**Stage 2**	**Stage 3**	**POCI (*)**	**Total**
Balance at beginning of year	**54,459,433**	**3,556,546**	**1,945,509**	**5,195**	**59,966,683**
Transfers between stages:	(1,162,090)	725,968	436,122	-	-
At normal risk (stage 1)	484,164	(474,900)	(9,264)	-	-
To special surveillance (stage 2)	(1,393,552)	1,504,067	(110,515)	-	-
A doubtful (stage 3)	(252,702)	(303,199)	555,901	-	-
Additions of new financial assets	14,785,370	-	-	-	14,785,370
Write-downs of financial assets (excluding bad debts)	(16,058,381)	(613,015)	(172,984)	-	(16,844,380)
Reclassification to write-downs	-	-	(176,451)	(5,195)	(181,646)
Asset Foreclosures	-	-	(92,422)	-	(92,422)
Other changes	-	-	-	-	-
Closing balance	**52,024,332**	**3,669,499**	**1,939,774**	**-**	**57,633,605**

(*) POCIs should be understood as financial assets purchased or originated with credit impairment as described in Note 2.7.

The movement during financial year 2021 was as follows:

	Thousands of euros				
	Stage 1	**Stage 2**	**Stage 3**	**POCI (*)**	**Total**
Balance at beginning of year	**27,415,038**	**1,779,008**	**1,188,528**	**-**	**30,382,574**
Effect of the merger by absorption of Liberbank	27,589,304	1,874,239	707,736	5,201	30,176,480
Transfers between stages:	(691,579)	238,057	453,522	-	-
At normal risk (stage 1)	402,322	(387,712)	(14,610)	-	-
To special surveillance (stage 2)	(900,491)	950,480	(49,989)	-	-
A doubtful (stage 3)	(193,410)	(324,711)	518,121	-	-
Additions of new financial assets	7,836,670	35,945	7,825	-	7,880,440
Write-downs of financial assets (excluding bad debts)	(7,690,013)	(370,733)	(186,712)	(336)	(8,247,794)
Reclassification to write-downs	13	30	(102,074)	(484)	(102,515)
Asset Foreclosures	-	-	(117,449)	-	(117,449)
Other changes	-	-	(5,867)	814	(5,053)
Closing balance	**54,459,433**	**3,556,546**	**1,945,509**	**5,195**	**59,966,683**

(*) POCIs should be understood as financial assets purchased or originated with credit impairment as described in Note 2.7.

9.3 Debt securities

The breakdown by counterpart and type of issue of debt securities recorded at amortized cost at December 31, 2022 and 2021 is as follows:

	Thousands of euros	
	2022	**2021**
By types of counterparts -		
Credit institutions	1,158,602	1,694,520
Resident Public Administrations	16,057,231	14,151,211
Non-Resident Public Administrations	9,474,173	8,561,795
Other resident sectors	119,723	216,835
Other non-resident sectors	57,348	225,298
	26,867,077	**24,849,659**
By type of instrument -		
Spanish public debt	11,560,932	9,319,782
Treasury Bills	-	-
Government bonds	*11,560,932*	*9,319,782*
Other Spanish public administrations	4,496,299	4,831,429
Foreign Public debt	9,474,173	8,561,795
Issued by financial institutions	1,158,602	1,694,520
Other fixed-income securities	177,071	442,133
	26,867,077	**24,849,659**

The breakdown of debt securities recorded under this caption at December 31, 2022 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	1,301,167	-	-
Rating Aa1-Aa3	138,570	-	-
Rating A1-A3	16,159,185	-	-
Rating Baa1-Baa3	9,192,300	-	-
Rating Ba1-Ba3 (**)	75,855	-	-
Rating B1-C	-	-	-
No credit rating	-	-	-
	26,867,077	**-**	**-**

(*) No debt securities have been identified as purchased or originated financial assets with credit impairment (POCIs).

(**) Debt securities with a rating between Ba1 and Ba3 correspond in their entirety to exposures with low credit risk (no appreciable risk) and for this reason it has not been considered that there has been a significant increase in credit risk and they continue to be classified as normal risk (stage 1).

The breakdown of debt securities recorded under this heading at December 31, 2021 (excluding valuation adjustments) was as follows:

	Stage 1	Stage 2	Stage 3 (*)
Rating Aaa	639,303	-	-
Rating Aa1-Aa3	213,504	-	-
Rating A1-A3	14,518,738	-	-
Rating Baa1-Baa3	9,378,134	-	-
Rating Ba1-Ba3 (**)	99,980	-	-
Rating B1-C	-	-	-
No credit rating	-	-	-
	24,849,659	**-**	**-**

(*) No debt securities have been identified as purchased or originated financial assets with credit impairment (POCIs).

(**) Debt securities with a rating between Ba1 and Ba3 correspond in their entirety to exposures with low credit risk (no appreciable risk) and for this reason it has not been considered that there has been a significant increase in credit risk and they continue to be classified as normal risk (stage 1).

9.4 Refinancing, refinanced and restructured operations

The balances of refinancing and restructuring at December 31, 2022 and 2021 are as follows:

				Thousands of euros
	2022		**2021**	
	Total	**Of which: Stage 3 (*)**	**Total**	**Of which: Stage 3**
Gross	**1,317,340**	**732,768**	**1,402,208**	**800,588**
Value corrections due to the impairment of assets	**(618,619)**	**(388,802)**	**(493,672)**	**(411,699)**
Of which: collective:	(447,464)	(246,889)	(324,662)	(267,545)
Of which: individual	(171,155)	(141,913)	(169,010)	(144,154)
Net amount	**698,721**	**343,966**	**908,536**	**388,889**
Of which: granted to the clientele	698,721	343,966	908,536	388,889
Maximum value of guarantees received	**906,928**	**537,586**	**994,200**	**608,638**
Of which: value of guarantees	891,534	537,389	958,886	605,658
Of which: value of other guarantees	15,394	197	35,314	2,980

(*) No refinanced transactions have been identified as purchased or originated financial assets with credit impairment (POCIs).

On the other hand, the reconciliation of the book value of refinanced and restructured operations at December 31, 2022 and 2021 is as follows:

	Thousands of euros	
	2022	**2021**
Opening balance	**908,536**	**702,090**
Effect of the merger by absorption of Liberbank	-	215,533
Refinancing and restructuring for the period	305,913	143,857
Debt repayments	(118,766)	(101,542)
Awards	(3,082)	(2,553)
Derecognition from balance sheet (reclassification to non-performing)	(12,474)	(45)
Other changes	(381,406)	(48,804)
Of which: Changes in the gross balance	*(61,129)*	(45,107)
Of which: Variations in credit loss coverage	*(320,277)*	(3,697)
Balance at the end of the period	**698,721**	**908,536**

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, 2022, the detail of refinanced and restructured operations is as follows:

	Thousands of euros						
	Saturday, 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 (business activity financial)	2	82	82	-	7	2,753	(2,755)
Non-financial corporations and individual employers (business activity not financial)	2,043	518,439	386,147	5,151	1,537	230,305	(365,237)
Of which: financing of the construction and development real estate (including land)	*331*	*124,207*	*106,419*	*1,158*	-	*14,626*	*(66,144)*
Other household	7,641	539,459	505,305	156	-	14,468	(250,456)
	9,695	**1,068,067**	**891,534**	**15,394**	**1,549**	**249,273**	**(618,619)**
Additional information							
Financing classified as non-current assets and groups disposable items that have been classified as held for sale	-	-	-	-	-	-	-

	Thousands of Euros						
	December 31, 2022						
	Of which: Doubtful (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 (business activity financial)	2	82	82	-	3	2,522	(2,242)
Non-financial corporations and individual employers (business activity not financial)	1,243	288,709	228,071	197	671	100,793	(218,535)
Of which: financing of the construction and development real estate (including land)	211	82,898	66,365	197	22	10,554	(61,270)
Other household	4,536	332,982	309,236	-	877	7,679	(168,025)
	5,786	**621,774**	**537,389**	**197**	**1,551**	**110,994**	**(388,802)**
Additional information							
Financing classified as non-current assets and groups disposable items that have been classified as held for sale	-	-	-	-	-	-	-

As of December 31, 2021, the detail of refinanced and restructured operations was as follows:

	Thousands of euros						
	Friday, December 31, 2021						
	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	10,442	-	10,434	6	8,403	(489)
Other financial companies and individual employers (business activity financial)	4	189	136	-	4	2,531	(2,222)
Non-financial corporations and individual employers (business activity not financial)	2,262	554,808	446,636	24,844	1,508	255,229	(298,270)
Of which: financing of the construction and development real estate (including land)	*353*	*112,583*	*92,063*	*8,993*	-	*28,676*	*(67,519)*
Other household	7,485	554,451	512,114	36	541	16,155	(192,691)
	9,760	**1,119,890**	**958,886**	**35,314**	**2,059**	**282,318**	**(493,672)**
Additional information				-			
Financing classified as non-current assets and groups disposable items that have been classified as held for sale	11	3,134	2,908	-	-	-	(1,512)

	Thousands of Euros						
	Friday, December 31, 2021						
	Of which: Doubtful (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	8	-	-	-	-	-
Other financial companies and individual employers (business activity financial)	3	133	80	-	4	2,531	(2,220)
Non-financial corporations and individual employers (business activity not financial)	1,412	332,993	283,984	2,968	754	103,580	(240,526)
Of which: financing of the construction and development real estate (including land)	*233*	*77,493*	*66,418*	*195*	*17*	*26,584*	*(59,102)*
Other household	4,534	352,756	321,594	12	1,102	8,587	(168,953)
	5,954	**685,890**	**605,658**	**2,980**	**1,860**	**114,698**	**(411,699)**
Additional information							
Financing classified as non-current assets and groups disposable items that have been classified as held for sale	11	3,134	2,908	-	-	-	(1,512)

The Bank has a policy of refinancing, restructuring, renewing and renegotiating operations, which outlines the requirements, conditions and situations under which a range of measures are offered to assist the Bank's customers that 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, for those operations classified as doubtful, there are prudent cure criteria so that the subsequent development of the operations may allow them to be reclassified 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 Bank's refinancing cure criteria are consistent with what is indicated in the European Banking Authority (EBA) Guidelines and in Annex 9 of Bank of Spain Circular 4/2017, as amended by Bank of Spain Circular 3/2020. A summary of these criteria is presented below:

To reclassify the exposure from doubtful 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. Additionally, it will be necessary that the holder has paid through regular payments 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 doubtful risk shall 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 shall be classified as normal risk.

For the exposure to cease to be considered as a refinancing, refinanced or restructured transaction:

- That it has been concluded, after an exhaustive review of the holder's assets and financial situation, that it is not foreseeable that they may have financial difficulties and that, therefore, it is highly probable that they will be able to meet their obligations to the entity on time and in the correct form.

- That 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 doubtful risk category.

- That 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 doubtful category. Additionally, the holder must have paid through regular payments 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 borrower has no other transaction with amounts overdue by more than 30 days at the end of the trial period.

9.5 Moratoriums of legal and sectoral payments and financing operations with government guarantee

On March 18, 2020, Royal Decree-Law 8/2020 was published on urgent measures to deal with the economic and social impact of Covid-19.

One of the measures of said Royal Decree-law is aimed at ensuring the protection of mortgage debtors in a situation of vulnerability, establishing a moratorium on the payment of their mortgage on their primary residence. The scope of application was extended with the publication on April 1, 2020 of Royal Decree-Law 11/2020, so that, in addition to contracts entered into for the purchase of a primary residence, loan contracts secured by real estate used for economic activity and those secured by housing that was intended for rental purposes and in which the debtor has ceased to receive rent due to the COVID-19 situation are also included. Likewise, the scope of the moratorium is extended to include loan and credit agreements without mortgage guarantee, including those intended for consumption. Finally, the legislative moratoriums were extended to the tourism sector through Royal Decree-Law 25/2020 and to the transport sector (Royal Decree-Law 26/2020).

In addition, the measures adopted in these Royal Decrees seek to address the difficult economic situation that both companies and the self-employed will have to face as a result of the healthcare crisis. One of the measures is 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 Instituto de Crédito Oficial (ICO) 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 is 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 are allocated 67.5 billion 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, the Bank has been granting its customers both public moratoriums included in the aforementioned Royal Decrees, as well as sector moratoriums, under the sector agreement signed by the entities associated with the Spanish Confederation of Savings Banks (CECA) on April 16, 2020. In addition, 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.

Additionally, through Royal Decree-Law 6/2022, of March 29, adopting urgent measures within the framework of the National Plan of response to the economic and social consequences of the war in Ukraine, a new line of guarantees of 10 billion euros has been approved on behalf of the State for companies and the self-employed. This new line, as State aid aimed at mitigating the economic consequences of the Russian invasion of Ukraine, has been authorized by the European Commission and has been defined through different agreements of the Council of Ministers where the applicable conditions and requirements will be established, as well as the recovery and collection regime of these new guarantees. The Line is subject to the European Union's State aid regulations and, in this regard, in October 2022 the European Commission extended the validity of the Temporary State Aid Framework until December 2023.

Payment moratoriums

The detail of the operations with moratorium in effect at December 31, 2022 is as follows:

	Thousands of Euros				
	Total data		Breakdown of outstanding balance by risk stages		
	Number of operations granted	Outstanding balance	Stage 1	Stage 2	Stage 3
Legal moratorium	**-**	**-**	**-**	**-**	**-**
Households	-	-	-	-	-
Small and medium-sized companies	-	-	-	-	-
Sector moratorium	**5**	**335**	**-**	**141**	**194**
Households	5	335	-	141	194
Small and medium-sized companies	-	-	-	-	-

(*) No operations with current moratoriums have been identified that have the status of purchased or originated financial assets with credit impairment (POCIs).

The detail of the operations with moratoriums in effect at December 31, 2021 was as follows:

	Thousands of Euros				
	Total data		Breakdown of outstanding balance by risk stages		
	Number of operations granted	Outstanding balance	Stage 1	Stage 2	Stage 3
Legal moratorium	**127**	**14,991**	**6,233**	**2,001**	**6,757**
Households	107	7,552	1,931	1,439	4,182
Small and medium-sized companies	20	7,439	4,302	562	2,575
Sector moratorium	**177**	**11,892**	**9,389**	**1,869**	**634**
Households	177	11,892	9,389	1,869	634
Small and medium-sized companies	-	-	-	-	-

(*) No operations with current moratoriums have been identified that have the status of purchased or originated financial assets with credit impairment (POCIs).

At December 31, 2022, there are no transactions relating to legislative moratorium measures in force, with 127 transactions and an outstanding balance of 14,991 thousand euros at December 31, 2021.

No legislative moratorium measures have been granted during fiscal 2022. With respect to the measures granted during the fiscal year 2021, they had a value of 439 thousand euros, recorded under "Impairment or reversal of impairment of financial assets not measured at fair value through profit or loss and net gains or losses on modification - Financial assets at amortized cost" in the Bank's income statement.

The sectoral moratorium applies to borrowers who cannot take advantage of the moratorium established by the Government (legislative moratorium) and whose financial situation has deteriorated as a result of COVID-19. In these cases, under the provisions of the sector agreement signed on April 16, 2020, and with the commitment to support them, the Group facilitates their payments by temporarily reducing them for both mortgage loans and personal loans. Under the terms of the sector agreement, the borrower could not have transactions with defaults of more than two receipts or installments on March 14, 2020. The term of the moratorium is a maximum of 12 months for loans or credits with mortgage guarantee, and a maximum of 6 months for personal loans or credits (with the possibility of extension after modification of the sectoral agreement).

On June 22, 2020, considering the new directives of the European Banking Authority (EBA), the sectoral agreement to which the Bank subscribes was modified, extending the term of this sectoral agreement until September 29, 2020. Also, on December 15, 2020, an addendum was signed providing for the possibility of requesting new moratoriums until March 31, 2021 with a maximum term equivalent to nine months for mortgage loans or credits and six months for personal loans or credits.

In this case, the effect of the deferral only affects the repayment of the loan principal during the term of the moratorium. At December 31, 2022, the sectoral moratorium measures in force affect 5 transactions, with an outstanding balance of 335 thousand euros (177 transactions, with an outstanding balance of 11,892 thousand euros at December 31, 2021). The effect of the changes on the Bank's income statement was not significant.
- Transactions secured by the Government

The detail of operations with Government guarantee at December 31, 2022 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
State 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

(*) No transactions have been identified with Government guarantees that have the status of purchased or originated financial assets with credit impairment (POCIs).

For its part, the detail of the operations with Government guarantee at Friday, Friday, December 31, 2021 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
State guarantees	**45,167**	**3,261,703**	**1,917,764**	**2,519,645**	**1,810,078**	**565,335**	**144,232**
Self-employed	12,697	307,179	197,150	246,773	196,175	42,737	7,862
Small and medium-sized companies	30,159	2,089,906	1,352,493	1,710,871	1,234,848	392,176	83,847
Other Companies	2,311	864,618	368,121	562,001	379,055	130,422	52,523

The Bank considers that the State guarantees form a substantial part of the secured financing (integral guarantee), since they are all for cases of 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 manager of the guarantee) is incorporated as an incremental cost in the calculation of the effective interest rate of the transaction, 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 on the transaction.

As regards the accounting policy for writing down or derecognizing loans with ICO Covid-19 Guarantee, Unicaja Banco applies the provisions of the applicable financial reporting framework, that 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, the transfer of the asset's cash flows 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 ICO Covid-19 guaranteed loans, the Bank considers that the transfer of the guaranteed amounts from the lender to the guarantor occurs as and when 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.

9.6 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, 2022 and 2021, 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, 2022

	Up to 180 days	Between 180 days and 1 year	Between 1 and 2 years	More than 2 years	Total
					Thousands of euros
By types of counterparts -					
Public Administration Bodies	769	112	1	13,053	13,935
Credit institutions	14	67	-	16	97
Other financial corporations	46	-	7	2,495	2,548
Non-financial corporations	520,241	58,036	59,369	168,040	805,686
Households	455,637	124,073	111,840	425,958	1,117,508
	976,707	**182,288**	**171,217**	**609,562**	**1,939,774**

Impaired assets at December 31, 2021 (*)

	Up to 180 days	Between 180 days and 1 year	Between 1 and 2 years	More than 2 years	Total
					Thousands of euros
By types of counterparts -					
Public Administration Bodies	620	-	-	12,985	13,605
Credit institutions	-	-	1	13	14
Other financial corporations	32,230	-	4	2,508	34,742
Non-financial corporations	494,702	41,566	47,160	204,292	787,720
Households	442,855	84,236	94,760	492,772	1,114,623
	970,407	**125,802**	**141,925**	**712,570**	**1,950,704**

(*) The amount of impaired assets includes financial assets purchased or originated with credit impairment (hereinafter, POCIs) for the amount of €5.201 million from the business combination resulting from the merger by absorption of Liberbank, S.A. (as the absorbed entity) by Unicaja Banco, S.A. (as the absorbed entity) (see Note 9.2).

Unimpaired past-due assets at December 31, 2022

	Less than one month	Between 1 and 3 months	More than 3 months	Total
				Thousands of euros
By types of counterparts -				
Public Administration Bodies	6,998	122	-	7,120
Credit institutions	-	-	-	-
Other financial corporations	9,834	-	-	9,834
Non-financial corporations	454,181	14,844	-	469,025
Households	518,806	115,940	-	634,746
	989,819	**130,906**	**-**	**1,120,725**

Unimpaired past due assets at December 31, 2021

	Thousands of euros			
	Less than one month	Between 1 and 3 months	More than 3 months	Total
By types of counterparts -				
Public Administration Bodies	2,923	12	-	2,935
Credit institutions	6	-	-	6
Other financial corporations	276	2	-	278
Non-financial corporations	174,631	23,272	-	197,903
Households	490,928	106,547	-	597,475
	668,764	**129,833**	**-**	**798,597**

9.7 Credit risk hedging

Following is the movement of impairment losses recorded for credit risk hedging and the accumulated amount thereof at the beginning and end of fiscal years 2022 and 2021 of those debt instruments classified as loans and receivables.

The movement in impairment losses for each of the levels (stages) in which the Bank's credit risk exposures are classified is as follows for the year 2022:

	Thousands of euros				
	Stage 1	**Stage 2**	**Stage 3**	**POCI (*)**	**Total**
Balance at the beginning of the period	**128,254**	**336,402**	**892,334**	**3,153**	**1,360,143**
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)	-	-
A doubtful (stage 3)	(2,509)	(18,369)	20,878	-	-
For additions of new financial assets	26,109	-	-	-	26,109
Changes in the 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)	(32,240)	(18,445)	(5,889)	-	(56,574)
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	216,249	235,879	859,592	-	1,311,720
Of which:					
Individually determined	173	37,010	204,259	-	241,442
Collectively determined	216,076	198,869	655,333	-	1,070,278
	216,249	**235,879**	**859,592**	**-**	**1,311,720**

(*) POCIs should be understood as financial assets purchased or originated with credit impairment as described in Note 2.7.

The changes in impairment losses for 2021 were as follows:

					Thousands of euros
	Stage 1	Stage 2	Stage 3	POCI (*)	Total
Balance at the beginning of the period	**59,634**	**195,061**	**550,137**	**-**	**804,832**
Effect of the merger by absorption of Liberbank (**)	117,141	156,531	323,569	-	597,241
Transfers between stages:	(518)	11,318	(10,800)	-	-
At normal risk (stage 1)	14,904	(13,076)	(1,828)	-	-
To special surveillance (stage 2)	(5,817)	46,701	(40,884)	-	-
A doubtful (stage 3)	(9,605)	(22,307)	31,912	-	-
For additions of new financial assets	25,406	-	-	-	25,406
Changes in parameters	(64,061)	(7,902)	239,375	3,254	170,666
Changes in methodologies	882	(195)	1,051	-	1,738
Write-downs of financial assets (excluding bad debts)	(17,593)	(8,341)	(42,430)	-	(68,364)
Reclassifications to bad debts	-	-	(80,231)	(98)	(80,329)
Awarded	-	-	(67,358)	-	(67,358)
Other changes	7,363	(10,070)	(20,979)	(3)	(23,689)
Balance at the end of the period	**128,254**	**336,402**	**892,334**	**3,153**	**1,360,143**
Of which:					
Individually determined	728	44,152	187,023	1	231,904
Collectively determined	127,526	292,250	705,311	3,152	1,128,239
	128,254	**336,402**	**892,334**	**3,153**	**1,360,143**

(*) POCIs should be understood as financial assets purchased or originated with credit impairment as described in Note 2.7.

(**) The amount of the heading "Effect of the merger by absorption of Liberbank" includes the effect of the fair value adjustments of the loans and advances to customers as described in Note 1.14.

10. Derivatives - Hedge accounting (accounts receivable and accounts payable)

As of December 31, 2022 and 2021, the contracted derivatives designated as hedging items and their hedged items were mainly the following:

- Interest Rate Swaps, which hedge mortgage-based securities issued by the Bank and bonds issued by third parties acquired by the Bank.

- Futures and options on listed securities, which hedge changes in the market price of securities prior to the sale of such securities.

The Bank applies fair value hedge accounting mainly to those transactions that are exposed to changes in the fair value of certain assets and liabilities 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 discounted cash flow for interest rate derivatives 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 Bank has 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 at December 31, 2022 in accordance with IAS 39.

The Bank has not identified any accounting hedges that need to be modified due to the effect of volatility in 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, 2022:

						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**	**4,685,025**	**10,253,879**	**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**	**4,685,025**	**10,253,879**	**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	500,000	3,051,186	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**
Other operations on types of interest	**67**	**100,000**	**2,766,667**	**2,538,419**	**1,823,675**	**7,228,828**
Interest rate swaps (IRS loan portfolio)	67	100,000	2,066,667	523,419	63,196	2,753,349
Interest rate swaps (IRS deposits in banks central)	-	-	-	-	-	-
Interest rate swaps (IRS fixed income)	-	-	700,000	2,015,000	1,760,479	4,475,479
Total	**6,236,682**	**407,133**	**3,217,167**	**7,223,444**	**12,077,554**	**29,161,980**

The detail of maturities of the notional amounts of the hedging instruments used by the Bank at December 31, 2021 was as follows:

						Thousands of euros
						2021
	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:	**5,758,414**	**-**	**-**	**3,101,703**	**7,962,721**	**16,822,838**
Futures on securities and types of interest	**-**	**-**	**-**	**-**	**-**	**-**
Future sales on interest rates	-	-	-	-	-	-
Other Securities Operations	**5,758,414**	**-**	**-**	**-**	**-**	**5,758,414**
Financial swaps on securities	-	-	-	-	-	-
Security options	-	-	-	-	-	-
Term operations	5,758,414	-	-	-	-	5,758,414
Currency options	**-**	**-**	**-**	**-**	**-**	**-**
Currency options issued	-	-	-	-	-	-
Other operations on types of interest	**-**	**-**	**-**	**3,101,703**	**7,962,721**	**11,064,424**
Interest rate swaps (IRS bonds)	-	-	-	2,743,903	1,910,000	4,653,903
Interest rate swaps (IRS Customer loans)	-	-	-	57,800	290,000	347,800
Interest rate swaps (IRS loan portfolio)	-	-	-	-	1,424,864	1,424,864
Interest rate swaps (IRS central bank deposits)	-	-	-	-	-	-
Subordinated liabilities	-	-	-	300,000	-	300,000
Interest rate swaps (IRS fixed income)	-	-	-	-	4,337,857	4,337,857
Cash flow hedging:	**67**	**400,000**	**-**	**3,220,405**	**3,687,801**	**7,308,273**
Other operations on types of interest	**67**	**400,000**	**-**	**3,220,405**	**3,687,801**	**7,308,273**
Interest rate swaps (IRS loan portfolio)	67	-	-	555,405	65,792	621,263
Interest rate swaps (IRS deposits in banks central)	-	-	-	-	-	-
Interest rate swaps (IRS fixed income)	-	400,000	-	2,665,000	3,622,009	6,687,009
Total	**5,758,481**	**400,000**	**-**	**6,322,108**	**11,650,522**	**24,131,111**

As of December 31, 2022 and 2021, the Bank has not recorded any financial instruments that should be classified as hedges of the net investment in foreign operations.

The following is a detail of the fair value and cash flow hedging instruments used by the Bank at December 31, 2022:

	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 interest types	**-**	**-**	**-**	**-**	
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	3,555,686	56,905	Loan portfolio
Interest rate swaps (Securitizations)	242,190	-	202,096	242,190	Asset-backed securities
Interest rate swaps (IRS on IPF)	-	-	-	-	
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 operations on securities	**-**	**-**	**-**	**-**	
Financial swaps on securities	-	-	-	-	
Security options	-	-	-	-	
Term operations	-	-	-	-	
Other operations on types of interest	**79,067**	**603,613**	**7,228,828**	**(524,546)**	
Interest rate swaps (IRS loan portfolio)	-	28,851	2,753,349	(28,851)	Coverage of loans to customers
Interest rate swaps (IRS deposits in central banks)	-	-	-	-	
Interest rate swaps (IRS fixed income)	79,067	574,762	4,475,479	(495,695)	Debt securities
Total	**1,812,887**	**1,081,824**	**29,161,980**	**731,063**	

The detail of the fair value and cash flow hedging instruments used by the Bank at December 31, 2021 is as follows:

	Debtor fair value	Creditor fair value	Notional Amount	Change in fair value used to calculate hedge ineffectiveness	Hedged item
					2021
Fair value hedge:	**711,568**	**303,600**	**16,822,837**	**407,968**	
Futures on securities and interest types	**-**	**-**	**-**	**-**	
Future sales on interest rates	-	-	-	-	
Other Securities Operations	**65,946**	**35,823**	**5,758,413**	**30,123**	
Financial swaps on securities	-	-	-	-	
Security options	-	-	-	-	
Term operations	65,946	35,823	5,758,413	30,123	Debt securities
Currency options	**-**	**-**	**-**	**-**	
Purchased currency options	-	-	-	-	
Currency options issued	-	-	-	-	
Other operations on types of interest	**645,622**	**267,777**	**11,064,424**	**377,845**	
Interest rate swaps (IRS bonds)	447,048	1,798	4,653,903	445,250	Issued bonds and securities
Interest rate swaps (IRS IPF customers)	424	79,105	347,800	(78,681)	Loans to customers
Interest rate swaps (IRS loan portfolio)	520	103,221	1,424,864	(102,701)	Loan Portfolio
Interest rate swaps (IRS on IPF)	-	-	-	-	
Subordinated liabilities	-	401	300,000	(401)	Subordinated Issue
Interest rate swaps (IRS fixed income)	197,630	83,252	4,337,857	114,378	Debt securities
Interest rate swaps (Structured Terms)	-	-	-	-	
Cash flow hedging:	**103,476**	**696,090**	**7,308,274**	**(592,614)**	
Other Securities Operations	-	-	-	-	
Financial swaps on securities	-	-	-	-	
Security options	-	-	-	-	
Term operations	-	-	-	-	
Other operations on types of interest	**103,476**	**696,090**	**7,308,274**	**(592,614)**	
Interest rate swaps (IRS loan portfolio)	106	15,184	621,265	(15,078)	Coverage of loans to customers
Interest rate swaps (IRS deposits in central banks)	-	-	-	-	
Interest rate swaps (IRS fixed income)	103,370	680,906	6,687,009	(577,536)	Debt securities
Total	**815,044**	**999,690**	**24,131,111**	**(184,646)**	

Following is a detail of the items hedged by the Bank at December 31, 2022 through the hedging instruments described 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
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)	-	-	-	-
Loans to customers	303,418	-	(1,433,603)	-	(1,434,398)	-
Cash flow hedging	**10,047,830**	**-**	**-**	**-**	**113,832**	**(113,832)**
Deposits with credit institutions	10,042,506	-	-	-	108,508	(108,508)
Debt securities	5,324	-	-	-	5,324	(5,324)
Total	**21,399,319**	**5,915,971**	**(1,702,376)**	**(399,027)**	**(1,188,222)**	**(113,832)**

The detail of the items hedged by the Bank at December 31, 2021 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
2021	**Assets**	**Liabilities**	**Assets**	**Liabilities**		
Fair value hedge	**11,046,077**	**5,546,788**	**(240,036)**	**587,865**	**(402,557)**	**-**
Debt securities	10,609,581	-	(35,823)	65,946	(243,225)	-
Balances in foreign currency	857	-	-	-	-	-
Issued bonds and securities	-	5,253,082	(21,387)	301,981	(324,722)	-
Customer deposits	-	-	-	-	-	-
Deposits from credit institutions	-	293,706	-	-	(6,365)	-
Loans to customers	435,639	-	(182,826)	219,938	171,755	-
Cash flow hedging	**50,204,591**	**-**	**456,060**	**11,772**	**444,288**	**(444,288)**
Deposits with credit institutions	-	-	-	-	-	-
Debt securities	50,204,591	-	456,060	11,772	444,288	(444,288)
Total	**61,250,668**	**5,546,788**	**216,024**	**599,637**	**41,731**	**(444,288)**

The Group only applies hedge accounting for hedges that are considered to be highly effective over their entire term. 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, 2022, the balance of this caption to a negative amount of 237,836 thousand euros (positive amount of 99,301 thousand euros at December 31, 2021).

The breakdown of the heading “Changes in the fair value of the items covered in a portfolio with interest rate risk coverage” at 31 December 2022 is as follows:

				Thousands of euros	
Counterpart	**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	April 27, 2048	531,638	(52,099)
J.P. Morgan Securities	1.57%	6-month Euribor	April 26, 2048	144,548	(13,748)
BNP Paribas	2.39%	6-month Euribor	December 28, 2027	250,000	(21,588)
Banco Santander	2.39%	6-month Euribor	December 28, 2027	250,000	(21,588)
BBVA	1.14%	6-month Euribor	April 25, 2032	630,000	(76,229)
BBVA	1.17%	6-month Euribor	May 25, 2032	273,000	(31,934)
BBVA	1.43%	6-month Euribor	June 17, 2032	39,000	(1,782)
BBVA	1.63%	6-month Euribor	September 16, 2032	178,000	(8,078)
BBVA	1.57%	6-month Euribor	October 27, 2034	262,000	(199)
BBVA	1.79%	6-month Euribor	November 22, 2034	376,000	(11,171)
BBVA	2.12%	6-month Euribor	December 27, 2034	227,000	580
				3,161,186	**(237,836)**

The breakdown at December 31, 2021 was as follows:

				Thousands of euros	
Counterpart	**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	April 27, 2048	538,975	53,616
J.P. Morgan Securities	1.57%	6-month Euribor	April 26, 2048	154,245	13,519
BNP Paribas	2.39%	6-month Euribor	December 28, 2027	250,000	16,083
Banco Santander	2.39%	6-month Euribor	December 28, 2027	250,000	16,083
				1,193,220	**99,301**

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.

The hedges designated as “fair value hedges” are those that 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 income statement. The disclosures required by applicable regulations in connection with these fair value hedges are presented below:

- Profit and loss of the hedging instrument: See the following table for a breakdown of the gains and losses for 2022 and 2021 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 2022 and 2021 associated with hedged instruments that are effectively attributable to the hedged risk.

The hedges designated as “cash flow hedges” are those that hedge the changes in cash flows attributed to a specific risk related to a financial asset or liability or a highly probable transaction, as long as it may affect the income statement. The disclosures required by applicable regulations in connection with 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 Bank's income statement as an adjustment to income from hedging transactions: negative adjustment of 703,805 thousand euros (negative adjustment of 239,583 thousand euros in 2021) (see Note 27).
- Amount recognized during the last fiscal year under "Interest expense" in the Bank's income statement as an adjustment of hedging expenses: negative adjustment of 59,458 thousand euros (negative adjustment of 88,631 thousand euros in 2021) (see Note 28).
- Ineffectiveness recognized in income for the year arising from cash flow hedges: No inefficiencies have been recorded during fiscal years 2022 and 2021.

In both cases, the Bank deems that the sources of ineffectiveness of fair value or cash flow hedges may be as follows:

- Possible economic events affecting the Entity (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, 2022 and 2021:

Fair value hedges

								Thousands of Euros
	2022				2021			
	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	**-**	**-**	**-**	**-**	**-**	**-**	**424**	**70,945**
Currency options issued	-	-	-	-	-	-	424	70,945
Other operations on interest types	**772,237**	**1,925,172**	**1,918,042**	**765,107**	**292,096**	**426,880**	**416,226**	**210,921**
Financial swaps on interest rates (IRS bonds)	722,454	1,781	1,215	721,888	163,690	-	566	162,376
Financial swaps on interest rates (IRS deposits credit institutions)	-	73,348	73,348	-	70,422	991	-	-
Financial swaps on interest rates (IRS of IPF customers)	-	400,032	400,032	-	48,545	-	-	48,545
Financial swaps on interest rates (IRS fixed income)	-	1,154,984	1,154,984	-	-	360,195	132,376	
Options on types of interest (fixed income)	49,783	295,027	288,463	43,219	9,439	65,694	283,284	-
	772,237	**1,925,172**	**1,918,042**	**765,107**	**292,096**	**426,880**	**416,650**	**281,866**

Cash flow hedging

	Thousands of Euros					
	2022			2021		
	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 on types of interest	**(143,646)**	-	**(422,579)**	**(437,693)**	-	**(219,629)**
Swaps on interest types (IRS deposits in central banks)	-	-	-	-	-	-
Swaps on interest types (IRS fixed income)	(143,646)	-	(422,579)	(437,693)	-	(219,629)
Total	**(143,646)**	**-**	**(422,579)**	**(437,693)**	**-**	**(219,629)**

11. Investments in subsidiaries, joint ventures and associates

11.1 Group entities

A detail of the Bank's holdings in Group entities at December 31, 2022 and 2021, indicating the percentages of ownership and other relevant information of these companies, is shown in Appendix II.

11.2 Jointly controlled entities

A detail of the Bank's interests in jointly controlled entities at December 31, 2022 and 2021, indicating the percentages of ownership and other relevant information of such companies, is shown in Appendix III.

11.3 Associates

A detail of the Bank's holdings in associates at December 31, 2022 and 2021, indicating the percentages of ownership and other relevant information of these companies, is shown in Appendix IV.

11.4 Notifications on acquisition and disposal of equity investments

The following are the notifications on the acquisition and sale of shares in the capital of Group, multi-group and associated entities, in compliance with the provisions of the Capital Companies Act and Article 125 of Royal Legislative Decree 4/2015, of October 23, which approves the revised text of the Securities Market Act.

In 2022 and 2021, the main acquisitions and disposals of investments in Group companies, jointly controlled entities and associates were as follows:

Acquisitions of equity interests during 2022

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
			Thousands of euros		
Sedes, S.A.	Associated	02.02.2022	2,489	0.05%	39.90%
Kenta Capital Investment Management, S.A.	Associated	22.04.2022	2,881	36.00%	36.00%

Acquisitions of equity interests during 2021

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
			Thousands of Euros		
Administradora Valtenas, S.L.	Group	7/31/2021	248	100.00%	100.00%
Análisis y Gestión de Innovación Tecnológica, S.L.U.	Group	7/31/2021	4,588	100.00%	100.00%
Arco Explotaciones, S.L.U.	Group	7/31/2021	23,238	100.00%	100.00%
Asturiana de Administración de Valores Mobiliarios, S.L.U.	Group	7/31/2021	429	100.00%	100.00%
Banco de Castilla La Mancha Mediación, Operador de Banca Seguros Vinculado, S.A.U.	Group	7/31/2021	-	100.00%	100.00%
Briareo Gestión, S.A.U.	Group	7/31/2021	10,088	100.00%	100.00%
Caja Castilla La Mancha Conecta, S.A.U.	Group	7/31/2021	123	100.00%	100.00%
Caja Castilla La Mancha Iniciativas Industriales, S.L.U.	Group	7/31/2021	3,953	100.00%	100.00%
Caja Castilla-La Mancha Finance, S.A.U.	Group	7/31/2021	9,668	100.00%	100.00%
Camín de la Mesa, S.A.U.	Group	7/31/2021	62	100.00%	100.00%
Cánovas Explotaciones, S.L.U.	Group	7/31/2021	2,312	100.00%	100.00%
Cantábrica de Inversiones de Cartera, S.L.U.	Group	7/31/2021	1,903	100.00%	100.00%
CCM Brokers 2007, Correduría de Seguros, S.A.U.	Group	7/31/2021	71	100.00%	100.00%
Concejo Explotaciones, S.L.U.	Group	7/31/2021	3,426	100.00%	100.00%
Corporación Empresarial Caja Extremadura, S.L.U.	Group	7/31/2021	14,625	100.00%	100.00%
Ercávica Desarrollos, S.L.U.	Group	7/31/2021	5	100.00%	100.00%
Explotaciones Forestales y Cinegéticas Alta- Baja, S.A.U.	Group	7/31/2021	4,125	100.00%	100.00%
Explotaciones Santa Isabel, S.L.U.	Group	7/31/2021	3,864	100.00%	100.00%
Factoría de Transformación de Operaciones y Servicios, S.L.U.	Group	7/31/2021	6,903	100.00%	100.00%
Finca Las Huelgas, S.A.U.	Group	7/31/2021	89	100.00%	100.00%
Grafton Investments, S.L.U.	Group	7/31/2021	35,872	100.00%	100.00%
Hoteles Layos, S.L.	Group	7/31/2021	5,828	100.00%	100.00%
Instituto de Economía y Empresa, S.L.U.	Group	7/31/2021	39	100.00%	100.00%
Liberbank Capital, S.A.U.	Group	7/31/2021	254,443	100.00%	100.00%
Liberbank Contact, S.L.U.	Group	7/31/2021	-	100.00%	100.00%
Liberbank Digital, S.L.U.	Group	7/31/2021	167	100.00%	100.00%
Liberbank Ebusiness, S.L.U.	Group	7/31/2021	264	100.00%	100.00%
Liberbank Gestión, S.G.I.I.C. S.A.U.	Group	7/31/2021	7,953	100.00%	100.00%
Liberbank I.T., S.L.U.	Group	7/31/2021	6,971	100.00%	100.00%
Liberbank Mediación, Operador de Banca-Seguros Vinculado, S.L.U.	Group	7/31/2021	-	100.00%	100.00%
Liberbank Servicios Financieros, S.A.U.	Group	7/31/2021	16,687	100.00%	100.00%
Lisson Directorship, S.L.U.	Group	7/31/2021	2,884	100.00%	100.00%
Midamarta, S.L.U.	Group	7/31/2021	63,403	100.00%	100.00%
Mosacata, S.L.U.	Group	7/31/2021	-	100.00%	100.00%
Norteña Patrimonial, S.L.U.	Group	7/31/2021	601	100.00%	100.00%
Peña Rueda, S.L.U.	Group	7/31/2021	18	100.00%	100.00%
Pico Cortés, S.L.U.	Group	7/31/2021	444	100.00%	100.00%

			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
Pico Miravalles, S.L.U.	Group	7/31/2021	38	100.00%	100.00%
Planes e Inversiones CLM, S.A.U.	Group	7/31/2021	71	100.00%	100.00%
Pomarada Gestión, S.L.U.	Group	7/31/2021	15	100.00%	100.00%
Procesa Recuperación de Activos, S.A.U.	Group	7/31/2021	7,690	100.00%	100.00%
Promociones Miralsur, S.L.U.	Group	7/31/2021	3	100.00%	100.00%
Puertu Maravio, S.L.U.	Group	7/31/2021	52	100.00%	100.00%
Puntida, S.L.U.	Group	7/31/2021	7,817	100.00%	100.00%
Segóbriga Desarrollos, S.L.U.	Group	7/31/2021	4	100.00%	100.00%
Sierra del Acebo, S.L.U.	Group	7/31/2021	89	100.00%	100.00%
Tiatordos, S.A.U.	Group	7/31/2021	114	100.00%	100.00%
Urbe Cantabria, S.L.U.	Group	7/31/2021	798	100.00%	100.00%
Viacava - Incós de Energía, S.A.U.	Group	7/31/2021	500	100.00%	100.00%
Vida y Pensiones, Seguros y Reaseguros, S.A.	Multigroup	7/31/2021	37,231	50.00%	50.00%
Alanja Desarrollos, S.L.U.	Associated	7/31/2021	31	20.00%	20.00%
Cantabria Capital S.G.E.I.C. S.A.	Associated	7/31/2021	64	20.00%	20.00%
Cartera de Activos H&L, S.L.	Associated	7/31/2021	361	27.54%	27.54%
CCM Vida y Pensiones de Seguros y Reaseguros, S.A.	Associated	7/31/2021	77,417	50.00%	50.00%
Convivenzia Projet, S.L.	Associated	7/31/2021	2,525	49.94%	49.94%
Desarrollos Inmobiliarios Peña Vieja, S.L.	Associated	7/31/2021	4,419	48.94%	48.94%
Euro 6000, S.A.	Associated	7/31/2021	-	23.20%	23.20%
Experiencia Peñíscola, S.L.	Associated	7/31/2021	4,587	47.63%	47.63%
Global Berbice, S.L.	Associated	7/31/2021	2,625	20.00%	20.00%
Hormigones y Áridos Aricam, S.L. (b)	Associated	7/31/2021	-	25.00%	25.00%
Hostelería Asturiana, S.A.	Associated	7/31/2021	2,343	40.42%	40.42%
Leche de Occidente de Asturias, S.A.	Associated	7/31/2021	-	33.34%	33.34%
Lico Leasing, S.A.	Associated	7/31/2021	-	34.16%	34.16%
Mastercajas, S.A.	Associated	4/28/2021	333	10.17%	42.64%
Mastercajas, S.A.	Associated	7/31/2021	994	30.11%	72.75%
Oppidum Capital, S.L.	Associated	7/31/2021	376,711	44.13%	44.13%
Sedes, S.A.	Associated	7/31/2021	822	39.85%	39.85%
Sociedad Astur-Castellano Leonesa de Navegación, S.A.	Associated	7/31/2021	-	23.05%	23.05%
Sociedad de Gestión General y Promoción de Activos, S.L.	Associated	7/31/2021	24,027	49.73%	49.73%
Sociedad Regional de Promoción del Principado de Asturias, S.A.	Associated	7/31/2021	18,385	29.33%	29.33%
World Trade Center Santander, S.A.	Associated	7/31/2021	-	31.50%	31.50%
Zedant Desarrollos, S.L.	Associated	7/31/2021	3,180	45.11%	45.11%

Disposals of investments during 2022

Name of the entity	Category	Date operation effective	% of voting rights disposed of or cancelled	% of total voting rights in the entity after disposal	Profit/ (loss) generated
					Thousands of euros
Explotaciones Forestales y Cinegéticas Alta- Baja, S.A.U.	Group	February 25,	100.00%	0.00%	2,098
Caja Castilla La Mancha Conecta, S.A. Combined administrative services	Group	June 27, 2022	100.00%	0.00%	(3)
Liberbank Servicios Auxiliares Bancaseguros, A.I.E.	Group	May 19, 2022	100.00%	0.00%	(78)
Caja Castilla La Mancha Finance, S.A.U.	Group	June 28, 2022	100.00%	0.00%	42
Banco de Castilla La Mancha Mediación Operador de Banca Seguros Vinculado, S.A.U. (*)	Group	June 01, 2022	100.00%	0.00%	-
Liberbank Mediación, Operador de Banca-Seguros Vinculado, S.L.U. (*)	Group	June 01, 2022	100.00%	0.00%	-
Fitex Ilunion, S.A.	Associated	July 07, 2022	25.00%	0.00%	1,017
Liberbank Gestión, S.G.I.I.C., S.A.U. (*).	Group	September 13,	100.00%	0.00%	-

(*) Holdings that have been divested as a result of a merger by absorption between Group companies.

Disposals of investments during 2021

Name of the entity	Category	Date operation effective	% of voting rights disposed of or cancelled	% of total voting rights in the entity after disposal	Profit/ (loss) generated
					Thousands of Euros
Ahorro Andaluz, S.L.	Associated	4/21/2021	50.00%	0.00%	(692)
Creation of Soils and Infrastructures, S.L.	Associated	6/7/2021	24.98%	0.00%	-
Engineering and Advanced Integration, S.A.	Associated	7/13/2021	40.00%	0.00%	1,789
Participaciones Estratégicas del Sur, S.L.	Associated	3/22/2021	20.00%	0.00%	2,513
Proyecto Lima, S.L.U	Associated	3/22/2021	20.00%	0.00%	(1,002)

Additionally, it should be noted that on May 23, 2022, Unicaja Banco 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 Banco with Liberbank (Note 1.14). According to the said agreement, Santa Lucía will acquire 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 Banco keeping 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 Banco 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 Banco 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 Banco has been charged a penalty of 41 million euros, which is part of the purchase price of the CCM Vida and Liberbank Vida participations. The Unicaja Banco Group had set up a provision for this item amounting to 65 million euros, for which the corresponding provisions have been used and an amount of 24 million euros has been 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 Banco has materialized 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 correspond to the sale price of the insurance companies, and 23 million corresponds 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.

As a result of the materialization of the sale of the insurance companies to Santa Lucía, a total capital gain of 36 million euros is generated, of which 17 million euros have been recorded under the caption "Gains/losses from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations" in the income statement for 2022, with the remaining 19 million euros expected to be recorded as the performance obligations associated with this amount are fulfilled.

Unicaja Banco (or the Group companies) will record in future periods the value of 23 million euros associated with the novation of the insurance distribution agreement between Unimediación, S.L. and Unicorp Vida, Compañíá de Seguros y Reaseguros, S.A., as the associated performance obligations are fulfilled.

Finally, the agreements reached with Santa Lucía also include a variable amount of up to 40 million euros to be received by Unicaja Banco (or its Group companies) depending on the level of compliance with certain business objectives over the next 10 years. This amount will be recognized in future years based on compliance with the agreed Business Plan, considering the information available at any given time (historical, current and projected).

It should be noted that Unicaja Banco had made a provision to cover the penalties it had to assume in the repurchase of its holdings in the insurance companies CCM Vida and Liberbank Vida. Following the agreements reached, part of this provision, amounting to 24 million euros, has been released. This release has been recorded under "Provisions or reversal of provisions" in the income statement.

11.5 Movement of investments in subsidiaries, joint ventures and associated companies

The following is a summary of the movements (excluding impairment losses) in the investment portfolio during the 2022 and 2021 fiscal years:

	Thousands of euros			
	Subsidiaries	**Joint ventures**	**Associates**	**Total**
Balance as at January 01, 2021	**637,799**	**53,376**	**223,527**	**914,702**
Recognitions	501,989	37,230	502,349	1,041,568
Disposals	(82,167)	-	(12,011)	(94,178)
Other changes	82,050	-	(837)	81,213
Balance as at Friday, December 31, 2021	**1,139,671**	**90,606**	**713,028**	**1,943,305**
Additions	18	146,148	124,401	270,567
Disposals	(23,937)	(146,148)	(119,031)	(289,116)
Other changes	288,354	-	(31)	288,323
Balance as at December 31, 2022	**1,404,106**	**90,606**	**718,367**	**2,213,079**

The item "Other changes" includes mainly capital increases and reductions of associates, which are not calculated as additions or disposals for the purposes of this item if the percentage of ownership in the company does not change.

The net payments recorded in the statement of cash flows for 2022 for investments in joint ventures and associated recorded under this heading amount to 269,772 thousand euros (net receipts of 10,047 thousand euros during 2021).

The amount recorded by the Bank at December 31, 2022 and 2021 as impairment under investments in joint ventures and associated amounts to 490,083 thousand euros and 260,693 thousand euros, respectively.

In 2022 and 2021, impairment losses on assets in this item of the balance sheet experienced the following movements:

	Thousands of euros			
	Subsidiaries	**Joint ventures**	**Associates**	**Total**
Balance as at January 01, 2021	**195,842**	**40,268**	**20,760**	**256,870**
Funds of the year	8,660	-	431	9,091
Funds recovered	-	-	(4,924)	(4,924)
Cancellations due to utilization, transfers and others	-	-	(344)	(344)
Balance as at Friday, December 31, 2021	**204,502**	**40,268**	**15,923**	**260,693**
Provisions of the fiscal year	110,182	62	39	110,283
Funds recovered	(987)	-	(56)	(1,043)
Cancellations due to utilization, transfers, and others	120,150	-	-	120,150
Balance as at December 31, 2022	**433,847**	**40,330**	**15,906**	**490,083**

12. Tangible and intangible assets

12.1 Tangible assets

The composition of the balance of this heading on the balance sheets on December 31, 2022 and 2021, is as follows:

	Thousands of euros	
	2022	**2021**
Tangible fixed assets	1,220,476	1,288,043
Own use	1,220,476	1,288,043
Loaned under operating lease	-	-
Of which: Leasehold rights of use	*51,290*	*76,582*
	-	-
Investment property	381,744	395,113
	1,602,220	**1,683,156**

The changes in the "Tangible assets" caption of the Bank's balance sheet in 2022 and 2021 were as follows:

	Thousands of euros		
	Own use	**Investment property**	**Total**
Cost			
Balances as at December 31, 2021	**2,719,080**	**676,535**	**3,395,615**
Other additions	56,030	745	56,775
Additions for leasehold rights of use	6,073	-	6,073
Write-downs due to disposals or due to other means	(101,074)	(35,269)	(136,343)
Disposals of leasehold rights of use	(25,067)	-	(25,067)
Other transfers and other movements	(50,402)	(15,164)	(65,566)
Balances as at December 31, 2022	**2,604,640**	**626,847**	**3,231,487**
Accumulated amortization:			
Balances as at December 31, 2021	**(1,379,833)**	**(138,085)**	**(1,517,918)**
Write-downs due to disposals or due to other means	63,689	3,065	66,754
Endowments	(44,363)	(7,799)	(52,162)
Allocations for leasehold use rights	(10,327)	-	(10,327)
Other transfers and other movements	33,931	16,845	50,776
Balances as at December 31, 2022	**(1,336,903)**	**(125,974)**	**(1,462,877)**
Impairment losses			
As at December 31, 2022	(47,261)	(119,128)	(166,389)
Net tangible fixed assets			
Balances as at December 31, 2022	**1,220,476**	**381,745**	**1,602,221**

	Own use	Investment property	Total
			Thousands of euros
Cost			
Balances as at Thursday, December 31, 2020	**1,788,718**	**436,823**	**2,225,541**
Effect of the merger by absorption of Liberbank	977,033	205,831	1,182,864
Other additions	12,825	326	13,151
Additions for leasehold rights of use	30,155	-	30,155
Disposals due to other means	(24,281)	(15,419)	(39,700)
Disposals of leasehold rights of use	(34,940)	-	(34,940)
Other transfers and other movements	(30,430)	48,974	18,544
Balances as at Friday, December 31, 2021	**2,719,080**	**676,535**	**3,395,615**
Accumulated amortization:			
Balances as at Thursday, December 31, 2020	**(918,916)**	**(78,121)**	**(997,037)**
Effect of the merger by absorption of Liberbank	(448,904)	(47,874)	(496,778)
Disposals due to other means	22,726	1,693	24,419
Endowments	(38,237)	(6,854)	(45,091)
Allocations for leasehold use rights	(8,441)	-	(8,441)
Other transfers and other movements	11,939	(6,929)	5,010
Balances as at Friday, December 31, 2021	**(1,379,833)**	**(138,085)**	**(1,517,918)**
Impairment losses			
As at December 31, 2021	(51,204)	(143,337)	(194,541)
Net tangible fixed assets			
Balances as at Friday, December 31, 2021	**1,288,043**	**395,113**	**1,683,156**

The above tables identify "Other transfers and other movements" in both the cost and accumulated depreciation of assets. The breakdown by type of these movements for the fiscal years 2022 and 2021 is as follows:

				Thousands of euros
		2022		**2021**
	Own use	**Investment property**	**Own use**	**Investment property**
Transfers from non-current assets held for sale	-	1,891	-	16,889
Transfers between own use and real estate investments	(14,097)	14,097	(25,155)	25,156
Transfers from stock	-		-	-
Other changes	(2,374)	(14,307)	6,664	-
	(16,471)	**1,681**	**(18,491)**	**42,045**

The Bank has contracted several insurance policies to cover the risks to which tangible assets are subject. The coverage of these policies is considered sufficient.

At December 31, 2022 and 2021, there are property, plant and equipment for own use and investment property that were fully depreciated for a gross amount of 906,259 thousand euros and 961,661 thousand euros, respectively.

The net collections recorded in the statement of cash flows for the year 2022 for tangible assets recorded under this heading amount to 31,808 thousand euros (net payments of 7,106 thousand euros in the year 2021).

12.1.1 Tangible assets for own use

According to their nature, the breakdown of the items that make up the balance of this item on the balance sheet as at December 31, 2022 and 2021, is as follows:

	Thousands of euros			
	Cost	Accumulated amortization:	Impairment losses	Net balance
Computer hardware and installations	192,112	(145,508)	-	46,604
Furniture, vehicles, and other fixtures	868,472	(809,712)	-	58,760
Buildings	1,265,762	(306,129)	(27,808)	931,825
Construction in progress	6,082	-	-	6,082
Others	272,212	(75,554)	(19,453)	177,205
Balances as at December 31, 2022	**2,604,640**	**(1,336,903)**	**(47,261)**	**1,220,476**

	Thousands of euros			
	Cost	Accumulated amortization:	Impairment losses	Net balance
Computer hardware and installations	225,053	(175,789)	-	49,264
Furniture, vehicles, and other fixtures	882,855	(819,035)	-	63,820
Buildings	1,426,852	(337,398)	(31,908)	1,057,546
Construction in progress	5,537	-	-	5,537
Others	178,783	(47,611)	(19,296)	111,876
Balances as at Friday, December 31, 2021	**2,719,080**	**(1,379,833)**	**(51,204)**	**1,288,043**

12.1.2 Real estate investments

The "Investment property" heading in the balance sheet generally includes the net values of land, buildings and other structures held for rental purposes. Investment property is stated in the balance sheet at acquisition cost, consisting of the fair value of any consideration given plus all cash disbursements 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. The recoverable amount is the higher of the fair value less costs to sell and the value in use of the assets.

Since these are assets that generate rental income and their value in use can be estimated, the Bank does not follow the same criteria for updating appraisals that are required for irregular properties that are intended exclusively for sale. The Bank calculates the recoverable amount of investment property based on the value in use derived from the income generated by the assets. The Bank does not have a reliable measure of the fair value of investment property.

The expenses recorded in the income statement for 2022 and 2021 for direct operating expenses (including repairs and maintenance) associated with investment property amount to 8,710 thousand euros and 2,121 thousand euros, respectively, corresponding entirely to investment property that generates income (Note 34).

With respect to real estate investments in which the Bank 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.

In 2022 and 2021, rental income from investment property owned by the Bank amounted to 18,564 thousand euros and 14,838 thousand euros, respectively (see Note 33).

For the valuation of the Unicaja Banco Group's investment property, the accounting criteria set out in Bank of Spain Circular 4/2017 are followed, which establishes that the institution will value the assets of the investment property portfolio under the application of the cost model provided for "Tangible fixed assets" until the time of sale or other disposal of the investment property, when certain conditions are met, including that the property becomes investment property after a change in use. In this regard, the real estate investments held by the Bank derive either from real estate for its own use or from real estate acquired in debt recovery.

Investment property is stated in the balance sheet at acquisition cost, consisting of the fair value of any consideration given plus all cash disbursements 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. In accordance with Bank of Spain Circular 4/2017, the higher of the fair value less costs to sell and the value in use of the assets should be taken as the recoverable amount. As these are assets that primarily generate rental income, the Bank calculates the recoverable amount of investment property based on the value in use derived from the rent generated by the assets and does not have a reliable measure of the fair value of investment property.

In any case, at December 31, 2022 and 2021, the following is a breakdown of investment property according to its nature, indicating its book value and the best estimate that the Bank can make of its fair value on the same date:

					Thousands of euros
December 31, 2022	**Gross carrying amount**	**Accumulated amortization:**	**Valuation adjustments due to impairment**	**Carrying amount**	**Estimated fair value**
Premises and warehouses	412,934	(93,395)	(69,262)	250,277	265,189
Completed housing	111,926	(10,857)	(25,028)	76,041	80,572
Parking and storage rooms	2,554	(502)	(754)	1,298	1,376
Developed plots	7,504	-	(4,098)	3,406	3,609
Rural properties	962	(3)	(132)	827	877
Others	90,967	(21,217)	(19,855)	49,895	52,868
Total	**626,847**	**(125,974)**	**(119,129)**	**381,744**	**404,491**

					Thousands of euros
Friday, December 31, 2021	**Gross carrying amount**	**Accumulated amortization:**	**Valuation adjustments due to impairment**	**Carrying amount**	**Estimated fair value**
Premises and warehouses	439,430	(108,920)	(65,284)	265,226	259,006
Completed housing	132,978	(10,070)	(34,133)	88,775	120,618
Parking and storage rooms	3,300	(498)	(1,063)	1,739	1,722
Developed plots	14,032	-	(5,336)	8,696	11,472
Rural properties	2,640	(27)	(620)	1,993	2,979
Others	84,158	(18,572)	(36,902)	28,684	39,874
Total	**676,538**	**(138,087)**	**(143,338)**	**395,113**	**435,671**

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, Unicaja Banco 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 Banco 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 Order ECO/805/2003, dated March 27, of the Ministry of the Economy, on the rules for apprising real estate and certain rights for certain financial purposes.

12.1.3 Valuation 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 2022 and 2021 is shown below:

	Thousands of Euros		
	Own use	**Investment property**	**Total**
Balances as at December 31, 2020	**31,731**	**96,043**	**127,774**
Effect of the take-over merger of Liberbank (*)	21,394	45,154	66,548
Allocations charged to profit or loss	-	2,901	2,901
Recoveries on sales	(1,082)	(3,123)	(4,205)
Other recoveries	(335)	-	(335)
Remaining transfers and reclassifications	(504)	2,362	1,858
Balances as at Friday, December 31, 2021	**51,204**	**143,337**	**194,541**
Allocations charged to profit or loss	(84)	(351)	(435)
Recoveries on sales	-	(9,357)	(9,357)
Other recoveries	-	-	-
Remaining transfers and reclassifications	(3,859)	(14,501)	(18,360)
Balances as at December 31, 2022	**47,261**	**119,128**	**166,389**

(*) The amount of the heading “Effect of the take-over merger of Liberbank” includes the effect of the fair value adjustments of the tangible asset portfolio as described in Note 1.14.

The provisions made are recorded under "Impairment or reversal of financial assets" in the income statement.

12.1.4 Leasehold rights of use

The Bank holds leasehold rights of use mainly on buildings, premises and offices for the conduct of its business, as well as, to a lesser extent, vehicles, information processing equipment and parking lots.

The following is a breakdown of leasehold rights of use and their movement during 2022 and 2021:

	Thousands of Euros		
	Land and buildings	**Others**	**Total**
Balances as at January 1, 2021	**46,820**	**-**	**46,820**
Effect of the merger by absorption of Liberbank	44,608	2,667	47,275
Recognitions	26,795	539	27,334
Write-downs	(36,950)	(733)	(37,683)
Amortization	(8,294)	(147)	(8,441)
Other changes	1,277	-	1,227
Balances as at Friday, December 31, 2021	**74,256**	**2,326**	**76,582**
Effect of the merger by absorption of Liberbank	-	-	-
Additions	6,839	-	6,839
Write-downs	(25,209)	-	(25,209)
Amortization	(10,327)	-	(10,327)
Other changes	5,731	(2,326)	3,405
Balances as at December 31, 2022	**51,290**	**-**	**51,290**

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, 2022 and 2021 are presented below:

	Thousands of euros	
	2022	**2021**
Lease liabilities		
Current leases	1,702	6,319
Non-current leases	53,963	72,867
	55,665	**79,186**

The following is a breakdown by maturity of the lease payments expected by the Bank, in terms of contractual (undiscounted) cash flows:

	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**
Lease liabilities	243	1,684	4,240	1,539	2,573	46,244

On the other hand, the impact on the income statement for the Bank’s rights of use by lease at December 31, 2022 and 2021 is:

	Thousands of euros	
	2022	**2021**
Expenses for amortization of rights of use	(10,469)	8,441
Land and buildings	*(10,469)*	*8,294*
Others	-	*147*
Interest expense on lease liabilities	(1,058)	1,013
	(11,527)	**9,454**

Finally, the Bank has made exclusions to the general treatment of leases of those contracts for 12 months or less, as well as those contracts where the value of the leased item is low. Although these exclusions have not been for a significant amount, their impact on the Bank's income statement at December 31, 2022 and 2021 is presented below:

	Thousands of euros	
	2022	**2021**
Short-term lease expenses	112	101
Expenses for low-value leases	805	438
	917	**539**

12.2 Tangible assets

As of December 31, 2022 and 2021, the breakdown by item of the caption "Intangible assets" in the balance sheet is as follows:

	Thousands of euros	
	2022	**2021**
Goodwill	-	-
Other intangible assets	37,418	35,939
	37,418	**35,939**

The "Other intangible assets" caption includes mainly computer software used in the Bank's business activities.

The movement in the heading "Intangible assets" in the balance sheet during the year ended December 31, 2022 is as follows:

	Thousands of euros		
	Cost	Accumulated amortization:	Carrying amount
Balance as at December 31, 2020	**41,651**	**(12,143)**	**29,508**
Effect of the take-over merger of Liberbank (*)	1,448	(1,870)	(422)
Cost/ amortization recognitions	15,396	(8,542)	6,854
Cost/ amortization derecognitions	-	-	-
Other changes	-	-	-
Balance as at Friday, December 31, 2021	**58,495**	**(22,555)**	**35,940**
Cost/ amortization recognitions	17,748	(16,270)	1,478
Cost/ amortization derecognitions	-	-	-
Other changes	-	-	-
Balance as at December 31, 2022	**76,243**	**(38,825)**	**37,418**

(*) The amount of the heading “Effect of the take-over merger of Liberbank” includes the effect of the fair value adjustments of the intangible assets as described in Note 1.14.

The amount recorded under the heading "Amortization" in the income statement amounts to 16,270 thousand euros and 8,542 thousand euros in the years ended December 31, 2022 and 2021, respectively.

The value of fully amortized intangible assets in use at December 31, 2022 and 2021 amount to 584 thousand euros and 869 thousand euros, respectively.

The net payments recorded in the statement of cash flows for 2022 for intangible assets recorded under this caption amount to 17,749 thousand euros (net payments of 18,960 thousand euros in 2021).

13. Non-current assets and disposable groups of items that have been classified as held for sale and other assets

13.1 Non-current assets and disposable groups of items classified as held for sale

The detail of the heading "Non-current assets and disposal groups classified as held for sale" in the balance sheet, which includes the fair value of assets that do not form part of the Bank's operating activities and whose recovery of their fair value will foreseeably take place through the price obtained on their disposal, is shown below. The amount of these assets at December 31, 2022 and 2021 is 179,210 thousand euros and 282,874 thousand euros, respectively.

The detail of non-current assets held for sale classified according to their purpose at the end of 2022 and 2021 is as follows:

	Thousands of euros	
	2022	2021
Residential assets	**84,998**	**150,632**
Finished properties	**28,636**	**42,260**
Housing	7,619	20,451
Others	21,017	21,809
Properties under construction	**9,128**	**14,258**
Housing	8,373	13,041
Others	755	1,217
Land	**50,181**	**63,448**
Other assets	**6,267**	**12,276**
Loans and advances	6,267	12,258
Equity instruments	-	-
Non-property assets and other	-	18
	179,210	**282,874**

During fiscal years 2022 and 2021, there were no gains/losses recorded in the statement of recognized income and expense for equity instruments classified as non-current assets held for sale.

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 2022 and 2021 is presented below:

	Thousands of euros		
	Gross	Valuation adjustments due to impairment	Carrying amount
Balances as at Thursday, December 31, 2020	**290,322**	**(45,416)**	**244,906**
Effect of the take-over merger of Liberbank (*)	408,808	(345,588)	63,220
Recognitions in the year	107,733	(57,989)	49,744
Derecognitions for disposals or other transfers	(97,360)	51,157	(46,203)
Charge to income (Note 38)	-	(19,208)	(19,208)
Transfers to inventories	-	-	-
Transfers to investment property	(36,161)	19,272	(16,889)
Other changes	(9,805)	4,833	(4,972)
Balances as at Friday, December 31, 2021	**663,537**	**(392,939)**	**270,598**
Recognitions in the year	50,729	(28,600)	22,129
Derecognitions for disposals or other transfers	(236,339)	138,238	(98,101)
Charge to income (Note 38)	-	(16,329)	(16,329)
Transfers to inventories	(590)	590	-
Transfers to investment property	(11,103)	6,326	(4,777)
Other changes	(7,163)	6,586	(577)
Balances as at December 31, 2022	**459,071**	**(286,128)**	**172,943**

(*) The amount of the heading “Effect of the take-over merger of Liberbank” includes the effect of the fair value adjustments of the portfolio of non-current assets held for sale as described in Note 1.14.

The provisions made on the assets under this heading are recorded under "Gains (losses) on non-current assets and disposal groups classified as held for sale not classified as discontinued operations" in the income statement.

Net collections recorded in the statement of cash flows for 2022 for non-current assets held for sale recorded under this caption amounted to 98,056 thousand euros (net collections recorded in 2021 amounted to 190,204 thousand euros

The net impairment losses recognized in the income statement for 2022 for the hedging of non-current assets and disposal groups classified as held for sale amount to 16,329 thousand euros (net losses of 19,208 thousand euros for 2021), which have been recognized under "Gains/(losses) on non-current assets and disposal groups classified as held for sale not classified as discontinued operations" (Note 38).

Fair value hierarchy

With regard to the valuation of "Non-current assets and disposal groups classified as held for sale", Unicaja Banco establishes the fair value hierarchy levels indicated in the applicable financial reporting framework. Thus, residential assets and finished properties, which form the majority of non-current assets held for sale, are considered level 2 in the fair value hierarchy, characterized by the use of observable inputs in market data, such as the price per square meter of comparable assets, while properties under construction and land are considered as level 3, since they use unobservable inputs.

In this regard, Unicaja Banco 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 Bank 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 Order ECO/805/2003, dated 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 shall 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 (dynamic 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 Unicaja Banco and its Group companies 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, Unicaja Banco complies with the requirements of independence and rotation of appraisal companies indicated in points 78 and 166 of Annex 9 of the Bank of Spain Circular 4/2017.

13.2 Other assets

The composition of the balance of this heading on the balance sheets on December 31, 2022 and 2021, is as follows:

	Thousands of euros	
	2022	**2021**
Insurance contracts linked to pensions	23,167	31,060
Inventories	-	-
Others	553,286	298,269
	576,453	**329,329**

At December 31, 2022 and 2021, the heading "Other" in this balance sheet caption mainly includes asset accrual accounts.

14. Financial liabilities at amortized cost

14.1 Deposits from central banks

The breakdown of balances in this item on the balance sheet on December 31, 2022 and 2021 is as follows:

	Thousands of euros	
	2022	**2021**
Other central banks	5,422,080	10,447,180
Valuation adjustments - accrued interest	(101,191)	(155,478)
	5,320,889	**10,291,702**

At December 31, 2022 and 2021, 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 reduce the interest rate on transactions by 25 basis points to -0.5% from June 2020 to June 2021, and provide that, for entities meeting a certain volume of eligible loans, the interest rate may be -1% for the period from June 2020 to June 2021. 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.

The financial reporting framework applicable to the Bank indicates that, to record amortized cost, the institution shall use a shorter period when fees, basis points paid or received, transaction costs, premiums or discounts relate to it, this being the case when the variable to which the fees, basis points paid or received, transaction costs, discounts or premiums are related 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 (arising from the April 2020 program amendment) and from June 24, 2021 to June 23, 2022 (arising from the December 2020 program amendment) corresponds to a specific period after which the funding is adjusted to market rates (specifically, the average rate applied in the Eurosystem's main refinancing 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, Unicaja Banco opted to accrue the interests in accordance with the specific periods of adjustment to market rates, so that it recorded in the income statement for the period from June 24, 2020, to June 23, 2021, the interest corresponding to that period (i.e. -1%), considering compliance with the threshold of eligible loans that gives rise to the extra rate.

As of June 24, 2022, the TLTRO III issues accrue 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 issuance and future periods to maturity). In this case, the Bank, in accordance with the provisions of the European Central Bank Decisions, accrues 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 are incorporated and, in application of 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 divides 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 were added.

Thus, from June 24, 2022 through November 22, 2022, interest accrues 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 accrues based on the average deposit facility over that period. This change is considered a substantial modification of the conditions of the financial liability associated with the TLTROs III, and therefore the previous liability has been derecognized and a new liability has been recorded at its fair value, the difference of which has generated a positive amount of 8,907 thousand euros, recorded under "Interest income" in the consolidated statement of income for 2022.

It should also be noted that, taking advantage of the additional voluntary early repayment dates defined by the European Central Bank in its modification of the TLTROs conditions dated October 27, 2022, Unicaja Banco repaid on November 23, 2022 an amount of 5,025,100 thousand euros of TLTROs III issues.

In financial year 2022, there were no changes in the estimated cash flows due to changes in the assessment of compliance with these thresholds, as the Bank had also previously estimated that it would meet these thresholds.

During 2022, these transactions accrued a total income of 55,150 thousand euros (in 2021, the income accrued from this type of issues amounted to 76,612 thousand euros), included under "Interest income - Deposits at Central Banks" in the income statement (Note 27).

14.2 Deposits from credit institutions

The composition of the balances in this heading on the balance sheet at December 31, 2022 and 2021, based on the nature of the transactions, is as follows:

	Thousands of euros	
	2022	**2021**
Mutual accounts	-	-
Term deposits	676,892	449,538
Temporary assignment of assets	2,553,514	6,146,001
Other accounts	218,332	108,657
Valuation adjustments	69	(6,623)
	3,448,807	**6,697,573**

The interest accrued during the periods 2022 and 2021 on these deposits amounted to euros 28,173 thousand and 2,330 thousand euros, respectively, and is included under "Interest expense" in the income statement (Note 28).

The average effective interest rate of debt instruments classified under this caption at December 31, 2022 and 2021 was 0.37% and 0.07%, respectively.

14.3 Customer deposits

The breakdown of the balance of this item in the balance sheet at December 31, 2022 and 2021, by type of transaction and counterpart, is as follows:

	Thousands of euros	
	2022	**2021**
By type -		
Current accounts	22,796,602	25,090,204
Savings accounts	41,383,969	43,149,427
Term deposits	10,943,894	11,474,128
Temporary asset transfers	20,141	4,714,680
Others	63,727	87,729
Valuation adjustments	(100,165)	445,086
Micro-hedging operations	(250,845)	326,355
Accrued interest	153,642	205,880
Other adjustments	(2,962)	(87,149)
	75,108,168	**84,961,254**
By counterparty -		
Resident Public Administrations	6,888,235	9,258,995
Other resident sectors	67,936,720	74,813,861
Other non-resident sectors	383,378	443,312
Valuation adjustments	(100,165)	445,086
Micro-hedging operations	(250,845)	326,355
Accrued interest	153,642	205,880
Other adjustments	(2,962)	(87,149)
	75,108,168	**84,961,254**

The interest accrued on these deposits in 2022 and 2021 amounted to 154,761 thousand euros and 159,968 thousand euros, respectively, and is included under "Interest Expense" in the income statement (Note 28).

The average effective interest rate of debt instruments classified under this caption at December 31, 2022 and 2021 was 0.20% and 0.15%, respectively.

The caption "Time deposits" includes singular Mortgage Bonds issued by the Bank, as follows:

			Thousands of Euros	
Issue date	**Maturity date**	**Nominal interest rate**	**Nominal 12/31/2022**	**Nominal 12/31/2021**
May 18, 2005	5/21/2025	(a) 3.875%	200,000	200,000
5/18/2005	5/21/2025	3.875%	300,000	300,000
June 28, 2005	6/28/2025	(a) 3.754%	76,923	76,923
6/28/2005	6/28/2025	(b) 3.754%	76,923	76,923
6/28/2005	6/28/2025	3.754%	128,205	128,205
11/16/2005	5/21/2025	(a) 3.875%	200,000	200,000
11/16/2005	5/21/2025	3.875%	300,000	300,000
December 12, 2005	12/12/2022	(a) 3.754%	-	51,852
12/12/2005	12/12/2022	(b) 3.754%	-	100,000
12/12/2005	12/12/2022	3.754%	-	32,407
December 12, 2005	12/12/2022	3.754%	-	77,778
April 06, 2006	4/8/2031	4.250%	300,000	300,000
10/23/2006	10/23/2023	(b) 4.254%	200,000	200,000
10/23/2006	10/23/2023	4.254%	100,000	100,000
10/23/2006	10/23/2023	4.254%	150,000	150,000
11/23/2006	4/8/2031	4.250%	300,000	300,000
11/23/2006	4/8/2031	4.250%	100,000	100,000
3/23/2007	3/26/2027	(b) 4.250%	150,000	150,000
3/23/2007	3/26/2027	4.250%	350,000	350,000
March 23, 2007	4/8/2031	4.250%	100,000	100,000
3/23/2007	4/8/2031	4.250%	250,000	250,000
May 23, 2007	5/23/2027	(a) 4.755%	50,000	50,000
5/23/2007	5/23/2027	(b) 4.755%	100,000	100,000
5/23/2007	5/23/2027	(a) 4.755%	50,000	50,000
5/23/2007	5/23/2027	4.755%	200,000	200,000
6/29/2007	4/8/2031	(a) 4.250%	400,000	400,000
7/17/2007	7/18/2022	5.135%	-	200,000
7/20/2007	3/26/2027	4.250%	100,000	100,000
10/19/2007	3/26/2027	4.250%	110,000	110,000
10/19/2007	4/8/2031	4.250%	180,000	180,000
			4,472,051	**4,934,088**

(a) The fixed interest rate borne by the Bank has been converted to a variable rate by contracting financial swaps on the nominal amount.

(b) The fixed interest rate borne by the Bank has been converted to a variable rate by contracting financial swaps on the nominal amount. These financial swaps have subsequently been cancelled.

14.4 Debt securities issued

The breakdown of balances in this item on the balance sheet on December 31, 2022 and 2021 is as follows:

	Thousands of euros	
	2022	2021
Mortgage bonds	4,684,516	4,714,516
Non-convertible subordinated debt	599,142	607,421
Other non-convertible bonds	1,658,610	659,944
Treasury shares	(3,500,000)	(3,500,000)
Valuation adjustments - accrued interest	25,715	19,859
Valuation adjustments - micro-hedges	(132,636)	(1,159)
Valuation adjustments - Other	(5,993)	(2,826)
	3,329,354	**2,497,755**

The interest accrued on marketable debt securities during the years ended December 31, 2022 and 2021 amounts to 50,147 thousand euros and 19,251 thousand euros, respectively. This interest is recorded under "Interest expenses" in the income statement (Note 28).

The average effective interest rate of debt instruments classified under this caption at December 31, 2022 and 2021 was 1.80% and 4.14%, respectively.

Mortgage bonds

The detail of mortgage-based securities (mainly mortgage bonds) issued by the Bank at December 31, 2022 and 2021 is as follows:

			Thousands of euros				
Issue	**ISIN Code**	**Issue date**	**Issue amount**	**Balance at December 31, 2022**	**Balance at December 31, 2021**	**Maturity date**	**Interest rate**
3rd Issue Unicaja	ES0458759026	11/22/2010	30,000	-	30,000	11/22/2022	Euribor 6m + 2.00%
Liberbank – July 2017	ES0468675014	7/25/2017	2,000,000	2,000,000	2,000,000	7/25/2024	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	9/25/2019	1,000,000	987,096	987,096	September 25, 2029	0.25%
Liberbank - September 2019 (1st extension)	ES0468675030	6/2/2020	50,000	49,355	49,355	September 25, 2029	0.25%
Liberbank - September 2019 (2nd extension)	ES0468675030	6/3/2020	150,000	148,065	148,065	September 25, 2029	0.25%
				4,684,516	**4,714,516**		

These issues are admitted to trading on the AIAF fixed-income market and are secured by mortgages on all issues that at any time are registered in favor of the issuing entity and are not subject to mortgage bond issues, or are mobilized through mortgage participations or mortgage transfer certificates, without prejudice to the issuer’s universal asset liability.

As of December 31, 2022 and 2021, the amount of mortgage securities issues repurchased by the Bank amounted to 3,500,000 thousand euros, corresponding to the "Liberbank July 2017" and "Liberbank December 2018" covered bond issues.

Non-convertible subordinated debt

The detail of outstanding bonds and debentures issued by the Unicaja Banco Group at December 31, 2022 and 2021 is as follows:

			Thousands of euros				
Issue	**ISIN Code**	**Issue date**	**Issue amount**	**Balance at December 31, 2022**	**Balance at December 31, 2021**	**Maturity date**	**Interest rate**
Unicaja Banco - Subordinated debentures (January 2022)	ES0280907025	January 19, 2022	300,000	299,142	-	July 19, 2032	3.125%
Unicaja Banco - Subordinated debentures (November 2019)	ES0280907017	11/13/2019	300,000	300,000	300,000	11/13/2029	2.875%
Liberbank - Subordinated debentures	ES0268675032	3/14/2017	300,000	-	307,421	3/14/2027	6.875%
				599,142	**607,421**		

The first issue of subordinated debentures of Unicaja Banco was issued on November 13, 2019, in the amount of 300,000 thousand euros, which coincides with their 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, the Bank may, at its option, subject to the conditions set forth in the prospectus, which also include obtaining prior regulatory approval, redeem all of the bonds on the reset date (set for November 13, 2024) at their outstanding principal amount, together with any accrued and unpaid interest to that date. Unicaja Banco’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 Banco was issued on January 19, 2022 for an amount of 300,000 thousand euros, at a price equivalent to 99.714% of their nominal value, the unit nominal value of the bonds being 100 thousand 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 bonds from Liberbank recorded in the financial statements of Unicaja Banco on the accounting date of effects of the merger by absorption (Note 1.14), was carried out on March 7, 2017, for an amount of €3 million, dovetailing with its nominal value. 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 Banco 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.

Other non-convertible bonds

The details of “Other non-convertible securities” issued by the Unicaja Banco Group at December 31, 2022 and 2021 are as follows:

			Thousands of euros				
Issue	**ISIN Code**	**Issue date**	**Issue amount**	**Balance at December 31, 2022**	**Balance at December 31, 2021**	**Maturity date**	**Interest rate**
Unicaja Banco - Senior Debt Dec. 2026	ES0380907040	12/1/2021	600,000	599,646	600,000	12/1/2026	1.000%
Unicaja Banco - Senior Debt Dec. 2026 (Extension)	ES0380907040	12/22/2021	60,000	59,944	59,944	12/1/2026	1.000%
Unicaja Banco - Medium Term Senior Preferred Debt Jun. 2022 (EMTN Program)	ES0380907057	June 30, 2022	500,000	499,775	-	June 30, 2025	4.500%
Unicaja Banco - Medium Term Senior Non-Preferred Debt Nov. 2022 (EMTN Program)	ES0380907065	November 15, 2022	500,000	499,245	-	November 15, 2027	7.250%
				1,658,610	**659,944**		

On December 1, 2021, Unicaja Banco issued senior debt in the amount of 600,000 thousand Euros. Subsequently, on December 22, 2021, Unicaja Banco increased this issue by an additional 60,000 thousand Euros, subject to the same issue conditions. The unit nominal value of the bonds is 100 thousand 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 Banco in December 2021 accrue: (i) a fixed interest rate of 1.00% 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 Tuesday, December 1, 2026.

On the other hand, on May 26, 2022, Unicaja Banco registered with the Spanish National Securities Market Commission (CNMV) a medium-term debt issuance program (EMTN) up to a limit of 3.5 billion euros. 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 Banco made a first issue of 500,000 thousand euros in preferred senior debt bonds at a fixed interest rate, with a term of three years, and which are 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 99.955% of their nominal value, i.e. for an amount of 499,775 thousand euros. The maturity date is set for June 30, 2025 (three years from the issue date), with Unicaja Banco 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 Banco made a second issue of 500,000 thousand euros in non-preferred senior debt bonds at a fixed interest rate, with a term of five years, and which are 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 thousand euros. The maturity date is set for November 15, 2017 (five years from the issue date), with Unicaja Banco 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.

14.5 Other financial liabilities

The breakdown of balances in this item on the balance sheet on December 31, 2022 and 2021 is as follows:

	Thousands of euros	
	2022	**2021**
Debentures to be paid (*)	269,186	292,012
Tax collection accounts	719,104	605,946
Special accounts	413,518	359,640
Financial guarantees	2,567	4,411
Deposits received and other	983,145	528,557
	2,387,520	**1,790,566**

(*) This includes a balance of 87,665 thousand euros at December 31, 2022 corresponding to the balance pending ordinary contributions, as no extraordinary contributions had been made at December 31, 2022 to the Deposit Guarantee Fund (Note 1.10) (94,184 thousand euros at December 31, 2021 corresponding to the balance pending of the ordinary and extraordinary contributions).

The amount recorded under "Bonds received and others" at December 31, 2022 and 2021 includes the guarantees in favor of the Bank deposited with other financial institutions as a result of its operations with derivative instruments and simultaneous transactions.

The negative cash flow included in the statement of cash flows for 2021 for financial liabilities at amortized cost amounts to 17,106,489 thousand euros (positive cash flow of 7,501,763 thousand euros in 2021).

15. Provisions

The movements in 2022 and 2021 and the purpose of the provisions recorded under these balance sheet headings at December 31, 2022 and 2021 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 January 1, 2021	**56,633**	**176,619**	**119,491**	**433,749**	**786,492**
Effect of the take-over merger of Liberbank (**)	2,732	2,857	26,008	482,676	514,273
Endowment charged to profit or loss:	141,580	(1,129)	20,743	508,944	670,138
Endowments to provisions (*)	*141,602*	*(823)*	*20,743*	*508,944*	*670,466*
Interest cost (Note 28)	*(22)*	*(306)*	-	-	*(328)*
Recovery charged to profit or loss	(105)	-	(18,192)	(153,449)	(171,746)
Use of funds	(20,680)	(44,540)	-	(196,872)	(262,092)
Other changes	(1,361)	54,759	(41,401)	(20,352)	(8,355)
Balances as at Friday, December 31, 2021	**178,799**	**188,566**	**106,649**	**1,054,696**	**1,528,710**
Effect of the take-over merger of Liberbank (**)	-	-	-	-	-
Endowment charged to profit or loss:	148	954	29,901	120,427	151,430
Endowments to provisions (*)	-	*1,262*	*29,901*	*120,427*	*151,590*
Interest cost (Note 28)	*148*	*(308)*	-	-	*(160)*
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	(7,512)	465	(522)	(109,988)	(117,557)
Balances as at December 31, 2022	**127,539**	**132,696**	**126,128**	**685,590**	**1,071,953**

(*) See Note 2.10 in relation to endowments for pension funds and similar obligations.

(**) The amount of the heading "Effect of the merger by absorption of Liberbank" includes the effect of the adjustments for fair value of provisions for contingencies as described in Note 1.14.

The provisions recorded by the Bank represent the best estimate of future obligations. The Bank's Directors consider that 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 book value of the Bank's assets and liabilities in the next accounting period. The estimated financial effect on the calculation of provisions was not significant during fiscal years 2022 and 2021.

The Bank 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 Bank periodically reevaluates the risks to which its activity is exposed in accordance with the economic setting 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

The caption corresponds to the amount of the commitments assumed by the Bank with its employees as described in Notes 2.10 and 35.1.

Provisions for commitments and guarantees granted

This heading includes the amount recorded for general and specific provisions for contingent commitments, meant as those transactions in which the Bank guarantees obligations of a third party arising as a result of financial guarantees granted or other types of contracts, and for contingent commitments, meant as irrevocable commitments that may give rise to the recognition of financial assets.

The detail by nature of the balances recorded under "Provisions for commitments and guarantees granted" at December 31, 2022 and 2021, is as follows:

	Thousands of euros	
	2022	**2021**
Provisions for contingent liabilities	113,178	100,103
Provisions for contingent commitments	12,950	6,546
	126,128	**106,649**

The item "Provisions for contingent liabilities" includes the amount of provisions made to cover contingent liabilities, meant as those transactions in which the Bank 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 cover irrevocable commitments that may give rise to the recognition of financial assets.

Remaining provisions

The detail by nature of the balances recorded under "Remaining provisions" at December 31, 2022 and 2021, and the breakdown of the item "Other movements" associated with the movement of such provisions for the fiscal years 2022 and 2021, is as follows:

	Thousands of euros	
	2022	**2021**
Coverage of legal and similar contingencies	239,335	304,679
Hedges associated with investees	-	116,545
Coverage of other contingencies	446,255	633,472
	685,590	**1,054,696**

In 2022 and 2021, the amounts identified as "Other movements" are mainly due to the reclassification of hedges established for interest rate hedges, as described later in this note.

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 other proceedings of a similar nature, in which it is considered likely that the Bank will have to dispose of resources that incorporate profit. This item mainly covers customer claims and other litigation, among others. 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 advisors.

  This heading includes the coverage of litigation and claims related to interest rate variation limitation covenants for 114 million euros. 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” This includes contingencies related to the Bank'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 the Bank's management based on the best information available at the balance sheet date.

- “Hedges for other contingencies”: This includes coverage of miscellaneous risks, for which provisions have been made to cover unsettled issues for which the Bank estimates a likely disbursement, as well as coverage of likely disbursements that the Bank estimates it will have to make arising from its normal activity. The amounts to be provisioned are calculated based on the best estimate of the economic resources that the Bank will have to use to meet the contingencies identified, taking into account the estimated timing of the outflows of resources that the obligation is expected to produce.

  At December 31, 2022 and 2021, this caption includes provisions created by Unicaja Banco 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 workers 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, Unicaja Banco implemented 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 of December 31, 2022, the amount of provisions recorded on the Bank's balance sheet for these items amounted to 280 million euros.

Agreements to limit interest rate fluctuations

In relation to Unicaja Banco's credit operations in the retail mortgage segment that have limits on the variation of interest rates, consideration should be given to the decisions being made in different courts regarding the validity of these agreements with respect to specific entities, following the Supreme Court ruling dated May 9, 2013 and following the rulings of that Court dated July 16, 2014 and March 25, 2015, according to which, once those agreements limiting the variation of interest rates lacking transparency are declared null and void by means of a court judgment, the borrower shall be reimbursed the interest differential paid in application thereof as from the date of publication of the judgment of May 2013.

In particular, we should consider, on the one hand, 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 Banco, directly and as a consequence of the EspañaDuero merger) that included this type of 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. On the other hand, consideration should be given to the judgment of April 13, 2016, now final, of the Provincial Court of León, following the collective action that, by the Association of Users of Banking Services (AUSBANC), is followed against EspañaDuero in relation to this type of agreements included in the mortgage loan contracts formalized at the time by Caja España de Inversiones and which requires the certain interest rate fluctuation limits contained in the loan contracts signed by Caja España de Inversiones be annulled, due to a lack of transparency.

These judgments corroborate the criterion that once a certain agreement limiting the variation of interest rates has been declared null and void, the restitution to the borrower must be made for the interest differential since the date of publication of the judgment of the time of the effects derived from the declaration of nullity of the floor clauses deprives Spanish consumers who entered into a mortgage loan contract prior to the date of the Supreme Court ruling of the right to obtain restitution of the amounts they unduly paid to the banks.

These rulings of the Madrid and Leon Courts were appealed before their corresponding Provincial Courts and, in the case of the Leon Court, were confirmed before the Supreme Court, with the Madrid Court pending resolution before the Supreme Court.

In any case, 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.

Notwithstanding the resolutions of the aforementioned rulings, Unicaja Banco considers, in general, that the agreements that establish limits to the variation of the interest rate in its mortgage loan deeds 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 latest 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 Bank effectively took advantage 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 made by the General Attorney, 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 several 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, as long as the consumer has been given sufficient information to be aware of the economic and legal consequences of this waiver.

As of December 31, 2022, the provisions deemed necessary to cover possible losses on assets and to cover the outcome of risks and contingencies that could affect the Bank were established. In this respect, the Bank has implemented a provision of 114 million euros at December 31, 2022 (161 million euros at December 31, 2021).

IRPH clause

Unicaja Banco 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, on transparency and customer protection of banking services, and with Bank of Spain Circular 5/2012, of June 27, 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. In said case the most important milestones 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 index in terms of unfairness (Directive 93/12), 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 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.

The Chamber, in making this judgment of unfairness in accordance with the parameters of the CJEU, considers that the offer by the bank of an official index, 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, at December 31, 2022, Unicaja Banco does not expect any contingencies in relation to litigation and potential IRPH claims.

Revolving credit cards

On March 4, 2020, Court No. 1 of the Supreme Court issued ruling number 149/2020, dismissing the appeal for reversal submitted by a credit entity (not belonging to the Liberbank Group) against a ruling that had declared the nullity of a revolving credit contract because it considered the remunerative interest to be extortionate. The Bank's management and directors have assessed the potential impact of the indicated ruling on the portfolio of products of this kind that Unicaja Banco holds at December 31, 2022, and concluded that the potential losses from lawsuits that may be filed against the Bank in this connection are 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, among other aspects, 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. From that moment onwards, non-significant claims were filed against Unicaja Banco before the Customer Service Department and lawsuits were filed seeking a refund of expenses and taxes borne by the customers when originating a 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 doctrine means that consumers are entitled to restitution of all expenses paid for property registration, agency and appraisal fees, as well as half of notary fees. Only the Tax on Documented Legal Acts, in which the tax regulations establish that the main taxpayer is the borrower, is borne by consumers.

As of December 31, 2022, Unicaja Banco has covered all the claims and complaints received from customers for this concept with provisions.

16. Other liabilities

The breakdown of balances in this heading on the balance sheet on December 31, 2022 and 2021 is as follows:

	Thousands of euros	
	2022	**2021**
Accrued expenses	255,279	107,407
Operations underway	113,848	35,571
Others	231,979	227,822
	601,106	**370,800**

As of December 31, 2022 and 2021, the amount recorded under "Others" relates mainly to balances held with entities of Unicaja's Tax Group pending settlement with the Bank as a result of the corporate income tax return and accrual of liabilities.

17. Other cumulative overall income

The detail and movement recorded under "Accumulated other global income" in the balance sheet for 2022 and 2021 is presented in the accompanying statement of changes in total equity, together with an explanation of all movements therein during 2022 and 2021.

18. Shareholders' equity

The detail and movement recorded in the "Shareholders' net equity" caption of the balance sheet during the years ended December 31, 2022 and 2021 are presented in the accompanying statements of changes in total shareholders' net equity, with an explanation of all the movements therein during such years.

18.1 Capital and share premium

At December 31, 2022 and 2021, the Bank's capital stock amounted to 663,708 thousand euros, consisting of 2,654,833,479 fully subscribed and paid-up ordinary shares with a par value of 0.25 euros.

As of December 31, 2020, the Bank's capital stock amounted to 1,579,761 thousand Euros, consisting of 1,579,761,024 fully subscribed and paid-in ordinary shares with a par value of 1 euro. At that date, 50.81% of the share capital corresponded to Fundación Bancaria Unicaja.

On July 30, 2021, as a result of the take-over merger of Liberbank, Unicaja Banco increased the number of ordinary shares by 1,075,072,455 shares, which were fully subscribed by holders of Liberbank shares (Note 1.14).

On the other hand, on December 14, 2021, the share capital, which amounted to 2,654,833 thousand Euros, divided into 2,654,833,479 shares with a par value of 1 euro, was set at 663,708 thousand Euros, divided into 2,654,833,479 shares with a par value of 0.25 Euros per share, and the amount of the capital reduction (1,991,125 thousand Euros) was used to increase the Company's voluntary reserves, creating an unavailable voluntary reserve that can only be used in accordance with the requirements for share capital decreases. This capital decrease was registered with the Commercial Registry on January 13, 2022.

Unicaja Banco's share premium at December 31, 2022 and 2021 amounted to 1,322,995 thousand 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, 2022 and 2021, 30.24% of the Bank's capital stock belongs to Fundación Bancaria Unicaja, formerly Monte de Piedad y Caja de Ahorros de Ronda, Cádiz, Almería, Málaga, Antequera and Jaén (Unicaja), having ceased to be the Bank's controlling entity as a result of the merger between Unicaja Banco, S.A. and Liberbank S.A. (Note 1.14).

18.2 Equity instruments issued other than share capital

The heading "Equity instruments issued other than capital" includes at December 31, 2022 the outstanding balance of the issues of Contingently Convertible Perpetual Bonds (PeCoCos) and Contingently Redeemable Preferred Participations of Unicaja Banco (in 2021 it only included the first of the issues). The breakdown of these issuances as at December 31, 2022 and 2021 is as follows:

		2022			2021				
			Euros	Thousands of Euros		Euros	Thousands of Euros		
Issue	ISIN Code	Number of securities issued	Nominal amount Total	Closing balance	Number of securities issued	Total nominal amount	Closing balance	Nominal interest	Maturity
Perpetual Contingently Convertible Bonds (PeCoCos)	ES0280907009	47,384,678	47,384,678	47,385	47,384,678	47,384,678	47,385	13.8824%	Perpetual
Contingently Redeemable Preferred Stock	ES0880907003	2,500	500,000,000	500,000	2,500	500,000,000	500,000	4.875%	Perpetual
				547,385			547,385		

Perpetual Contingently Convertible Bonds (PeCoCos)

PeCoCos Bonds are bonds convertible into common shares of Unicaja Banco 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 Banco, 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 issue premium. As of December 31, 2022 and 2021, 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 Banco, 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 Banco 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 Banco 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 Banco, at its sole discretion, taking into account the solvency situation of Unicaja Banco or the Unicaja Banco 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 any case that the unpaid interest shall 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 Banco or the Unicaja Banco 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 Banco 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.

PeCoCos 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 Banco adopts any measure leading to its dissolution and liquidation, either voluntary or involuntary, or if it is declared bankrupt, or (ii) if Unicaja Banco adopts any measure that results in the approval of a reduction of capital stock in accordance with the provisions of Article 320 and subsequent articles 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 Banco 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 Entity would not be viable, or (ii) if a decision is adopted to inject public capital or any other financial support measure, without which the Entity 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 above, the Bank's directors take the view that these convertible instruments do not represent an unconditional contractual obligation to deliver cash or other financial assets or to exchange financial assets or financial liabilities on terms that are potentially unfavorable to the Bank. They should therefore be classified as equity instruments and recorded in full as shareholder equity under the "Equity instruments issued other than capital" section on the balance sheet. The discretionary remuneration of the perpetual convertible bonds was recorded directly against shareholder equity.

On February 25, 2022, the Board of Directors of Unicaja Banco, after verifying compliance with the conditions set forth in the issue prospectus, agreed to pay the discretionary remuneration of the Contingently Convertible Perpetual Bonds (PeCoCos) issued by the Bank, for a total gross amount of 6,850 thousand euros, for the period from March 2021 to March 2022, being paid on March 28, 2022 (total gross amount of 6,850 thousand euros for the period from March 2020 to March 2021, which were approved by the Board of Directors on February 25, 2021 and paid on March 28, 2021).

Contingently Redeemable Preferred Stock

On November 18, 2021, Unicaja Banco issued Contingently Redeemable Preferred Stock for an amount of 500,000 thousand Euros, which is the nominal value thereof. The Preferred Stock has a unit par value of 200 thousand 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 cancelled.

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 above, the Bank's directors feel that the redeemable preferred stock did not represent an unconditional contractual obligation to deliver cash or other financial assets, or to exchange financial assets or financial liabilities on terms that are potentially unfavorable to the Bank, and should therefore be classified as equity instruments and recorded in full as equity under the "Equity instruments issued other than capital" section on the balance sheet. The discretionary remuneration of the preferred stock was recorded directly against shareholder equity.

During the 2022 period, discretionary remuneration was paid in relation to Contingently Redeemable Preferred Participations in the amount of 24,373 thousand euros.

18.3 Own shares

At December 31, 2022, the Bank holds 198,770 treasury stock (4,331,832 treasury shares at December 31, 2021) amounting to 148 thousand euros (3,359 thousand euros at December 31, 2021).

The breakdown of Treasury Stock at December 31, 2022 and 2021 is as follows:

	2022		2021	
	Number of Shares	Thousands of Euros	Number of Shares	Thousands of Euros
Balance of Own Shares at the Beginning of the Period	**4,331,832**	**3,359**	**92,296**	**92**
Effect of the merger by absorption of Liberbank	-	-	4,161,736	3,227
Acquisitions by Unicaja Banco	62,346	15	92,930	55
Sales made by Unicaja Banco	(4,195,408)	(3,226)	(15,130)	(15)
Balance of Own Shares at the Beginning of the Period	**198,770**	**148**	**4,331,832**	**3,359**

The net acquisitions of treasury stock made by Unicaja Banco during 2022 were made for a total negative price (net sale) of 3,211 thousand euros, while during 2021 they were made for a total positive price (net purchase) of 40 thousand euros.

19. Tax situation

19.1 Consolidated Tax Group

The Bank is the parent entity of Tax Consolidation Group number 660/10, taxed for corporate income tax purposes under the Special Tax Consolidation System as regulated in Section VI of Title VII of the Corporate Income Tax Act 27/2014 of November 27, 2014.

19.2 Years open to review by the tax authorities

At the date of preparation of these financial statements, the consolidated tax group of Unicaja Banco has all its tax obligations of state management for the years 2017 to 2022, both inclusive, subject to verification by the tax authorities.

Also, as a result of the take-over merger of Liberbank (Note 1.14), Unicaja Banco assumed all tax obligations and took over 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, maintain the years 2011 to 2021 open to inspection for Corporation Tax, except for the aspects that were deemed compliant by the State Tax Administration Inspection in the verification actions carried out on the Corporation Tax returns for the years 2011 to 2015.

In the case of regional and local taxes, the obligations for the years 2019 to 2022, also inclusive, would be subject to verification.

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.

During the fiscal year 2021, tax settlements were made in respect of the main taxes applicable to the tax group during the years 2014 to 2016, thus culminating the audit procedure mentioned in Note 19 of the notes to the financial statements for the year ended December 31, 2020. The regularized items were included in the conformity assessments, except for one related to the reduction in the deduction, against which an Economic Administrative Claim was filed before the Central Economic-Administrative Court. The tax settlements made in respect of the years 2014 to 2016, derived from the aforementioned conformity and non-conformity assessments, did not have a significant impact on the income statement.

Also, on March 26, 2021, the Entity received notification of the opening of partial verification proceedings in respect of Corporation Tax for 2017 and 2018, limited to the verification of tax loss carryforwards and other tax credits transferred to the Unicaja tax group, as a result of the acquisition and subsequent merger of Banco de Caja España de Inversiones, Salamanca y Soria S.A. (EspañaDuero).

As a result of this verification, the inspection team of the State Tax Administration Agency (AEAT) notified an adjustment proposal resulting in the write-off of deferred tax credits arising from tax loss carry-forwards of EspañaDuero amounting to 68,204 thousand euros, against which the Bank filed allegations with the Technical Office of the AEAT.

On June 13, 2022, the Technical Office of the State Tax Administration Agency ("AEAT") issued a Settlement Agreement whereby the allegations made by the Bank were fully upheld and the proposal for regularization included by the AEAT in the Disagreement Report signed to document the conclusion of the partial verification and investigation actions carried out by the Central Office of the State Tax Administration Agency ("AEAT") was declared inadmissible, by the Central Delegation of Large Taxpayers of the AEAT, in relation to Corporate Income Tax for the years 2017 and 2018, which resulted in the write-off of the deferred tax credits referred to above.

Thus, the AEAT's own Technical Office confirms that the Bank's treatment of the transfer of EspañaDuero's tax credits in the aforementioned corporate income tax returns was correct.

The aforementioned settlement agreement does not have any effect on the accompanying financial statements, since Unicaja Banco had not recorded the derecognition of the deferred tax assets arising from the tax loss carryforwards that were the subject of the dispute.

On July 22, 2022, Unicaja Banco 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 Authorities, instead of carrying out ex officio the full regularization of the tax situation of the entities referred to, expressly recognized the right of these entities to impute for tax purposes.

On November 30, 2022, the Entity received notification of the opening of partial verification proceedings in relation to the aforementioned rectification of the 2017 corporate income tax return. These audits are ongoing at the date of preparation of these financial statements, and the opinion of the Bank's directors and tax advisors is that the possibility of material liabilities arising in this connection, in addition to those recorded, is remote.

19.3 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 expense recorded for the aforementioned tax is presented below:

	Thousands of Euros	
	2022	**2021**
Profit (loss) before tax	334,893	982,779
Income tax (30%)	100,468	294,834
For permanent positive differences	28,812	3,828
For permanent negative differences	(30,308)	(402,435)
Impact of Royal Decree-Law 3/2016	1,238	2,024
Deductions and tax credits		
Other deductions	(376)	(317)
Income tax expense/(income)	**99,834**	**(102,066)**

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.

With regard to the breakdown of the main components of income tax expense (income), the entire amount recorded in the individual income statements for the fiscal years 2022 and 2021 for this item (amounting to 99,834 thousand euros of expense in 2022 and 102,066 thousand euros of income in 2021) corresponds to the current income/expense 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 income tax expense/income amounts recorded in the Bank's income statements for the years 2022 and 2021 were as follows:

	Thousands of euros	
	2022	**2021**
Expense (income) resulting from taxable temporary differences	64,327	(133,322)
Expense (income) resulting from tax loss carryforwards pending offset	33,459	30,939
Expense (income) for deductions credited and not applied	2,048	317
Total income tax expense/ (income)	**99,834**	**(102,066)**

With regard to the income tax recorded in the statements of recognized income and expense for the periods of 2022 and 2021, the Bank charged a negative amount of 87,380 thousand euros and a positive amount of 65,694 thousand euros to equity, respectively, for the following items:

	Thousands of euros	
	2022	**2021**
Actuarial gains and losses in defined benefit plans	-	-
Measurement of financial assets at fair value through other comprehensive income		
other comprehensive income	834	54
Valuation of available-for-sale financial assets	-	-
Valuation of cash flow hedging derivatives	(88,214)	65,640
Measurement of exchange differences	-	-
Measurement of non-current assets held for sale	-	-
Total income/ (expense) for income tax	**(87,380)**	**65,694**

No lower rate has been applied in any of the aforementioned adjustments. After the merger with Liberbank,72,875 thousand euros of tax loss carry-forwards were written off, and in 2022, tax credits for technological innovation were written off in the amount of 10,861 thousand euros.

19.4 Temporary differences

In the balance sheet at December 31, 2022, deferred tax receivables amount to 4,433,576 thousand euros and deferred tax payables amount to 320,582 thousand euros (4,551,984 thousand euros and 326,228 thousand euros, respectively, at December 31, 2021).

Pursuant to the provisions of Rule 42 of Circular 4/2017, the quantification of deferred tax assets and liabilities is performed by applying the tax rate at which it is expected to be recovered or settled to the temporary difference or credit, as appropriate, with the currently applicable rate for the Bank being 30%.

Details of current and deferred tax assets and liabilities recorded on the balance sheet at December 31, 2022 and 2021 were as follows:

	Thousands of euros			
	2022		**2021**	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Current taxes	**443,394**	**28,818**	**470,373**	**12,987**
Corporate income tax	430,037	-	460,848	-
Value Added Tax	2,282	3,772	814	1,219
Withholdings	35	10,655	29	5,168
Tax liabilities with uncertainty	-	14,044	-	6,693
Other	11,040	347	8,682	(93)
Deferred taxes	**4,433,576**	**320,582**	**4,551,984**	**326,228**
For tax loss carryforwards	1,101,095	-	1,067,636	-
Outstanding deductions	18,635	-	28,160	-
Temporary differences - insolvencies	2,229,410	-	2,258,717	-
Temporary differences - pensions	128,252	-	131,303	17,101
Temporary differences - foreclosed	52,176	-	52,176	-
Other	904,008	140,560	1,012,228	74,227
Revaluations	-	180,022	1,764	234,900
	4,876,970	**349,400**	**5,022,357**	**339,215**

The accounting regulations applicable to the Bank consider “uncertain tax treatment” to be that in which there is uncertainty as to whether or not it will be accepted by the relevant tax authority, pursuant to fiscal law. The impact on Unicaja Banco is currently limited to the procedure for the recovery of state aid from the "Tax Lease" for ship financing by the European Commission described in Note 19.7 ('8,908 thousand euros and the treatment of the deductions for technological innovation described later in this note ('5,137 thousand euros).

The amounts affected by these uncertainties were classified under “Current tax liabilities” on the Bank’s balance sheet.

The Bank’s directors take the view that the recorded deferred tax assets will be realized in future years as the tax group to which it belongs obtains taxable income, as is expected to occur in the coming 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 Banco. These losses were of an extraordinary and non-recurring nature, mainly due to the write-off of loans and real estate assets in accordance with the Unicaja Banco Group's Strategic Plan, and in accordance with the projections of tax results derived from said Strategic Plan, as well as the forecast for the absorption of deferred tax assets adjusted to the latest changes in tax legislation, 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 take advantage of the deferred tax assets for tax loss carry-forwards, since the maximum compensation term 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 were 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 on the balance sheet, taking into account the tax regulations in force and especially the provisions of Article 130, Section 5 of the Corporate Income Tax Act. The macroeconomic projections considered for the financial forecasts of the Unicaja Banco 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.

In essence, the entry into force of Royal Decree-Law 14/2013, of November 29, 2013, on urgent measures for the adaptation of Spanish law to European Union regulations on the supervision and solvency of financial institutions, means that certain deferred tax assets recorded in the accompanying balance sheet may, under certain conditions, become receivables in the consideration of 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.

The Group to which the Bank belongs made an initial estimate of the amount of deferred tax assets that could be converted into a receivable from the tax authorities and which are therefore guaranteed by the Spanish authorities, resulting in an amount of 2,681,830 thousand euros at December 31, 2022 (2,707,105 thousand euros at December 31, 2021). The equity benefit accrued by the Bank in connection with the monetization of these deferred tax assets is recorded under “Other operating expenses” (see Note 34).

In relation to the deduction for technological innovation in corporate income tax, in the financial sector, two rulings of the National Court of Spain have recently been published which imply 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 National Court of Spain considers that the projects in dispute are not covered by Article 35.2.b of the Consolidated Text of the Corporate Income Tax Law, and therefore cannot generate a deduction for tax purposes. Although these rulings are not yet final, since they are being appealed against before the Supreme Court, Unicaja Banco has estimated the tax risk associated with the application of these new criteria in the amount of 5,137 thousand euros at December 31, 2022, recording it as an uncertain tax liability. In addition, the Bank has written-off deferred tax assets amounting to 10,861 thousand euros, corresponding to deductions for technological innovation pending application. These two amounts have been recorded with a charge to "Income tax expense/income on earnings from continuing operations" in the income statement for the year 2022.

19.5 Other relevant tax issues

a) The transactions provided for in Heading VII, Section VII of the Corporate Income Tax Act 27/2014 of November 27, 2014.

The General Shareholders' Meetings of Unicaja Banco, S.A. and Liberbank, S.A. held on March 31, 2021, which resolved the merger by absorption between Unicaja Banco, S.A. (as the absorbing company) and Liberbank, S.A. (as the absorbed company) adopted the resolution to submit the transaction to the Special Tax System established in Heading VII, Section VII of the Corporate Income Tax Act 27/2014 of November 27, 2014.

The accounting information obligations set forth in the Corporate Income Tax Act 27/2014 of November 27, 2014 are incorporated in Appendix VI to these financial statements.

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.

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.

b) Information on voluntary accounting revaluations for corporate income tax purposes

Pursuant to Article 122 of the Corporate Income Tax Act, it is hereby stated that Monte de Piedad y Caja de Ahorros de Ronda, Cádiz, Almería, Málaga, Antequera and Jaén revalued part of its tangible assets in 2005 through the application of Transitional Provision 1, Section B, of Bank of Spain Circular 4/2004. This revaluation was not included in the taxable income for corporate income tax purposes for that year, pursuant to Article 15 of the Consolidated Text of the Corporate Income Tax Act.

The revaluation was made in 2005, effective January 1, 2004, amounting to 227,811,000 Euros in the case of Unicaja and 7,286,000 Euros in that of Caja de Jaén.

The assets of Monte de Piedad y Caja de Ahorros de Ronda, Cádiz, Almería, Málaga, Antequera and Jaén (now Fundación Bancaria Unicaja) subject to revaluation that were on the balance sheet at December 31, 2010 were allocated to Unicaja Banco, S.A. in the spin-off transaction described in Note 19.6.

The Bank maintains the inventory of the assets affected by such revaluation at the disposal of the tax authorities, having delivered such information in the course of the various inspection processes to which it has been subject.

Pursuant to Article 122 of the Corporate Income Tax Act, it is hereby stated that Caja España de Inversiones, Caja de Ahorros y Monte de Piedad and Caja de Ahorros de Salamanca y Soria revalued part of their tangible assets in 2005 by application of Transitional Provision 1, Section B, of Bank of Spain Circular 4/2004 and that such revaluation was not included in the taxable income for corporate income tax purposes for that year, pursuant to Article 15 of the Consolidated Text of the Corporate Income Tax Act.

As a result of the merger between Caja España de Inversiones, Caja de Ahorros y Monte de Piedad and Caja de Ahorros de Salamanca y Soria and the integration of Banco de Caja España de Inversiones, Salamanca y Soria, S.A. (EspañaDuero) into the Unicaja Group, certain assets and liabilities of the absorbed entity were valued at fair value. The breakdowns by type of element are shown in the 2010 and 2014 financial statements, with the Bank having internal records outlining the individualized detail.

19.6 Information obligations arising from segregation

a) Information on the Special Tax Regime for Segregations in Corporation Tax

The General Assembly of Monte de Piedad y Caja de Ahorros de Ronda, Cádiz, Almería, Málaga, Antequera and Jaén (Unicaja) agreed the indirect exercise of its financial activity through Unicaja Banco, S.A. and its incorporation by a spin-off of part of its assets, adopting a resolution to submit the operation to the Special System Covering Mergers, Spin-offs, Asset Contributions and Exchange of Securities and its incorporation through a spin-off of part of its assets, as regulated in Heading VII, Section VII of the Corporate Income Tax Act (previously, at the time of its application, Heading VII, Section VII of the Consolidated Text of the Corporate Income 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

As indicated in Section (a) above, the Bank acted as the acquiring entity in respect of the aforementioned corporate restructuring transaction subject to the special system for mergers, spin-offs, contributions of assets and exchange of securities provided for in Heading VII, Section 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.

19.7 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 Banco 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 Banco.

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, which is pending resolution.

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 cassate 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.

In a ruling handed down on September 23, 2020, the General Court dismissed the appeal filed by the Kingdom of Spain and others, which has been appealed in cassation before the Court of Justice of the European Union and which has been admitted for processing.

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 Judgment of the General Court that had confirmed the legality of the Decision, which means that it has partially upheld the appeal of Unicaja Banco, 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. For this reason, the directors and tax advisors of the Entity opted to maintain an amount recorded in the accounts under the heading 'Tax liabilities with uncertainty' to cover this possible risk, in the amount of 8,908 thousand euros.

20. Financial instrument liquidity risk

The Assets and Liabilities Committee manages the liquidity risk inherent in the Group's business activity and the Bank's 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 Bank's capacity to respond quickly to strategic market opportunities.

In terms of liquidity risk management, the Bank uses a decentralized approach, applying integrated IT tools to perform liquidity risk analysis based on the cash flows estimated by the Bank for its assets and liabilities, as well as the guarantees or additional instruments available to secure additional sources of liquidity that may be required (for example, liquidity lines not used by the Bank). The Bank's liquidity risk position is established on the basis of a number of scenario analyses. These assessments of various scenarios take into account not only normal market situations, but also extreme conditions that may arise and which could affect the flow of collections and payments due to market factors or internal factors impacting on the Bank.

With respect to compliance with liquidity risk reporting requirements, a maturity matrix at December 31, 2022is presented below, which includes the actual remaining contractual cash flows, principal and interest, based on the various contracts and agreements signed by the Bank:

	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	**4,889,468**	**554,945**	**5,380,092**	**8,507,601**	**7,145,938**	**17,469,090**	**55,548,600**	**99,495,734**
Reverse repurchase agreements and securities lending (borrower)	**100,710**	**-**	**-**	**205,069**	**-**	**-**	**-**	**305,779**
Loans and advances	**4,788,722**	**469,481**	**1,530,568**	**6,538,499**	**5,349,841**	**13,203,941**	**34,570,206**	**66,451,258**
Retailers	1,249,594	375,786	858,940	3,381,737	3,887,640	9,199,123	30,379,068	49,331,888
Non-financial customers including public administrations	63,079	83,199	218,516	2,107,069	789,052	2,339,916	1,051,599	6,652,430
Credit institutions and other financial institutions	94,618	759	4,206	53,009	12,308	67,165	329,524	561,589
Central banks	3,377,234	-	-	-	-	-	-	3,377,234
Others	4,197	9,737	448,906	996,684	660,841	1,597,737	2,810,015	6,528,117
Asset derivatives	**-**	**-**	**373**	**1,067**	**1,425**	**1,839**	**37**	**4,741**
Settlement of securities portfolio	**36**	**85,464**	**3,849,040**	**1,727,616**	**1,794,672**	**4,263,310**	**20,978,357**	**32,698,495**
Other new recognitions	**-**	**-**	**111**	**35,350**	**-**	**-**	**-**	**35,461**
DERECOGNITIONS	**64,620,106**	**1,764,089**	**2,273,848**	**9,481,964**	**1,866,550**	**5,158,257**	**4,399,265**	**89,564,079**
Issues of securities	**-**	**54,845**	**49,486**	**563,483**	**239,086**	**4,671,496**	**4,380,553**	**9,958,949**
Unsecured bonds and issues	-	-	8,625	9,375	48,952	1,849,129	1,255,748	3,171,829
Bonds	-	54,845	40,861	554,108	190,134	2,822,367	3,124,805	6,787,120
Securitizations	-	-	-	-	-	-	-	-
Financing with securities collateral	**100,660**	**694,159**	**1,249,175**	**4,911,834**	**973,576**	**-**	**1,781**	**7,931,185**
Customer deposits not included in the preceding categories	**64,519,446**	**1,012,988**	**969,784**	**3,787,573**	**653,888**	**486,761**	**16,931**	**71,447,371**
Stable retail deposits	41,407,719	321,220	599,865	2,039,951	242,306	13,093	1,124	44,625,278
Other retail deposits	10,633,367	177,687	308,696	996,666	148,639	15,095	302	12,280,452
Wholesale operating deposits	7,556,638	-	-	-	-	-	-	7,556,638
Non-operating deposits	4,921,722	514,081	61,223	750,956	262,943	458,573	15,505	6,985,003
Liability derivatives	**-**	**-**	**230**	**-**	**-**	**-**	**-**	**230**
Other write-offs	**-**	**2,097**	**5,173**	**219,074**	**-**	**-**	**-**	**226,344**
GAP	**(59,730,638)**	**(1,209,144)**	**3,106,244**	**(974,363)**	**5,279,388**	**12,310,833**	**51,149,335**	**9,931,655**
ACCUMULATED GAP	**(59,730,638)**	**(60,939,782)**	**(57,833,538)**	**(58,807,901)**	**(53,528,513)**	**(41,217,680)**	**9,931,655**	
PRO MEMORIA								
Derecognitions resulting from committed facilities	1,618,936	18,649	151,420	1,157,767	223,075	444,113	907,306	4,521,266
TOTAL CONTINGENT LIABILITIES AND AVAILABLE FOR THIRD PARTIES	**1,618,936**	**18,649**	**151,420**	**1,157,767**	**223,075**	**444,113**	**907,306**	**4,521,266**

The following is a maturity matrix at December 31, 2021 which includes the actual remaining contractual cash flows, principal and interest, based on the various contracts and agreements signed by the Bank:

	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	**21,277,905**	**1,165,173**	**5,274,350**	**5,488,163**	**10,518,668**	**18,416,526**	**48,041,648**	**110,182,433**
Reverse repurchase agreements and securities lending (borrower)	**92,660**	**557,620**	**221,686**	**100,000**	**-**	**-**	**-**	**971,966**
Loans and advances	**21,185,209**	**510,375**	**3,002,934**	**4,792,375**	**6,379,485**	**13,554,906**	**32,361,170**	**81,786,454**
Retailers	1,211,461	321,537	746,548	2,919,801	3,527,523	8,962,935	27,605,773	45,295,578
Non-financial customers including public administrations	11,237	79,052	162,721	611,340	934,240	2,321,172	1,135,813	5,255,575
Credit institutions and other financial institutions	111,164	14,535	7,709	33,176	97,252	78,567	383,816	726,219
Central banks	19,832,384	-	-	-	-	-	-	19,832,384
Others	18,963	95,251	2,085,956	1,228,058	1,820,470	2,192,232	3,235,768	10,676,698
Asset derivatives	**-**	**-**	**438**	**1,222**	**1,655**	**3,672**	**83**	**7,070**
Settlement of securities portfolio	**36**	**77,886**	**2,042,659**	**575,869**	**4,136,411**	**4,857,948**	**15,680,395**	**27,371,204**
Other new recognitions	**-**	**19,292**	**6,633**	**18,697**	**1,117**	**-**	**-**	**45,739**
DERECOGNITIONS	**68,560,199**	**9,588,932**	**2,143,571**	**5,126,527**	**11,648,360**	**2,932,971**	**5,595,148**	**105,595,708**
Issues of securities	**8**	**54,815**	**49,396**	**640,907**	**689,367**	**2,559,091**	**5,577,976**	**9,571,560**
Unsecured bonds and issues	-	-	8,622	34,491	39,578	778,734	1,212,838	2,074,263
Bonds	8	54,815	40,774	606,416	649,789	1,780,357	4,357,077	7,489,236
Securitizations	-	-	-	-	-	-	8,061	8,061
Financing with securities collateral	**92,038**	**8,787,530**	**831,332**	**650,000**	**10,428,295**	**-**	**-**	**20,789,195**
Customer deposits not included in the preceding categories	**68,468,153**	**744,636**	**1,258,226**	**3,755,303**	**530,698**	**373,880**	**17,172**	**75,148,068**
Stable retail deposits	41,629,873	416,612	808,871	2,432,988	298,277	18,066	317	45,605,004
Other retail deposits	9,577,362	175,565	351,128	993,427	144,734	11,641	1,161	11,255,018
Wholesale operating deposits	10,886,640	-	-	-	-	-	-	10,886,640
Non-operating deposits	6,374,278	152,459	98,227	328,888	87,687	344,173	15,694	7,401,406
Liability derivatives	**-**	**-**	**152**	-	-	-	-	**152**
Other derecognitions	**-**	**1,951**	**4,465**	**80,317**	-	-	-	**86,733**
GAP	**(47,282,294)**	**(8,423,759)**	**3,130,779**	**361,636**	**(1,129,692)**	**15,483,555**	**42,446,500**	**4,586,725**
ACCUMULATED GAP	**(47,282,294)**	**(55,706,053)**	**(52,575,274)**	**(52,213,638)**	**(53,343,330)**	**(37,859,775)**	**4,586,725**	**-**
PRO MEMORIA Derecognitions resulting from committed facilities	954,655	15,133	1,127,594	896,447	236,796	692,364	1,094,428	5,017,417
TOTAL CONTINGENT LIABILITIES AVAILABLE FOR THIRD PARTIES	**954,655**	**15,133**	**1,127,594**	**896,447**	**236,796**	**692,364**	**1,094,428**	**5,017,417**

Details of the contractual maturities of derivative and non-derivative financial liabilities at the close of 2022 and 2021 were as follows:

							Thousands of euros
2022 close	**Up to one month**	**Between 1 and 3 months**	**Between 3 and 12 months**	**Between 1 and 5 years**	**More than 5 years**	**On demand and indeterminate**	**Total**
Non-derivative financial liabilities	**1,762,552**	**2,269,185**	**9,269,828**	**7,029,811**	**4,403,310**	**64,986,179**	**89,720,865**
Financial liabilities at amortized cost amortized cost (including embedded derivatives)	1,761,992	2,268,445	9,262,890	7,024,807	4,399,265	64,877,339	89,594,738
Financial guarantees issued	560	740	6,938	5,004	4,045	108,840	126,127
Derivative financial liabilities	-	-	**243,876**	**335,685**	**540,182**	-	**1,119,743**
	1,762,552	**2,269,185**	**9,513,704**	**7,365,496**	**4,943,492**	**64,986,179**	**90,840,608**

2021 close	Up to one month	Between 1 and 3 months	Between 3 and 12 months	Between 1 and 5 years	More than 5 years	On demand and indeterminate	Total
							Thousands of Euros
Non-derivative financial liabilities	**9,588,936**	**2,145,079**	**5,127,372**	**14,585,152**	**5,600,903**	**69,298,057**	**106,345,499**
Financial liabilities at amortized cost amortized cost (including embedded derivatives)	9,588,933	2,143,570	5,126,529	14,581,332	5,595,148	69,203,338	106,238,850
Financial guarantees issued	3	1,509	843	3,820	5,755	94,719	106,649
Derivative financial liabilities	**2**	**276**	**5,468**	**240,179**	**730,925**	**38,195**	**1,015,045**
	9,588,938	**2,145,355**	**5,132,840**	**14,825,331**	**6,331,828**	**69,336,252**	**107,360,544**

The criteria on which these maturity statements are presented are as follows:

- The data presented is static, not estimating business growth scenarios, early cancellations or renewal of operations, incorporating only the contractual flows of operations currently contracted and recorded on the balance sheet.
- The data presented correspond to actual remaining contractual cash flows, i.e. they systematically reflect the cash flows of the operation. All balances with or without maturity linked to a decision of the counterparty are considered “on demand”.
- The cash outflows indicated in the maturity table are those established contractually. Based on the Bank’s historical experience and current situation, it is felt that the probability of early cancellation of deposits and other liability positions is very low.
- Within the framework of its liquidity management, Unicaja Banco incorporates certain assumptions for the disposal of available balances by third parties. However, based on historical experience, this does not significantly affect the Bank’s structural maturity profile.

The Bank manages its liquidity risk to ensure compliance with its payment commitments by adequately controlling its cash flows and the assets available to meet potential liquidity shortfalls. The Bank therefore considers the aforementioned maturity schedules as the most relevant presentation of its liquidity statement as of a given date.

The Entity 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 Bank maintains a significant volume of liquid assets on the assets side of its balance sheet that allow it to comfortably manage liquidity risk, the main areas being:

- 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.

It should be noted that the Bank also has the capacity to issue mortgage and territorial bonds, which would allow it to raise new funds if needed.

21. Fair value

21.1 Fair value of financial assets and liabilities not recorded at fair value

As of December 31, 2022 and 2021, the fair value of financial assets and liabilities shown on the balance sheet at amortized cost was estimated by the Bank as follows:

- For those financial assets and liabilities linked to variable interest rates, the Bank estimated that their carrying value did not differ significantly from their fair value as the initial credit risk conditions of the counterparts had not been significantly modified.

- In the case of financial assets and liabilities at fixed interest rates that are not hedged, the fair value for each of the fiscal period was obtained through cash flow discounting techniques, using the risk-free interest rate (corresponding to the Spanish public debt) for all maturities as the discount rate, adjusted by the credit spread corresponding to the element. Considering the maturity and the relative balance of these instruments, the difference between the amortized cost and the fair value of these products is not significant at December 31, 2022 and 2021.

- In the case of loans and receivables, it is estimated that there were no significant differences between their carrying value and their fair value, as the Bank quantified the level of provisions for credit risk for its credit risk portfolio pursuant to applicable accounting regulations. This is considered sufficient to cover such credit risk.

However, in the current context and given that there is no market for such financial assets, the amount for which such assets could be exchanged between interested parties could differ from their net recorded value.

21.2 Instruments at amortized cost admitted to trading in markets

The estimate at December 31, 2022 and 2021 of the fair value of financial assets and liabilities that are measured at amortized cost in the balance sheet but are admitted to trading in markets does not differ significantly from the carrying amount of the instruments.

The detail at December 31, 2022 and 2021 of the book value and fair value of the Bank's financial instruments valued at amortized cost that are admitted to trading in markets is the following:

		Thousands of euros			
		2022		2021	
Balance sheet heading	Type of instrument	Book value	Fair value	Book value	Fair value
Financial assets at amortized cost amortized cost	Debt securities securities	26,867,077	25,395,460	24,849,659	25,688,366
Financial liabilities at amortized cost amortized cost	Marketable debt securities securities	3,329,354	3,329,354	2,497,755	2,497,755

21.3 Information on equity instruments

At year-end 2022 and 2021, there were no listed equity instruments for which the quoted market price had not been taken as a reference of their fair value

21.4 Fair value of financial assets and liabilities recorded at fair value

The following is a breakdown of the fair values of balance sheet sections at December 31, 2022 and 2021 by class of assets and liabilities and at the following levels.

- Level 1: Financial instruments whose fair value is determined by taking quoted prices in active markets or that correspond to recent transactions (last 12 months) that have been restated to current conditions.

- Level 2: Financial instruments the fair value of which is estimated through reference to quoted prices on organized markets for similar instruments or using other valuation techniques in which all the significant inputs are based on directly or indirectly observable market data.

- Level 3: Financial instruments the fair value of which is estimated by using valuation techniques in which at least one input is not based on observable market data.

Financial instruments at fair value and determined by published prices in active markets (i.e. those classified in Level 1 of the fair value hierarchy) comprise government debt, private debt, exchange-traded derivatives, securitized assets, shares, short positions and issued fixed income.

In cases where quoted prices cannot be observed, the Bank's 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.

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. Detailed information on the classification of financial instruments by level of the fair value hierarchy at December 31, 2022 and 2021 is included below:

					Thousands of euros
					2022
	Carrying amount				**Fair value**
		Total	**Level 1**	**Level 2**	**Level 3**
Assets					
Financial assets held for trading	32,771	32,771	-	32,771	-
Debt securities	-	-	-	-	-
Derivatives	32,771	32,771	-	32,771	-
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 through other comprehensive income	485,658	485,658	239,697	115,174	130,787
Equity instruments	292,614	292,614	46,653	115,174	130,787
Debt securities	193,044	193,044	193,044	-	-
Hedging derivatives	1,812,887	1,812,887	-	1,812,887	-
Liabilities					
Financial liabilities held for trading	37,919	37,919	-	37,919	-
Derivatives	37,919	37,919	-	37,919	-
Hedging derivatives	1,081,824	1,081,824	-	1,081,824	-

	Thousands of Euros				
	2021				
	Carrying amount	Fair value			
		Total	Level 1	Level 2	Level 3
Assets					
Financial assets held for trading	15,514	15,514	1,015	14,499	-
Debt securities	1,015	1,015	1,015	-	-
Derivatives	14,499	14,499	-	14,499	-
Non-trading financial assets mandatorily at fair value through profit or loss	228,227	228,227	84,368	9,454	134,405
Equity instruments	41	41	-	-	41
Debt securities	93,822	93,822	84,368	9,454	-
Loans and advances	134,364	134,364	-	-	134,364
Financial assets at fair value through through other comprehensive income	566,099	475,630	130,563	230,347	114,720
Equity instruments	536,803	446,334	101,267	230,347	114,720
Debt securities	29,296	29,296	29,296	-	-
Hedging derivatives	815,044	815,044	-	815,044	-
Liabilities					
Financial liabilities held for trading	15,355	15,355	-	15,355	-
Derivatives	15,355	15,355	-	15,355	-
Hedging derivatives	999,690	999,690	-	999,690	-

For the valuation of Level 3 financial instruments in the fair value hierarchy, characterized because they use unobservable inputs in market data, the Bank uses models and methods that are generally accepted as standard among credit institutions, notably including the Hull & White Model, the Longstaff and Schwartz Method, the Monte Carlo Method and the Black-Scholes Model.

These theoretical valuation models generally rely on data directly observed from the market through connections with Bloomberg and Reuters, in relation to the volatility of the underlying assets, interest rate curves, correlations between the underlying assets, dividends and CDS (Credit Default Swaps), etc. As far as unobservable data is concerned, the Bank uses assumptions generally accepted in the market for their estimation, which include, among others:

- Use implied volatilities obtained from stock options.
- Determine the zero coupon curves from the deposits and swaps quoted in each currency using a bootstrapping process.
- Obtain the discount factors or implicit rates required for valuations under an Absence of Opportunity to Arbitrage (AOA) assumption.
- Use historical data for the evaluation of correlations, generally using weekly returns of the underlying assets over a historical period between 1 and 4 years.
- Construct the estimated dividend curve from the asset’s dividend futures if they are listed and liquid.
- Estimate dividends based on the implied dividends in the options on that asset (stock or index) listed in the market.
- Use dividends forecast by market providers (Bloomberg, Reuters or DataStream) if there are no dividend futures or option quotes on the asset.

When measuring Level 3 financial instruments, the effect on their fair value of a variation, within a reasonable range, in the assumptions used in the valuation is measured. In all cases the conclusion was that the sensitivity of the fair value to changes in unobservable variables is not significant at December 31, 2022 and 2021. Therefore, the disclosures in the notes on reasonably possible alternative assumptions in the valuation are not applicable.

21.5 Valuation methods used

The methods used by the Bank to calculate the fair value of the main financial instruments recognized on the balance sheet were as follows:

- **Debt securities**: The fair value of listed debt instruments is determined on the basis of quoted prices in official markets (Central de Anotaciones de Banco de España), AIAF, AIAF panels (credit institutions) or by applying prices obtained from information service providers, mainly Bloomberg and Reuters, which construct their prices on the basis of prices reported by contributors.

- **Equity instruments**: The fair value of listed equity instruments has been determined based on official market listings. For unlisted securities, their fair value has been determined taking into account valuations by independent experts. Said valuation used the following, 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).

    - Price resulting from market transactions or acquisition offers, made or received at a time close to the valuation date.

- **Derivative instruments**: The fair value of interest rate derivatives is determined, for financial instruments without optional conditions, mainly swaps, by discounting future cash flows using the implicit money market curves and the swap curve, and for optional interest rate derivatives, using generally accepted valuation methods based on the Black-Scholes model and implied volatility matrices. For derivatives on equity instruments or stock market indexes contracted to hedge the risk of structured customer deposits containing an embedded derivative, and for currency derivatives without optional components, the fair value has been obtained by discounting cash flows estimated from the forward curves of the respective underlying instruments listed in the market, and for options, using generally accepted methods based on the Black-Scholes model, which allow, by means of a closed formula and using exclusively market inputs, the valuation of options on these underlying instruments. Where applicable, models and severities in line with the market have been used to calculate the CVA and DVA. In order to obtain Unicaja Banco's spread, the generic spread versus swap curves by rating of various debt issues by Spanish financial institutions with different seniority levels, including senior debt, is assessed on a recurring basis.

21.6 Fair value of tangible assets

On January 1, 2004, the Bank availed itself of Section 6 of the Bank of Spain Circular 4/2004, First Transitional Provision, by virtue of which it revalued most of its real estate assets, generating a gross capital gain of 227,811,000 Euros.

Subsequently, on June 21, 2013, revaluation reserves recorded in connection with the entry into force of Bank of Spain Circular 4/2004 became effective for tax purposes. This corresponded to 516 properties for own use, with an associated revaluation of 54,850,000 Euros already recorded as shareholder equity.

As of December 31, 2022 and 2021, the Bank estimates that there are no significant differences between the carrying amount and fair value of tangible assets.

22. Credit risk exposure

Credit risk represents the losses that the Bank would suffer in the event that 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 have been recorded in these financial statements, the Bank applies the same credit risk control policies and procedures to them.

The Bank’s policies, methods and procedures related to credit risk control are approved by the Bank’s Board of Directors. Unicaja Banco’s Audit and Regulatory Compliance Committee, the Internal Audit Department and Global Risk Control Department have among their responsibilities that of overseeing the adequate compliance with these policies, methods and procedures, ensuring that they are adequate, are effectively implemented and are reviewed on a regular basis.

The Bank’s credit risk control activities are carried out by the Global Risk Control Department, which reports to the Bank’s Deputy General Directorate to the President, Control and Relations with Supervisors. This unit 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 by establishing the credit risk coverage needs, pursuant to the Bank’s internal policies and the regulations applicable to the Bank. The unit is also responsible for the application of the Bank’s risk concentration limits, as approved by the Board of Directors.

The Bank has policies and procedures that limit the concentration of credit risk by counterparty, both individually and by economic group. The Bank establishes risk concentration limits taking into consideration factors such as the activities in which the counterparts are engaged, their rating and other characteristics common to them. The Bank performs sensitivity analyses to estimate the effects of possible variations in the delinquency rates of the different risk concentration groups.

The Bank had no significant risk concentrations at December 31, 2022 and 2021. The total risk held with mortgage guarantee with the private sector of residents in Spain amounted to 35,832,188 thousand euros and 35,593,772 thousand euros at December 31, 2022 and 2021, respectively.

The Bank also has a credit scoring system that takes into account the different characteristics of the transactions and debtors and which, based on historical experience and best market practices, allows it to segregate those transactions that, based on their credit risk assumed by the Bank, from those that are not. The criteria for the segregation of transactions at the time they are contracted through the application of this system are approved by the Bank's Governing Bodies and Senior Management, and the Bank has review systems in place to ensure that the system is constantly updated.

The maximum credit risk to which the Bank is exposed is measured at nominal value or fair value, based on the accounting valuation of financial assets. To the extent of the maximum credit risk to which the Bank is exposed, the existence of certain netting agreements entered into between the Bank and certain counterparts has been considered.

Information on the maximum credit risk to which the Bank is exposed is provided in Notes 7, 8 and 9. It should be noted that, since the information provided in these Notes on the credit risk to which the Bank is exposed does not consider the existence of guarantees received, credit derivatives contracted to hedge this risk and other similar hedges, this data differs from the Bank's internal analysis of credit risk exposure.

The Bank internally classifies financial assets subject to credit risk based on the characteristics of the transactions, considering the counterparts with which the transactions have been contracted and the guarantees presented by the transaction, among other factors.

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 2022 and 2021 amounts to 67,558 thousand euros and 38,835 thousand euros, respectively

Responsible consumer lending and credit practices

Order EHA/2899/2011 of October 28, on transparency and protection of clients 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 client's personal and financial situation and preferences and objectives.

- Entities that grant loans or credits to customers 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 clients, 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 Banco de España 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 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, with the "Manual of credit risk policies, functions and procedures" approved by the Bank's Board of Directors on December 22, 2017, as well as with the Bank of Spain's regulatory requirements, 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 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 (see Note 9.4).
- 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 Bank has implemented various control procedures in its risk management, the most important of which are the existence of different sanction areas that ensure adequate levels of contrast of decisions in view of the complexity of the transactions and the correct evaluation of the customer'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, CGP 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 CGP 2012), and adopts other structural measures for the improvement of the mortgage loan market. Through this Royal Decree, the CGP 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, "CGP 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 Banco 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 Banco Group of the CGP 2022, as well as the amendment and extension of the CGP 2012, is not significant at December 31, 2022.

Sovereign risk exposure

With regard to sovereign risk, the breakdown of credit risk exposures to central governments held by the Bank at December 31, 2022 and 2021 is the following:

				Thousands of euros
				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	-	-	-	16,057,231
Italy	-	-	9	8,016,669
United States	-	-	-	1,300,986
Portugal	-	-	-	156,528
Germany	-	-	-	-
	-	**-**	**9**	**25,531,414**

				Thousands of Euros
				2021
	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	-	-	-	14,151,211
Italy	-	-	-	7,692,920
United States	-	-	-	639,081
Portugal	-	-	-	209,670
Germany	-	-	-	20,124
	-	**-**	**-**	**22,713,006**

Credit quality of debt securities

The accounting classification of the Bank's debt securities at December 31, 2022 and 2021, classified in the different accounting portfolios, is presented below:

	Thousands of euros	
	2022	**2021**
Financial assets held for trading (see Note 7.1.1)	-	1,015
Non-trading financial assets mandatorily valued at fair value through profit or loss (Note 7.2)	33,522	93,822
Financial assets recorded at fair value with changes in income	-	-
Financial assets at fair value through other comprehensive income (Note 8.1)	193,045	29,296
Financial assets at amortized cost (see Note 9.3)	26,867,077	24,849,659
	27,093,644	**24,973,792**

At December 31, 2022 and 2021, the balances included in the above table were not classified as doubtful, as value corrections for impairment losses had been recorded for amounts of 372 thousand euros and 470 thousand euros, respectively. The classification of these securities by rating tranches at December 31, 2022 and 2021 is as follows:

	Thousands of euros	
	2022	**2021**
Rating Aaa	1,301,167	639,303
Rating Aa1-Aa3	163,152	213,610
Rating A1-A3	16,202,888	14,518,738
Rating Baa1-Baa3	9,307,444	9,433,989
Rating Ba1-Ba3	116,890	154,104
Rating B1-C	-	11,225
No credit rating	2,103	2,823
	27,093,644	**24,973,792**

Quality of loans to customers

The credit quality of the portfolio of loans and receivables from customers at December 31, 2022 and 2021 is detailed below:

				Thousands of euros
				2022
	Stage 1	**Stage 2**	**Stage 3**	**TOTAL**
Gross	**51,584,068**	**3,686,245**	**1,941,707**	**57,212,020**
Value corrections for asset impairment	**215,611**	**235,880**	**860,049**	**1,311,540**
Of which: calculated collectively	215,429	198,869	655,790	1,070,098
Of which: calculated individually	172	37,011	204,259	241,442
Net amount	**51,368,457**	**3,450,365**	**1,081,658**	**55,900,480**

	Thousands of euros				
					2021
	Stage 1	Stage 2	Stage 3	POCIs	TOTAL
Gross	**48,952,561**	**8,486,385**	**1,943,020**	**5,366**	**59,387,332**
Value corrections for asset impairment	**215,611**	**235,880**	**860,049**	**3,324**	**1,314,864**
Of which: calculated collectively	214,864	191,728	673,025	3,323	1,082,940
Of which: calculated individually	717	44,152	187,024	1	231,894
Net amount	**48,736,950**	**8,250,505**	**1,082,971**	**2,042**	**58,072,468**

On the other hand, at December 31, 2022 and 2021, the guarantees received and the financial guarantees grantedare detailed below:

	Thousands of euros	
Guarantees received	**2022**	**2021**
Value of collateral	35,742,743	35,560,419
Of which: Guarantees doubtful risks	990,010	*882,423*
Value of other guarantees	1,530,384	3,640,579
Of which: Guarantees doubtful risks	172,926	*150,310*
Total value of guarantees received	**37,273,127**	**39,200,998**

	Thousands of euros	
Financial guarantees granted	**2022**	**2021**
Loan commitments granted	4,521,265	5,351,395
Of which amount classified as doubtful	14,934	*13,958*
Amount recorded as a liability on the balance sheet	-	-
Financial guarantees granted	67,888	248,973
Of which amount classified as doubtful	-	*12,591*
Amount recorded as a liability on the balance sheet	-	-
Other commitments granted	4,753,333	6,038,273
Of which amount classified as doubtful	315,535	*337,474*
Amount recorded as a liability on the balance sheet	-	-
Total value of financial guarantees granted	**9,342,486**	**11,638,641**

Risk concentration by activity and geographical area

The book value of Unicaja Banco's total financing granted to its customers at December 31, 2022 and 2021, excluding exposures held with public administrations, broken down by type of counterpart, type of guarantee, and LTV ratio, is presented below.

								Thousands of Euros
				LTV ratio of collateralized loans (f)				
December 31, 2022	**Total (a)**	**Of which: Real estate guarantee (e)**	**Of which: Other collateral**	**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	**443,564**	**64,920**	19,082	57,831	13,373	12,585	127	86
Non-financial corporations and individual employers	**13,624,032**	**3,207,135**	447,581	1,751,887	1,142,372	423,494	108,273	228,690
Construction and development real estate (b)	745,746	570,697	56,903	319,177	174,869	86,810	26,434	20,311
Civil engineering construction	112,639	3,654	1,803	2,451	2987	19	-	-
Other purposes	12,765,647	2,632,784	388,875	1,430,259	964,516	336,665	81,839	208,379
Large companies (c)	7,023,274	293,306	144,084	194,802	76,005	24,794	6,554	135,235
SMEs and individual employers (c)	5,742,373	2,339,478	244,791	1,235,457	888,511	311,871	75,285	73,144
Other homes and ISFLSH	**35,582,644**	**32,560,133**	57,428	7,913,625	9,567,766	14,183,783	610,663	341,723
Housing (d)	32,098,686	31,732,219	9,231	7,447,082	9,338,318	14,078,318	578,165	299,567
Consumption (d)	1,042,551	28,688	6,571	25,780	5,300	2,852	1,101	225
Other purposes (d)	2,441,407	799,226	41,626	440,763	224,148	102,613	31,397	41,931
Total	**49,650,240**	**35,832,188**	**524,091**	**9,723,343**	**10,723,511**	**14,619,862**	**719,063**	**570,499**
Pro memoria: Refinancing refinanced and restructured transactions	**698,722**	**583,724**	**69,361**	**226,007**	**157,403**	**119,767**	**49,435**	**100,473**

								Thousands of Euros
				LTV ratio of collateralized loans (f)				
Friday, December 31, 2021	**Total (a)**	**Of which: Real estate guarantee (e)**	**Of which: Other collateral**	**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	1,362,475	89,355	823,784	76,684	16,572	24,259	169	795,455
Non-financial corporations and individual employers	15,448,185	3,682,187	537,800	1,570,081	1,332,774	585,348	164,471	567,313
Construction and development real estate (b)	695,924	554,845	49,995	227,361	180,032	120,122	42,254	35,071
Civil engineering construction	99,396	1,535	34	180	399	990	-	-
Other purposes	14,652,865	3,125,807	487,771	1,342,540	1,152,343	464,236	122,217	532,242
Large companies (c)	7,443,589	425,515	126,706	117,091	92,590	31,945	9,526	301,069
SMEs and individual employers (c)	7,209,276	2,700,292	361,065	1,225,449	1,059,753	432,291	112,691	231,173
Other homes and ISFLSH	34,796,438	31,822,230	63,395	7,975,808	9,997,674	12,828,465	682,797	400,881
Housing (d)	31,260,157	30,878,980	6,404	7,472,002	9,732,579	12,686,203	647,159	347,441
Consumption (d)	1,113,865	35,604	8,251	25,720	9,799	3,841	2,649	1,846
Other purposes (d)	2,422,416	907,646	48,740	478,086	255,296	138,421	32,989	51,594
Total	**51,607,098**	**35,593,772**	**1,424,979**	**9,622,573**	**11,347,020**	**13,438,072**	**847,437**	**1,763,649**
Pro memoria: Refinancing refinanced and restructured transactions	**898,770**	**697,382**	**53,620**	**207,835**	**207,231**	**151,862**	**66,024**	**118,050**

(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 shareholders' equity. The activity of individual employers is considered to be that which is carried out by individuals in exercising their business activities.

(d) The activities of households and non-profit institutions serving households are classified according to their purpose pursuant to the criteria set forth in Rule 71.2.(e) of the Bank of Spain Circular 4/2017.

(e) Includes the carrying value of all transactions secured by real estate and other collateral, regardless of their loan to value.

(f) Loan-to-value is the ratio resulting from dividing the carrying value of the operations at the date of the statement by the amount of the latest available appraisal or valuation of the collateral.

The following is the aggregate information at December 31, 2022 and 2021, on risk concentration of Unicaja Banco, broken down by geographical area and activity segment, excluding exposure to public administration bodies.

					Thousands of euros
December 31, 2022	**Total (a)**	**Spain**	**Other EU countries**	**The Americas**	**Rest of the world**
Credit institutions	8,308,946	7,357,940	645,259	259,931	45,817
Other financial institutions	1,775,823	1,588,142	162,965	-	24,716
Non-financial corporations and individual employers	16,559,106	16,195,172	317,972	31,043	14,919
Construction and development real estate (b)	899,083	899,083	-	-	-
Civil engineering construction	209,671	209,671	-	-	-
Other purposes	15,450,352	15,086,418	317,972	31,043	14,919
Large companies (c)	9,140,399	8,829,064	298,741	4,536	8,058
SMEs and businessmen employers (c)	6,309,953	6,257,354	19,231	26,507	6,861
Other homes and ISFLSH	35,622,942	35,442,498	82,928	33,426	64,091
Housing (d)	32,098,686	31,922,095	81,766	32,749	62,076
Consumption (d)	1,043,022	1,041,839	376	86	722
Other purposes (d)	2,481,234	2,478,564	786	591	1,293
Total	**62,266,817**	**60,583,752**	**1,209,124**	**324,400**	**149,543**

					Thousands of Euros
Friday, December 31, 2021	**Total (a)**	**Spain**	**Other EU countries**	**The Americas**	**Rest of the world**
Credit institutions	24,416,025	23,015,404	1,004,909	311,013	84,699
Other financial institutions	3,345,722	2,941,121	353,512	83	51,006
Non-financial corporations and individual employers	18,396,227	17,905,319	333,369	133,280	24,259
Construction and development real estate (b)	851,681	851,677	-	-	4
Civil engineering construction	194,635	194,635	-	-	-
Other purposes	17,349,911	16,859,007	333,369	133,280	24,255
Large companies (c)	9,538,154	9,145,020	253,476	125,627	14,031
SMEs and individual employers (c)	7,811,757	7,713,987	79,893	7,653	10,224
Other homes and ISFLSH	34,901,538	34,660,317	77,284	35,021	128,916
Housing (d)	31,260,157	31,087,938	76,021	34,130	62,068
Consumption (d)	1,113,885	1,112,797	622	182	284
Other purposes (d)	2,527,496	2,459,582	641	709	66,564
Total	**81,059,512**	**78,522,161**	**1,769,074**	**479,397**	**288,880**

(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, equity investments 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 counterparts 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” as defined in Commission Recommendation 2003/361/EC of May 6, 2003 concerning the definition of micro, small and medium-sized enterprises. Transactions with individual employers only include transactions with natural persons for the purpose of financing their business activities, both those carried out directly as individual employers and those carried out through unincorporated entities.

(d) The activities of households and non-profit institutions serving households are classified according to their purpose pursuant to the criteria set forth in Rule 71.2.(e) of the Bank of Spain Circular 4/2017.

Following is a breakdown of Unicaja Banco's loans to customers at December 31, 2022 and 2021 by autonomous community and by business segment, excluding exposures held with public administration bodies.

						Thousands of euros
December 31, 2022	**Total (a)**	**Andalusia**	**Madrid**	**Castilla y León**	**Asturias**	**Other autonomous communities**
Credit institutions	7,357,940	-	7,357,845	-	-	95
Other financial institutions	1,588,142	462,906	993,647	7,877	94,131	29,581
Non-financial corporations and individual employers	16,195,172	5,718,908	5,124,316	834,009	784,172	3,733,767
Construction and development real estate (b)	899,083	434,857	173,547	52,492	99,529	138,658
Civil engineering construction	209,671	46,539	92,108	12,878	19,226	38,920
Other purposes	15,086,418	5,237,512	4,858,661	768,639	665,417	3,556,189
Large companies (c)	8,829,064	2,865,156	4,325,925	114,606	241,020	1,282,357
SMEs and businessmen employers (c)	6,257,354	2,372,356	532,736	654,033	424,397	2,273,832
Other homes and ISFLSH	35,442,498	10,427,432	10,400,764	3,618,003	1,908,278	9,088,021
Housing	31,922,095	8,798,834	10,058,986	3,136,689	1,648,779	8,278,807
Consumption	1,041,839	290,362	126,731	100,220	139,573	384,953
Other purposes	2,478,564	1,338,236	215,047	381,094	119,926	424,261
	60,583,752	**16,609,246**	**23,876,572**	**4,459,889**	**2,786,581**	**12,851,464**

						Thousands of euros
Friday, December 31, 2021	**Total (a)**	**Andalusia**	**Madrid**	**Castilla y León**	**Asturias**	**Other autonomous communities**
Credit institutions	23,015,404	-	23,015,338	-	-	66
Other financial institutions	2,941,121	674,107	2,228,110	8,533	15,014	15,357
Non-financial corporations and individual employers	17,905,319	4,051,307	7,188,429	1,035,693	937,658	4,692,232
Construction and development real estate (b)	851,677	438,185	165,336	71,242	38,458	138,456
Civil engineering construction	194,635	38,691	118,932	12,203	2,107	22,702
Other purposes	16,859,007	3,574,431	6,904,161	952,248	897,093	4,531,074
Large companies (c)	9,145,020	1,354,086	5,562,683	146,056	370,819	1,711,376
SMEs and individual employers (c)	7,713,987	2,220,345	1,341,478	806,192	526,274	2,819,698
Other homes and ISFLSH	34,660,317	10,013,517	7,140,786	3,761,678	2,264,770	11,479,566
Housing	31,087,938	8,737,511	6,880,440	3,276,052	1,838,093	10,355,842
Consumption	1,112,797	280,720	79,211	98,472	179,346	475,048
Other purposes	2,459,582	995,286	181,135	387,154	247,331	648,676
	78,522,161	**14,738,931**	**39,572,663**	**4,805,904**	**3,217,442**	**16,187,221**

(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, equity investments 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 counterparts 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" as defined in Commission Recommendation 2003/361/EC of May 6, 2003 concerning the definition of micro, small and medium-sized enterprises. Transactions with individual employers only include transactions with natural persons for the purpose of financing their business activities, both those carried out directly as individual employers and those carried out through unincorporated entities.

(d) The activities of households and non-profit institutions serving households are classified according to their purpose pursuant to the criteria set forth in Rule 71.2.(e) of the Bank of Spain Circular 4/2017.

Leasing transactions

In relation to Unicaja Banco's leasing activity, quantitative information at December 31, 2022 and 2021, is detailed below:

(i) The reconciliation between the gross investment (including the purchase option, if any) and the present value at December 31, 2022 and 2021 is as follows:

	Thousands of euros	
	2022	**2021**
Nominal value of accounts receivable	151,519	188,848
Nominal value of purchase transactions	13,165	16,407
Total nominal value at closing	164,684	205,255
Unearned financial income	9,853	3,158
Present value at closing	**174,537**	**208,413**

(ii) The present value of the minimum payments at December 31, 2022 and 2021 and their distribution by residual terms is as follows:

	Thousands of euros	
	2022	**2021**
Less than 1 year	56,663	6,553
Between 1 and 5 years	94,120	131,543
More than 5 years	23,754	70,317
	174,537	**208,413**

(iii) Unsecured residual values in favor of the lessor amount to 13,165 thousand euros at December 31, 2022 (16,407 thousand euros at December 31, 2021).

(iv) The accumulated value adjustments for bad debts on minimum outstanding receivables at December 31, 2022 amount to 10,271 thousand euros (10,136 thousand euros at December 31, 2021).

Financial assets written off from the balance sheet

The movement during 2022 and 2021 of the Bank's impaired financial assets that were not recorded on the balance sheet because there was no reasonable expectation of recovery (although the Bank did not discontinue actions to recover the amounts due) is shown below.

	Thousands of euros	
	2022	**2021**
Balance of financial assets written off from the balance sheet as of January 1	**2,737,984**	**784,622**
Effect of the merger by absorption of Liberbank	**-**	**1,806,611**
Additions	**663,726**	**249,667**
Charged to asset impairment losses (see Note 9.3)	220,144	95,869
Charged to direct restructuring on the income statement	55,882	61,126
Uncollected past-due products	286,700	88,199
Other	101,000	4,473
Recoveries	**(46,147)**	**(51,322)**
Balances recovered during the year from cash collections	(44,379)	(40,268)
For adjudication of assets	(1,768)	(11,054)
Write-downs	**(430,401)**	**(51,594)**
For sale of bad debts	(300,695)	(10,296)
For other reasons	(129,706)	(41,298)
Balance of financial assets written off from the balance sheet as of December 31	**2,925,162**	**2,737,984**

During the 2022 financial year, the Bank concluded sales of bad debts amounting to 309,920 thousand 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 2021, the Bank sold 11,059 thousand eurosof bad debts to individuals and small and medium-sized companies (this amount included non-manageable bad debts of 295 thousand euros 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 recorded in the income statement for 2022 as a result of the movement in these assets amounts to a negative amount of 11,503 thousand euros (a negative amount of 20,858 thousand euros in 2021). 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 provision for this purpose, and therefore their removal from the balance sheet is taken directly to the income statement, with a negative effect of 55,882 thousand euros and 61,126 thousand euros in fiscal periods 2022 and 2021, 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 44,379 thousand euros and 40,268 thousand euros in fiscal years 2022 and 2021, respectively.

With respect to the criteria used to derecognize transactions from the inventory of nonperforming assets, Unicaja Banco records such derecognitions when there is no possibility of recovering them. For this purpose, there are a series of attributions that depend on the type and volume of the transactions involved. The Bank periodically monitors these balances to determine whether the requirements for derecognition have been met and to evaluate whether new circumstances change the recoverability of the balances.

In 2022 and 2021, the derecognition movement identified as “For other causes” mainly included transactions that cease to be recorded as written-off assets, since the Bank rejected any possibility of recovery (concept known as “unmanageable”).

23. 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 Bank. 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 Bank’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 Unicaja Banco 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 Bank, sensitivity measurement techniques and analysis of scenarios that could significantly affect it are used.

The Bank uses hedging operations to manage the overall interest rate risk of all those financial instruments which may expose the Bank to significant interest rate risks, thereby reducing this type of risk.

The following table shows a matrix of maturities or revisions grouping the book value of the financial assets and liabilities according to the dates of interest rate revision or maturity, depending on which is closer in time, corresponding to Unicaja Banco balances at December 31, 2022 and 2021

December 31, 2022								**Thousands of Euros**
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	15,919,394	11,565,211	22,069,995	5,322,020	2,998,116	4,177,169	2,138,512	24,943,605
After hedge adjustments	17,108,481	11,678,081	26,600,579	5,939,988	4,522,042	4,336,382	2,357,578	17,702,149

December 31, 2022								**Thousands of euros**
. 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	9,666,165	1,878,904	4,696,451	704,711	2,061,585	1,263,368	1,203,169	3,451,970
After hedge adjustments	9,266,165	1,668,904	(445,601)	1,704,711	4,003,636	1,863,368	1,813,169	5,051,970

(*) Also includes the portion corresponding to interest rate swaps.

Friday, December 31, 2021								Thousands of Euros
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	29,909,749	11,393,550	15,756,295	7,849,025	5,308,329	3,753,434	4,772,056	26,678,850
After hedge adjustments	30,530,806	12,002,949	17,460,002	9,800,601	6,068,482	5,449,204	4,865,342	19,956,828

Friday, December 31, 2021								Thousands of Euros
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	13,647,732	2,475,926	5,248,233	11,111,694	1,468,359	320,165	2,386,842	4,945,900
After hedge adjustments	13,547,732	2,265,926	656,182	11,561,694	1,968,359	2,262,216	2,486,842	6,855,900

For each of the maturities, the tables above show the adjustments to the fixed rate items arising from the hedging of these items with derivative instruments by the Bank in order to reflect the overall exposure to interest rate fluctuations.

As of December 31, 2022 and 2021, 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:

	2022	2021
Expected 12-month net interest margin	Less than 8%	Less than 11%
Economic value	Less than 3%	Less than 2%

24. Exposure to other market risks

24.1 Market risk

Market risk represents the losses that the Bank would suffer due to the change in value of the positions of the financial asset and liability portfolios held for trading, financial assets not held for trading mandatorily measured at fair value through profit or loss, financial assets designated at fair value through profit or loss, financial assets at fair value through other comprehensive income as a result of adverse movements in market price levels or in the volatility thereof and due to changes in currency exchange rates.

This risk essentially arises 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 Bank’s policy, methods and procedures related to market risk control are approved by the Bank’s Board of Directors. The role of the Bank’s Global Risk Control Department includes ensuring adequate compliance with the Bank’s risk control policies, methods and procedures, ensuring that they are adequate, effectively implemented and regularly reviewed.

The unit responsible for monitoring and controlling financial risks is the Global Risk Control 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 the adequate management of market risk, Unicaja Banco has tools that allow the definition, calculation and monitoring of market risks and the limits authorized for that purpose, in particular "Value at Risk" (VaR) and operating limits for credit/counterparty risk that affect Unicaja Banco's operations in capital markets.

In this regard, the Unicaja Banco 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 case, the impact in absolute terms of VaR is relative to shareholders' equity.

As of December 31, 2022, 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 of 10 days**
Diversified Parametric VaR	(1,315)	(4,157)
Diversified Parametric VaR (% of Shareholders' Equity)	(0.4)	(1.3)
Non-Diversified Parametric VaR	(3,374)	(10,668)
Non-Diversified Parametric VaR (% of Equity)	(1.1)	(3.4)
Parametric VaR Historical Simulation	(962)	(3,041)
Parametric VaR Historical Simulation (% of Equity)	(0.3)	(1)

Exposure to the risk of the price 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. It arises on positions classified in the portfolio of financial assets held for trading, financial assets not held for trading mandatorily measured 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 Bank's equity instruments in the financial markets at December 31, 2022 and 2021:

	Thousands of Euros		
Drop in market price (quote)	**Impact on profit and loss**	**Impact on other comprehensive**	**Impact on total net equity**

		income	
Impact at December 31, 2022, of a reduction of 1% drop in the market price	94	363	457
Impact as of December 31, 2021, of a 1% drop in the market price	126	1,016	1,142

A variation of 1% in the relevant risk variables of price variation of equity instruments was considered because this "impact" is a standard measure of the level of exposure to risk which is used both by the Bank and in the financial industry in general.

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.

24.3 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 Bank's structural exchange rate risk management seeks to minimize the potential negative impact of exchange rate fluctuations on solvency ratios and on the contribution to foreign currency investment results.

As of December 31, 2022 and 2021, the Bank's foreign exchange risk was not significant, as there were no assets or liabilities of significant volume on the balance sheet denominated in currencies other than the euro. In this regard, the euro equivalent value of total foreign currency assets and liabilities held by the Bank at December 31, 2022 and 2021 is the following:

	Thousands of euros	
	2022	**2021**
Equivalent value of foreign currency assets	**1,613,147**	**1,010,613**
Of which: % in U.S. dollars	91%	86%
Of which: % in pounds sterling	0%	0%
Of which: in Swiss francs	7%	13%
Of which: % in other currencies traded in the Spanish market	2%	1%
Equivalent value of foreign currency liabilities	**1,709,433**	**1,005,016**
Of which: % in U.S. dollars	90%	80%
Of which: % in pounds sterling	0%	0%
Of which: in Swiss francs	10%	19%
Of which: % in other currencies traded in the Spanish market	0%	0%

The euro equivalent of foreign currency assets represents 1.62% and 0.87% of the total assets at December 31, 2022 and 2021, respectively, while the euro equivalent of foreign currency liabilities represents 1.84% and 0.92% of total liabilities at each of the respective dates.

25. Directors' duties of loyalty

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 2021 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.

26. Other significant information

26.1 Financial guarantees and other commitments granted

The financial guarantees and other commitments granted at the end of 2022 and 2021, whose nominal value is recorded in memorandum accounts, is broken down below:

	Thousands of euros	
	2022	**2021**
Financial guarantees granted	**67,888**	**248,973**
Financial endorsements	67,888	248,973
Other commitments granted	**4,753,333**	**6,038,273**
Technical endorsements	1,504,131	1,433,394
Irrevocable documentary credits	17,478	33,194
Other commitments	3,231,724	4,571,685
	4,821,221	**6,287,246**

As of December 31, 2022 and 2021, "Other commitments" mainly includes commitments for simultaneous transactions and transactions in organized markets within market parameters that have not yet been formalized. In addition, during fiscal years 2022 and 2021, there are also debit orders received from customers that are within the repayment period allowed under SEPA regulations in the amount of 861,089 thousand euros and 2,715,110 thousand 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 the amounts in this section 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 Bank to third parties.

Income from guarantee instruments is recognized under “Commissions received” and “Interest income” (at the amount relating to the revalued commission income) on the consolidated income statements for 2022 and 2021. It was calculated by applying the rate established in the related contract to the nominal amount of the guarantee.

The provisions established to cover the guarantees provided, which were calculated by applying similar criteria to those used to calculate the impairment of financial assets at amortized cost, were recognized on the consolidated balance sheet as “Provisions – commitments and guarantees granted” (see Note 15).

26.2 Assets assigned and received as collateral

As of December 31, 2022 and 2021, assets owned by the Bank guaranteed transactions carried out by the Bank, as well as various liabilities and contingent liabilities assumed thereby. As of both dates, the carrying value of the Bank’s financial assets pledged as collateral for such liabilities or contingent and similar liabilities was as follows:

	Thousands of Euros	
	2022	**2021**
Pledging of securities	8,330,313	10,959,036
Pledging of non-mortgage loans	-	-
	8,330,313	**10,959,036**

For the most part, at December 31, 2022 and 2021 these amounts corresponded to the pledging of securities and non-mortgage loans through a Bank of Spain policy as a security in the obtaining of long-term financing.

As regards the terms and conditions of the pledge, the guarantees constituted by Unicaja Banco in favor of the Bank of Spain were not affected and were 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. They shall remain in force until the total cancellation of these and any others that may replace or substitute them.

The Bank did not receive assets as collateral which it was authorized to sell or pledge, regardless of whether there had been a default by the owner of the assets.

26.3 Drawable by third parties

At December 31, 2022 and 2021, the limits applicable to the granted loan agreements, which could have given rise to the recognition of financial asset, and for which the Group had assumed a credit commitment exceeding the amount recognized on the asset side of the consolidated balance sheet at that date, were as follows:

	Thousands of euros			
	2022		2021	
	Amount to be drawn down	Limit granted	Amount to be drawn down	Limit granted
With immediate availability -	**3,317,937**	**5,579,775**	**3,757,434**	**7,200,045**
Credit institutions	779	794	152	158
Public Administration Sector	468,532	581,978	645,478	1,027,648
Other sectors	2,848,626	4,997,003	3,111,804	6,172,239
With conditional availability	**1,203,328**	**2,078,832**	**1,593,961**	**2,353,902**
Credit institutions	-	-	-	-
Public Administration Sector	200,777	213,472	298,385	362,489
Other sectors	1,002,551	1,865,360	1,295,576	1,991,413
	4,521,265	**7,658,607**	**5,351,395**	**9,553,947**

26.4 Third-party resources managed and marketed by the Bank and securities depository

The breakdown of the off-balance-sheet funds managed and marketed by the Bank and its holdings as at December 31, 2022 and 2021, is as follows:

	Thousands of euros	
	2022	2021
Mutual fund portfolios	8,939,498	9,978,457
Portfolios of other collective investment schemes	115,036	125,898
Other financial instruments	2,010,409	1,273,360
Assets under management	1,049,717	1,049,272
	12,114,660	**12,426,987**

Following is a detail of off-balance sheet customer funds that have been marketed, but not managed, by the Bank and its subsidiaries in fiscal years 2022 and 2021:

	Thousands of euros	
	2022	2021
Mutual fund portfolios	11,133,469	12,260,252
Other collective investment institutions	115,036	125,898
Pension fund portfolios	3,682,241	4,032,898
Assets under management	1,049,717	1,049,272
Insurance products	4,268,096	4,545,982
	20,248,559	**22,014,302**

In addition, the following details the fair value of third party funds deposited with the Bank at December 31, 2022 and 2021:

	Thousands of euros	
	2022	2021
Debt securities and equity instruments	6,698,722	8,223,570
Other financial instruments	20,838	7,114
	6,719,560	**8,230,684**

26.5 Reclassifications of financial instruments

In 2022 and 2021, the Bank did not record any reclassifications for its financial instruments.

26.6 Asset securitization

As a result of the conditions agreed upon for the transfer of assets, the Bank retains the securitized assets' substantial risks and benefits. These were not derecognized from the consolidated balance sheet, with an associated financial liability duly recognized for an amount equal to the consideration received measured at amortized cost, as provided for in the regulations. The Group also recognized the bonds issued for the asset securitization funds arranged in each of these transactions, net of the aforementioned financial liability.

The following is a breakdown, at December 31, 2022 and 2021, of the balances recorded on the Bank's balance sheet, of the assets transferred in these transactions, together with the amount of debt securities issued by the securitization funds and held by the Bank and that appear on the consolidated balance sheet at such date, decreasing the amount of recognized financial liabilities by the consideration received:

	Thousands of euros	
	2022	2021
Securitized assets:		
Loans and advances - customers	528,591	596,907
Associated liabilities:		
Financial liabilities at amortized cost – client deposits	526,550	591,614

Below is the effective amount held by the Bank 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 balance sheet:

	Thousands of Euros	
	2022	2021
Singular securitizations:		
AyT CajaCantabria Maturity 2048 Sr A	59,260	69,391
AyT CajaCantabria Maturity 2048 Sr B	10,019	9,954
AyT CajaCantabria Maturity 2048 Sr C	8,141	8,079
AyT CajaCantabria Maturity 2048 Sr D	2,770	2,741
IM CajAstur MBS Maturity 2052 Sr A	124,551	141,489
IM CajAstur MBS Maturity 2052 Sr B	83,042	94,326
AyT CCM I. E/12-07 SR. A	154,601	181,634
AyT CCM I. E/12-07 SR. B	45,668	45,600
AyT CCM I. E/12-07 SR. C	28,065	28,000
AyT CCM I. E/12-07 SR. D	10,433	10,400
	526,550	**591,614**

Additionally, there are securitized assets that were derecognized due to the significant transfer of the risks and benefits related thereto. At December 31, 2022 and 2021, the outstanding balance of securitized assets written off from the balance sheet amounts to 28,614 thousand euros and 34,612 thousand euros, respectively.

The securitizations were received by Unicaja Banco as a result of the merger by absorption of Liberbank (see Note 1.14).

26.7 Compensation agreements and guarantees

In addition to the amounts that could be offset for accounting purposes in accordance with the applicable regulatory framework, there were other netting agreements and guarantees which, although they did not entail accounting netting because they did not meet the necessary criteria, nevertheless represented an effective reduction in credit risk.

The following is a detail at December 31, 2022 and 2021 of the derivative financial instruments (see Notes 7 and 10) 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 Bank.

	Thousands of euros			
	2022		2021	
Derivative financial instruments	**Financial**	**Liabilities**	**Financial**	**Liabilities**
Gross exposure (book value)	**1,845,658**	**1,119,743**	**829,544**	**1,015,045**
Compensation agreements and guarantees	**(696,633)**	**(402,380)**	**(320,900)**	**(956,295)**
Compensation agreements	-	-	-	-
Collateral received/delivered	(696,633)	(402,380)	(320,900)	(956,295)
Net exposure	**1,149,025**	**717,363**	**508,644**	**58,750**

Gross exposure includes the carrying value of asset and liability derivative financial instruments held by the Bank, 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 asset acquisition and repurchase transactions carried out by the Bank, there were other agreements that involved the receipt and/or delivery of the following guarantees in addition to those implicit in such transactions:

Guarantees associated with temporary asset acquisitions and disposals	Thousands of Euros			
	2022		2021	
	Delivered	Received	Delivered	Received
Cash	41,330	9,551	158,805	9,035
In securities	200,000	-	300,660	-
	241,330	**9,551**	**459,465**	**9,035**

27. Interestincome

The breakdown by source of interest income accrued by the Bank during fiscal years 2022 and 2021 is as follows:

	Thousands of euros	
	2022	2021
Deposits with credit institutions	32,641	-
Deposits into credit institutions (Note 9.1)	2,656	1,271
Loans to customers (Note 9.1)	795,430	553,457
Doubtful assets (Note 9.1)	26,539	18,335
Debt securities (see Note 9.1)	1,042,545	433,987
Deposits from central banks (see Note 14.1)	55,150	76,612
Rectification of income as a result of hedge accounting (Note 10)	(703,805)	(239,583)
Other returns	9,476	20,436
	1,260,632	**864,515**

The following is a breakdown of the amounts recorded under “Interest income” in the income statement for 2022 and 2021, classified according to the portfolio of financial instruments giving rise thereto:

	Thousands of euros	
	2022	2021
Financial assets held for trading (see Note 7.1.1)	20	36
Non-trading financial assets mandatorily valued at fair value through profit or loss (see Note 7.2)	3,670	3,210
Financial assets at fair value through other comprehensive income (Note 8)	2,539	3,334
Financial assets at amortized cost (See Note 9)	1,861,053	1,000,473
Rectification of income as a result of hedge accounting (Note 10)	(703,805)	(239,583)
Other returns	97,155	97,045
	1,260,632	**864,515**

28. Interest expense

The breakdown of the balance of this heading on the consolidated income statements for 2022 and 2021 is as follows:

	Thousands of euros	
	2022	2021
Deposits from central banks (see Note 14.1)	-	-
Deposits into credit institutions (Note 14.2)	28,173	2,330
Money market transactions through counterparts (see Note 14.3)	-	-
Customer deposits (Note 14.3)	154,761	159,968
Marketable debt securities (see Note 14.4)	28,259	2,588
Subordinated liabilities (Note 14.4)	21,888	16,663
Rectification of costs as a result of hedge accounting (Note 10)	(59,458)	(88,631)
Cost attributable to pension funds established (Note 15)	98	(328)
Other interest	27,782	29,310
	201,503	**121,900**

The following is a breakdown of the amounts recorded under "Interest expense" in the income statement for 2022 and 2021, classified according to the portfolio of financial instruments giving rise thereto:

	Thousands of euros	
	2022	2021
Financial liabilities at amortized cost	233,081	181,549
Rectification of costs as a result of hedge accounting	(59,457)	(88,631)
Others	27,879	28,982
	201,503	**121,900**

29. Dividend income

The breakdown of the balance of this heading on the income statements for 2022 and 2021, based on the nature of the financial instruments is as follows:

	Thousands of euros	
	2022	2021
Equity instruments classified as:		
Financial assets at fair value through other comprehensive income	18,079	19,096
Investments in joint ventures and associated	74,700	27,619
	92,779	**46,715**
Equity instruments in the nature of:		
Shares	92,779	46,715
Other equity instruments	-	-
	92,779	**46,715**
By entities:		
Subsidiaries	28,157	5,397
Associates	46,543	22,222
Other entities	18,079	19,096
	92,779	**46,715**

30. Fee revenue

The commission income accrued in 2022 and 2021 is shown below, classified according to the main items for which they arose, as well as the sections in the income statement for the year in which they were recorded:

	Thousands of euros	
	2022	**2021**
Interest income		
Study and opening fees	21,059	20,080
	21,059	**20,080**
Fee revenue		
Fees for contingent liabilities	15,482	11,740
Fees for contingent commitments	3,772	3,154
Fees for collection and payment services	298,194	222,907
Fees for securities services	7,394	5,206
Foreign exchange and currency exchange fees	252	116
Fees for marketing of non-banking financial products	183,983	115,850
Other	10,099	7,644
	519,176	**366,617**
Other operating income		
Compensation fees for direct costs (Note 33)	3,647	2,511
	3,647	**2,511**

31. Fee expenses

The amount of commission expenses accrued in 2022 and 2021 is presented below, classified according to the main items for which they arose, as well as the sections in the income statement for the year in which they were recorded:

	Thousands of euros	
	2022	**2021**
Interest expense		
Commissions assigned to intermediaries	1,814	1,163
Other fees and commissions	-	-
	1,814	**1,163**
Fee and commission expense		
Active and passive transactions	2,510	4,184
Commissions assigned to other entities and correspondents	15,540	11,692
Commissions paid on securities transactions	6,452	3,189
Other fees and commissions	26,269	13,934
	50,771	**32,999**

32. Gains and losses on financial transactions

The breakdown of this heading on the consolidated income statements in 2022 and 2021, based on the financial instrument portfolios giving rise thereto, is as follows:

	Thousands of euros	
	2022	2021
Gains or losses on write off of financial assets and liabilities not measured at fair value through profit or loss (net)	36,292	38,967
Financial assets at amortized cost (*)	36,292	43,636
Financial assets at fair value with changes in other comprehensive income	-	(4,669)
Net gains or losses on financial assets and liabilities held for trading (net)	14,680	12,661
Reclassification of financial assets at fair value through other comprehensive income	-	-
Reclassification of financial assets at amortized cost	-	-
Other profit and loss	14,680	12,661
Gains or losses on financial assets not held for trading compulsorily measured at fair value through profit or loss (net)	(9,216)	(1,987)
Reclassification of financial assets at fair value through other comprehensive income	-	
Reclassification of financial assets at amortized cost	-	364
Other profit and loss	(9,216)	(2,351)
Gains or losses on financial assets and liabilities at fair value through profit and loss (net)	-	-
Net gains or losses resulting from hedge accounting (net)	5,512	(1,403)
	47,268	**48,238**

(*) The sales of financial assets at amortized cost carried out during fiscal years 2022 and 2021 comply with the provisions of Unicaja Banco's policies for considering them as infrequent sales and/or of insignificant value.

33. Other operating income

The breakdown of the balance of this heading on the consolidated income statements for 2022 and 2021 is as follows:

	Thousands of euros	
	2022	2021
Income from investment properties (see Note 12.1. 2)	18,564	14,838
Sales and other income from the provision of non-financial services	2	559
Compensation fees for direct costs (Note 30)	3,647	2,511
Compensation from insurance companies	420	671
Other recurring products	12,852	16,278
Other non-recurring products	2,744	331
	38,229	**35,188**

34. Other operating expense

The breakdown of the balance of this heading on the consolidated income statements for 2022 and 2021 is as follows:

	Thousands of euros	
	2022	**2021**
Investment property operating expenses (see Note 12.1.2)	8,710	2,121
Contribution to the Deposit Guarantee Fund (Note 1.10)	87,665	88,688
Contribution to the National Resolution Fund (see Note 1.11)	24,149	16,036
Other	57,782	65,249
	178,306	**172,094**

In 2022 and 2021, the heading "Other concepts" includes the equity benefit accrued by the Bank for the monetization of deferred tax assets, amounting to 25,429 thousand euros and 19,317 thousand euros, respectively (Note 19.4).

35. Administrative expenses

35.1 Personnel expenses

The breakdown of the balance of the “Personnel expenses” heading on the income statements for 2022 and 2021 is as follows:

	Thousands of euros	
	2022	**2021**
Wages and salaries	345,968	300,194
Social security	98,038	82,590
Provisions allocated to defined benefit pension plans	-	70
Provisions to defined contribution pension plans	18,737	17,864
Indemnities	614	159
Training expenses	576	621
Other personnel expenses	8,103	9,573
	472,036	**411,071**

As of December 31, 2022 and 2021, the average number of the Bank's employees distributed by professional category was as follows:

	Average number of people			
	2022		2021	
	Men	**Women**	**Men**	**Women**
Group 1	**3,505**	**3,960**	**3,416**	**3,643**
Level I	27	8	26	6
Level II	53	17	48	13
Level III	236	82	236	80
Level IV	491	210	480	194
Level V	1,096	804	1,085	720
Level VI	133	140	149	134
Level VII	493	783	487	702
Level VIII	523	956	472	888
Level IX	224	525	154	349
Level X	167	338	193	419
Level XI	46	69	63	107
Level XII	14	23	18	25
Level XIII	2	4	5	5
Level XIV	-	1	-	1
Group 2	**18**	**12**	**20**	**9**
Level I	-	-	-	-
Level II	16	12	19	9
Level III	2	-	1	-
Level IV	-	-	-	-
Level V	-	-	-	-
Cleaning personnel	**-**	**1**	**-**	**3**
Others	**4**	**4**	**-**	**-**
	3,527	**3,977**	**3,436**	**3,655**

Note: At December 31, 2022, "Others" includes the average number of employees from Liberbank Contact, S.L. 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" on the balance sheet at December 31, 2022 and 2021:

	Thousands of euros	
	2022	**2021**
Provisions for pensions and similar obligations -	**260,235**	**367,365**
Pensions and other post-employment benefit obligations	127,539	178,799
Other long-term benefits	132,696	188,566
Insurance contracts linked to pensions -	**23,167**	**31,060**
Post-employment benefits	23,167	31,060

The movement in the Bank's provisions during the year ended December 31, 2022 and 2021 is detailed in Note 15.

35.1.1 Post-employment commitments

During 2002, Unicaja 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 externalized in the Unifondo Pensiones V Pension Fund. In order to carry out such modification and transformation, the Bank 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 the Unifondo Pensiones V Pension Fund.

At December 31, 2022 and 2021, the position account of the Unifondo Pensiones V Pension Fund amounted to 262,986 thousand euros and 291,963 thousand euros, respectively. This amount includes both the defined contribution and defined benefit requirements which were calculated according to the criteria indicated in Note 2.10.

Those corresponding to employees with Caja Cantabria origin are externalized in the Caja Cantabria Employees' Pension Plan, P.P. In order to insure the risk derived from the group of beneficiaries under the defined benefit plan, this plan took out insurance policy 52493 with an insured interest rate with a range between 0.35% and 5.9%.

During 2014, the Unicaja Banco 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 Banco, S.A. (see Note 1.14), a series of post-employment and long-term remuneration commitments were made to Unicaja Banco, which are detailed in the following sections of this note.

35.1.1.1 General information on post-employment commitments

The following detail the various post-employment defined benefit and contribution commitments assumed by the Bank:

<u>Defined contribution plans</u>

The contributions made by the Bank in the fiscal period 2022 to the external pension fund amounted to 18,737 thousand euros (17,864 thousand euros in 2021), which are recorded under "Administrative expenses - Staff expenses" in the income statements for those years.

<u>Defined benefit plans</u>

The current value of the commitments has been determined by qualified actuaries, who have applied the following criteria to quantify them:

- Valuation method: "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 2.10

- 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 Caja de Seguros Reunidos, Compañía de Seguros y Reaseguros, S.A. -CASER- CCM Vida y Pensiones de Seguros y Reaseguros, S.A. and Vida Caixa Mediación Sociedad de Agencia de Seguros Vinculada to cover the commitments assumed with employees who are guaranteed a supplementary benefit at the time of their retirement, as explained above. These insurance policies, since they are contracted with a company that is related to the Entity (Note 12), 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, 2022 and 2021, the fair value of the assets assigned to the post-employment compensation hedge was broken down as follows:

	Thousands of euros	
	2022	**2021**
Nature of the Assets subject to Commitment Coverage		
Plan assets covered by insurance policy	376,690	458,544
Insurance policies contracted by the Plan linked to the coverage of defined benefit obligations	23,167	31,060
External defined contribution pension plan	701,854	772,456
	1,101,711	**1,262,060**

35.1.1.2 Information on defined contribution post-employment benefit obligations

Pension commitments in the form of defined contribution plans are settled through annual payments made by the Bank to the beneficiaries of these plans, almost exclusively active employees of the Bank. These contributions were accrued with a charge to the income statement for the year (see Note 2.10.1) and, therefore, did not give rise to the recording of a liability in this connection in the accompanying balance sheets.

The amounts recorded in the income statements for the contributions made to these plans in 2022 and 2021 amount to 18,737 thousand euros and 17,864 thousand euros, respectively (Note 35.1.1.1).

35.1.1.3 Information on defined benefit post-employment benefit plans

The total amount of actuarial gains and losses on defined benefit plans that have been recognized in the statement of recognized income and expense for 2022 that will not be reclassified to profit or loss amounts to 17,614 thousand euros gross gain (9,321 thousand euros of gross loss in 2021), which after the related tax effect amounts to 12,330 thousand euros of net loss (6,525 thousand euros of net loss in 2020).

The reconciliation between the opening and closing balances of the present value of Unicaja Banco's defined benefit obligation for 2022 and 2021 is detailed below:

									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 at January 1, 2022	**76,947**	**26,841**	**5,807**	**72,064**	**35,136**	**40,126**	**11,818**	**151,530**	**420,269**
Effect of the merger by absorption of Liberbank	-	-	-	-	-	-	-	-	-
(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 participants	-	-	-	-	-	-	-	-	-
(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 assumptions (demographics)	(1,474)	365	330	(554)	(1,634)	1,015	153	25,374	23,575
iv.2. Due to changes in assumptions (financial)	(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 at December 31, 2022	**57,856**	**20,727**	**4,164**	**51,938**	**50,833**	**31,464**	**9,221**	**133,358**	**359,561**

2021	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 Spain Duero	Plan 2 Spain Duero	Plans BCLM	Cantabria Plans	Extremadura Plans	Cajastur Plans	Total
									Thousands of Euros
Present value of obligations as of Friday, January 1, 2021	**83,818**	**28,116**	**6,796**	**75,267**	**-**	**-**	**-**	**-**	**193,997**
Effect of the merger by absorption of Liberbank	-	-	-	-	36,272	44,230	11,773	151,258	243,533
(i) Service cost for the current year	10	-	-	-	-	-	-	-	10
(ii) Interest cost	202	80	15	165	135	156	44	544	1,341
(iii) Contributions made by participants	-	-	-	-	-	-	-	-	-
(iv) Actuarial gains and losses	378	4	(317)	1,578	459	(2,941)	564	5,926	5,651
iv.1. Due to changes in assumptions (demographics)	1,705	458	(212)	2,869	1,597	1,489	569	4,363	12,838
iv.2. Due to changes in assumptions (financial)	(1,327)	(454)	(105)	(1,291)	(192)	(223)	(64)	(938)	(4,594)
iv.3. Experience Adjustments	-	-	-	-	(946)	(4,207)	59	2,501	(2,593)
(v) Exchange rate changes	-	-	-	-	-	-	-	-	-
(vi) Benefits paid	(5,269)	(1,359)	(461)	(5,172)	(1,730)	(1,319)	(563)	(6,198)	(22,071)
(vii) Cost of past services	-	-	-	-	-	-	-	-	-
(viii) Business combinations	14	-	(226)	226	-	-	-	-	14
(ix) Reductions	(2,206)	-	-	-	-	-	-	-	(2,206)
(x) Plan settlements	-	-	-	-	-	-	-	-	-
Present value of obligations as of December 31, 2021	**76,947**	**26,841**	**5,807**	**72,064**	**35,136**	**40,126**	**11,818**	**151,530**	**420,269**

The reconciliation between the opening and closing balances of the fair value of plan assets and the opening and closing balances of any reimbursement rights recognized as assets by Unicaja Banco for the fiscal years 2022 and 2021 is as follows:

									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 at January 01, 2022	**77,710**	**26,205**	**5,830**	**58,822**	**34,146**	**52,430**	**15,451**	**200,119**	**470,713**
Effect of the merger by absorption of Liberbank	-	-	-	-	-	-	-	-	-
(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 participants	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 assumptions (demographics)	(1,293)	22	98	(160)	(1,433)	686	577	25,271	23,768
iv.2. Due to changes in assumptions (financial)	(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 at December 31, 2022	**55,403**	**18,943**	**4,483**	**44,581**	**46,619**	**42,318**	**13,373**	**174,137**	**399,857**

2021	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 Spain Duero	Plan 2 Spain Duero	Plans BCLM	Cantabria Plans	Extremadura Plans	Cajastur Plans	Total
									Thousands of Euros
Fair value of assets as of Friday, January 1, 2021	**83,398**	**27,207**	**5,955**	**60,137**	**-**	**-**	**-**	**-**	**176,697**
Effect of the merger by absorption of Liberbank	-	-	-	-	34,909	51,777	15,220	201,122	303,028
(i) Service cost for the current year (contributions)	-	-	-	-	-	-	-	-	-
(ii) Interest cost (expected profitability of assets)	174	76	121	132	128	173	59	650	1,513
(iii) Contributions made by participants	204	-	-	164	-	-	-	-	368
(iv) Actuarial gains and losses	1,409	281	215	2,135	831	1,798	735	7,538	14,942
iv.1. Due to changes in assumptions (demographics)	2,338	332	274	2,684	1,420	1,952	825	5,740	15,565
iv.2. Due to changes in assumptions (financial)	(929)	(51)	(59)	(549)	(173)	(314)	(91)	(1,196)	(3,362)
iv.3. Experience Adjustments	-	-	-	-	(416)	160	1	2,994	2,739
(v) Exchange rate changes	-	-	-	-	-	-	-	-	-
(vi) Benefits paid	(5,269)	(1,359)	(461)	(3,746)	(1,722)	(1,318)	(563)	(9,191)	(23,629)
(vii) Cost of past services	-	-	-	-	-	-	-	-	-
(viii) Business combinations	-	-	-	-	-	-	-	-	-
(ix) Reductions	(2,206)	-	-	-	-	-	-	-	(2,206)
(x) Plan settlements	-	-	-	-	-	-	-	-	-
Fair value of assets as of December 31, 2021	**77,710**	**26,205**	**5,830**	**58,822**	**34,146**	**52,430**	**15,451**	**200,119**	**470,713**

The reconciliation between the present value of the defined post-employment benefit obligation and the fair value of the related assets (excluding insurance contracts linked to pensions), with the assets and liabilities recognized in Unicaja Banco's balance sheet at December 31, 2022 and 2021, is presented below:

									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 at 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 at December 31, 2022	**55,148**	**-**	**4,368**	**40,888**	**46,459**	**42,318**	**13,372**	**174,138**	**376,691**

									Thousands of Euros
2021	**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, 2021	**76. 947**	**26,841**	**5,807**	**72,064**	**35,136**	**40,126**	**11,818**	**151,530**	**420,269**
(i) Cost of past services not rendered in the balance sheet	-	-	-	-	-	-	-	-	-
(ii) Any amount not recognized as assets	-	-	-	6,017	-	-	-	-	6,017
(iii) Fair value of any right of reimbursement recognized as an asset	269	-	-	2,401	(17)	-	-	-	2,653
(iv) Other amounts recognized in the balance sheet	-	(26,841)	(103)	(25,495)	(1,371)	12,304	3,633	48,589	10,716
Fair value of assets as of December 31, 2021	**77,216**	**-**	**5,704**	**54,987**	**33,748**	**52,430**	**15,451**	**200,119**	**439,655**

The amounts for the fiscal period 2022, and for 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
2018 financial year									
Experience Adjustments	-	-	-	-	-	-	-	-	-
Value as of Monday, December 31, 2018	85,469	32,143	6,432	82,500	-	-	-	-	206,544
2019 financial year									
Experience Adjustments	-	-	-	-	-	-	-	-	-
Value as of Tuesday, December 31, 2019	85,854	33,919	6,145	82,717	-	-	-	-	208,635
2020 financial year									
Experience Adjustments	-	-	-	-	-	-	-	-	-
Value as of Thursday, December 31, 2020	83,818	28,116	6,796	75,266	-	-	-	-	193,996
2021 financial year									
Experience Adjustments	-	-	-	-	(946)	(4,207)	59	2,501	(2,593)
Value as of Friday, 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

	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 Spain Duero	Plan 2 Spain Duero	Plans BCLM	Cantabria Plans	Extremadura Plans	Cajastur Plans	Total
									Thousands of Euros
									Fair value of assets
2018 financial year									
Experience Adjustments	-	-	-	-	-	-	-	-	-
Value as of Monday, December 31, 2018	87,386	25,834	6,298	62,059	-	-	-	-	181,577
2019 financial year									
Experience Adjustments	-	-	-	-	-	-	-	-	-
Value as of Tuesday, December 31, 2019	86,684	27,219	6,421	62,588	-	-	-	-	182,912
2020 financial year									
Experience Adjustments	-	-	-	-	-	-	-	-	-
Value as of Thursday, December 31, 2020	83,398	27,207	5,955	60,137	-	-	-	-	176,697
2021 financial year									
Experience Adjustments	-	-	-	-	(416)	160	1	2,994	2,739
Value as of Friday, 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	399,859

Below is a detail of the total expense recognized in shareholders' equity in 2022 and 2021, 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
e) Past service cost recognized in the year	Provisions/ reversal

						Thousands of Euros
2022	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 Spain Duero	Plan 2 Spain 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	-	-	-	-	-	-

						Thousands of Euros
2021	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 Spain Duero	Plan 2 Spain Duero	Liberbank Origin Plans	Total
a) Service cost for the current year	10	-	-	-	-	10
b) Interest cost	27	80	1	54	879	1,041
c) Expected return on assets	(1)	(77)	(107)	(10)	(1,009)	(1,204)
d) Gains and losses recognized during the year	(1,031)	(277)	(533)	(557)	(6,969)	(9,367)
e) Past service cost recognized in the year	14	-	-	-	-	14

The main actuarial assumptions used by the Bank at December 31, 2022 are presented below.

Actuarial assumptions of Plan 1 Unicaja Banco:

- 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, 2022, corresponding to the Euro Zone high credit rating corporate bonds.
    - The duration for each commitment ranges from 15.27 to 7.83 years for bonds and 11.72 to 1.31 years for assets.
    - The rates applied for each commitment range from 3.1450% to 3.1207% for bonds and 3.1380% to 3.0373% for assets.
- Rate of increase in salaries: 2.5%
- Type of pension revaluation: 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 0.3560%.
    - For assets assigned to the coverage of obligations insured in the Collective VI policy (Plan Beneficiaries) with cash-flow matching, the rate applied is 0.2507%.
    - 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 0.3077%.
    - 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 0.2802%.
- Rate of return on any recognized reimbursement rights: 0
- Estimated retirement age: 65 years of age, except for participants for whom the anticipated retirement age is known.

- Rotation: No

Actuarial assumptions of Plan 2 Unicaja Banco:

- 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, 2022, corresponding to the Euro Zone high credit rating corporate bonds.
    - The duration for each commitment ranges from 11.65 to 6.52 years for both bonds and assets.
    - The rates applied for each commitment range from 3.1381% to 3.1103% for both bonds and assets.
- Type of pension revaluation: 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 0.3351%
    - For the assets assigned to the coverage of obligations insured in the policy for the early retirees' group (liabilities), the rate applied is 0.2949%.
    - The rate applied to the assets assigned to the coverage of insured obligations in the policy for the early retiree group (risk) is 0.2970%
    - For assets assigned to the coverage of obligations insured in the annuity policy, the rate applied is 0.2050%.
- Rate of return on any recognized reimbursement rights: 0%
- Estimated retirement age: 65 years.
- 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, 2022, 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 under the Plan and not insured 3.1014% and 5.73 years respectively.
        - For beneficiary benefits covered under the Plan and insured under policy RV81 12000017, 3.1382% and 11.86 years, respectively.
        - For benefits of participants and beneficiaries 3.1363% and 11.01 years respectively for the obligations and assets of the Pension Plan and the insured capital in policy respectively for the assets.
- Rate of increase in salaries: 0%
- Growth rate of Social Security pensions: 0%
- Growth rate of contribution bases: 0%
- Pension revaluation rate: between 1.5% and 2%

- Type of expected return on plan assets:
  - For plan assets and liabilities -9.36%
  - For liabilities insured within the plan 0.3398%
  - For plan participants: 0%
  - For the Plan Excess Policy 0%
- Estimated retirement age: 65 years
- 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, 2022, 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, in reference to the rates applied 3.1414% for bonds and 2.9360% for assets, as well as a financial duration of 13.04 years for bonds and 0.81 years for assets.
    - For the benefits of liability policy 02/02, with reference to the rates applied 3.1382% for bonds and 3.1088% for assets, as well as a financial duration for both of 6.37 years.
    - For liability policy benefits 144001 3.1060% and 5.96 years respectively.
    - Internal Fund at 3.1496% and a financial duration of 7.32 years.
- Rate of increase in salaries: 0%
- Growth rate of Social Security pensions: 0%
- Growth rate of contribution bases: 0%
- Type of pension revaluation: 2%.
- Type of expected return on plan assets:
  - For non-plan assets -0.2582%
  - For policy 02/02 0.1951%
  - For liability policy 1440001: 0.1776%
- Estimated retirement age: 65 years
- 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, 2022, 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: 3.1228% (financial duration of 8.11 years).
    - Beneficiary benefits policy PCP-1.001: 3.1120% (financial duration of 6.70 years).
- Rate of increase in salaries: 0%
- Type of pension revaluation: 2.0%
- Type of expected return on plan assets:
  - For the assets subject to policy 8,118, it contemplates cash flow matching at a rate of 0.2130%
  - For the assets subject to policy 1,001, it contemplates cash flow matching at a rate of 0.2604%
- Estimated retirement age: 65 years
- 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, 2022, corresponding to the Euro Zone high credit rating corporate bonds.
  - The duration for each commitment is 9.23 years for both bonds and assets.
  - The rate applied for each commitment is 3.1291% for both bonds and assets.
- The duration for each commitment is 9.23 years for both bonds and assets.
- Type of pension revaluation: 1.0%
- Expected rate of return on the accounting asset: 0.8800%
- Rate of return on any recognized reimbursement rights: 0%
- Estimated retirement age: 65 years.
- 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, 2022, corresponding to the Euro Zone high credit rating corporate bonds.
  - The interest rates and financial durations of each group are as follows:
    - Number 1035: 3.1164% and 7.24 years respectively for both bonds and assets.
    - Number 1002: 3.1135% and 6.81 years respectively for both bonds and assets.
    - Number 53579: 3.1117% and 6.69 years respectively for both bonds and assets.
    - Number 54282: 3.1480% and 19.49 years respectively for both bonds and assets.
- Pension revaluation rate: no revaluation for number 54282, 2% for number 53579 and 1% for numbers 1035 and 1002.
- Expected rate of return on the accounting asset: 0.8800%
- Rate of return on any recognized reimbursement rights: 0%
- Estimated retirement age: 65 years.
- 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, 2022, corresponding to the Euro Zone high credit rating corporate bonds.
  - The interest rates and financial durations of each group are as follows:
    - Number 52493: 3.1148% and 7.03 years respectively for both bonds and assets.
    - Number 52907: 3.1217% and 7.92 years respectively for both bonds and assets.
    - Number 53083 (deferred): 3.14597% and 16.23 years respectively for both bonds and assets.
- Type of pension revaluation: 2% for number 53083 (deferred) and 1% for numbers 52493 and 52907.
- Expected rate of return on the accounting asset: 0.8800%
- Rate of return on any recognized reimbursement rights: 0%
- Estimated retirement age: 65 years.
- 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, 2022, 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: 3.1314% and 10.01 years respectively for both bonds and assets.
    - Self-insured: 3.1314% and 10.01 years respectively for both bonds and assets.
    - Additions 2021/2022 (pending assurance): 3.1314% and 10.01 years respectively for both bonds and assets.
    - Internal Fund: 3.1049% and 6.12 years respectively for both bonds and assets.
- Type of pension revaluation: 1.6%
- Expected rate of return on the accounting asset: 0.8800%
- Rate of return on any recognized reimbursement rights: 0%
- Estimated retirement age: 65 years.
- Rotation: No

Sensitivity data on the present value of the obligations at December 31, 2022 with respect to changes in the interest rate and salary growth are as follows:

	Percentage variation	
Fiscal Year 2022 - Unicaja Banco 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	(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	0.00%	0.00%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(3.94%)	4.04%

Fiscal Year 2022 - BCLM Plans	Percentage variation	
	Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0.00%	0.00%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(4.80%)	5.28%

Fiscal Year 2022 - Cantabria Plans	Percentage variation	
	Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0.00%	0.00%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(3.94%)	4.26%

Fiscal Year 2022 - Extremadura Plans	Percentage variation	
	Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0.00%	0.00%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(3.47%)	3.73%

Fiscal year 2022 - Cajastur Plans	Percentage variation	
	Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0.00%	0.00%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(4.45%)	4.82%

Data on the sensitivity of the present value of the obligations at December 31, 2021 with respect to changes in the interest rate and salary growth are as follows:

Fiscal Year 2021 - Unicaja Banco Plans	Percentage variation	
	Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0.02%	(0.02%)
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(5.04%)	5.51%

Fiscal year 2021 - EspañaDuero Plans	Percentage variation Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0.00%	0.00%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(4.73%)	5.14%

Fiscal Year 2021 - BCLM Plans	Percentage variation Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0.00%	0.00%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(4.17%)	4.51%

Fiscal Year 2021 - Cantabria Plans	Percentage variation Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0.00%	0.00%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(4.76%)	5.21%

Fiscal Year 2021 - Extremadura Plans	Percentage variation Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0.00%	0.00%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(4.26%)	4.18%

Fiscal year 2021 - Cajastur Plans	Percentage variation Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0.00%	0.00%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(4.76%)	5.18%

At year-end 2022, based on the mortality tables used, the estimated life expectancy for a person retiring at year-end 2022 is 28.05 years for women and 24.32 years for men.

At the end of 2021 for Unicaja and EspañaDuero Plans, the estimated life expectancy for a person retiring at the end of 2021 was 27.97 years for women and 24.18 years for men, while for Liberbank Plans it was 28.37 years and 24.64 years respectively.

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 is 30.41 years in the case of women and 26.87 years in the case of men.

At the end of 2021 for Unicaja and EspañaDuero Plans, life expectancy since retirement for a person retiring 20 years after the end of 2021 was 30.30 years in the case of women and 26.75 years in the case of men, while for Liberbank Plans it was 30.76 years and 27.21 years respectively.

The estimated payment of the various post-employment benefits for the next ten years is as follows:

						Thousands of Euros
Unicaja Banco	**2023**	**2024**	**2025**	**2026**	**2027**	**2028-2032**
Post-employment benefits	6,858	6,705	6,541	6,345	6,135	26,984
Other long-term benefits	42,607	36,788	28,023	18,086	8,437	3,187
Total benefits	**49,465**	**43,493**	**34,564**	**24,431**	**14,572**	**30,171**

						Thousands of euros
EspañaDuero	**2023**	**2024**	**2025**	**2026**	**2027**	**2028-2032**
Post-employment benefits	5,327	4,952	4,778	4,591	4,390	18,226
Other long-term benefits	853	44	-	-	-	-
Total benefits	**6,180**	**4,996**	**4,778**	**4,591**	**4,390**	**18,226**

						Thousands of euros
Liberbank	**2023**	**2024**	**2025**	**2026**	**2027**	**2028-2032**
Post-employment benefits	18,678	18,172	17,635	17,051	16,430	71,845
Other long-term benefits	31,974	22,412	16,032	10,350	3,983	-
Total benefits	**50,652**	**40,584**	**33,667**	**27,401**	**20,413**	**71,845**

With regard 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.

35.1.2 Death and disability

The amount of premiums paid for insurance policies covering the contingencies of death and disability of employees in the fiscal period 2022 amounted to 3,654 thousand euros (4,867 thousand euros in 2021) and is recorded under "Administrative Expenses - Personnel Expenses" in the consolidated income statement (Note 2.12.3 and Note 41.1).

35.1.3 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 Entity at the end of 2022 and 2021 amount to 4,804 thousand euros and 6,101 thousand euros, and are recorded under "Provisions - Pensions and defined benefit post-employment obligations" in the balance sheets at those dates.

Pursuant to the labor agreement dated December 3, 2021, Liberbank personnel who have been granted a dedication or loyalty award for length of service will be paid in the January 2022 payroll the amount accrued according to the period of service elapsed until December 31, 2021. As of December 31, 2021, the Bank had recorded a liability to meet this obligation in the amount of 2,969,000 Euros under “Financial liabilities at amortized cost” on the balance sheet. From that moment on, they begin to accrue the loyalty reward regulated by Unicaja Banco.

35.1.4 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 workers 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 receives 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 (see Note 15).

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 Sundays.

Prior to the merger of Liberbank with Unicaja Banco, 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.

This condition of relevant change in the shareholding of Liberbank, S.A. is understood to have been fulfilled following the merger by absorption of Liberbank, S.A. (as the absorbed entity) by Unicaja Banco, S.A. (as the absorbing entity), with July 31, 2021 established as the date for accounting purposes (see Note 1.14). The provision that Unicaja Banco has recorded for this concept to December 31, 2002, amounts to 81,353 thousand euros and 124,507 thousand euros, respectively, which is the unused amount to date of the 142.572 thousand euros allocated by the Liberbank Group prior to the effective accounting date of the merger, considering the new scenario generated by the approval of the merger with Unicaja Banco, and the staff sizing needs, which made the need to reinstate the aforementioned group highly unlikely, and which covered the future cost of the 636 employees on compensated leave of absence, as well as the costs of termination of the contractual relationship of the 90 employees who were reinstated as active employees at the request of Liberbank.

35.1.5 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 Banco:

- Actuarial assumptions used: to calculate the commitments to employees arising from the aforementioned agreement, the Entity 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, 2022, corresponding to high credit rating corporate bonds in the Euro Zone.
- The duration for each commitment ranges from 9.07 years to 0.41 years.
- The rates applied for each commitment range from 3.1334% to 2.9437%.
- The estimated retirement age of each employee is as agreed.

Criteria for Spain Douro:

- Actuarial assumptions used: to calculate the commitments to employees arising from the aforementioned agreement, the Entity 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, 2022, corresponding to high credit rating corporate bonds in the Euro Zone.
- The duration for each commitment is 0.44 years.
- The rates applied for each commitment are 2.9448%.
- The estimated retirement age of each employee is as agreed.

Criteria for Liberbank:

- Actuarial assumptions used: to calculate the commitments to employees arising from the aforementioned agreement, the Entity 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, 2022, 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 2.9774% and 1.61 years, respectively.
- The special agreement growth rate is 3.00%
- The estimated retirement age of each employee is as agreed.

35.2 Other administration expenses

The breakdown of the balance of this heading on the consolidated income statements for 2022 and 2021 is as follows:

	Thousands of euros	
	2022	2021
Real estate and facilities	30,963	19,102
Leasing	1,001	982
Computing	67,758	53,798
Communications	21,745	17,700
Advertising	13,834	9,513
Legal expenses	2,231	2,165
Technical reports	23,578	11,742
Surveillance services	11,620	8,553
Insurance premiums	1,128	1,112
By governing bodies	2,666	4,584
Representation expenses	2,594	4,095
Association dues	15,026	9,189
Outsourced services	23,987	11,779
Taxes	36,464	29,090
Other	10,411	15,158
	265,006	**198,562**

The fees paid by Unicaja Banco to PricewaterhouseCoopers Auditores, S.L. for audit services during the 2022 fiscal year amount to 2,033 thousand euros (2,085 thousand euros for audit services for 2021). In addition, during the 2022 financial year, the fees for services rendered to the Bank by companies using the PricewaterhouseCoopers trademark in connection with other accounting and regulatory verification work amount to 895 thousand euros (848 thousand euros in 2021), and other services amounting to 10 thousand euros (9 thousand euros in 2021).

36. Impairment in value or reversal of impairment in value of investments in joint ventures or associates and non-financial assets

The breakdown of this heading on the consolidated income statements for 2022 and 2021 is as follows:

	Thousands of euros	
	2022	2021
Impairment or reversal of investments in subsidiaries, joint ventures and associates	**109,240**	**4,167**
Impairment of value or reversal of non-financial assets	**(12,832)**	**2,769**
Tangible assets	(435)	1,569
Other assets	(12,397)	1,200
	96,408	**6,936**

The following details the “Impairment or reversal of non-financial assets” item by balance sheet item for the years 2022 and 2021:

	Thousands of euros	
	2022	2021
Impairment losses of property, plant and equipment	(84)	(245)
Impairment losses on investment property	(351)	1,814
Impairment losses on other assets	(12,397)	1,200
	(12,832)	**2,769**

37. Gains or losses when derecognizing non-financial assets and participations in accounts

The breakdown of the balance of this heading on the Bank’s consolidated income statements for 2022 and 2021 is as follows:

	Thousands of euros			
	2022		2021	
	Profit	**Loss**	**Profit**	**Loss**
Sale of tangible assets	7,504	(2,014)	2,204	(242)
For sale of investments	2,269	(81)	4,621	(1,456)
From the sale of other assets	117	(91)	3	-
	9,890	**(2,186)**	**6,828**	**(1,698)**

38. Gains or losses on non-current assets and disposable groups of items classified as held for sale and not eligible for sale as discontinued operations

The breakdown of this item on the income statements for 2022 and 2021 is as follows:

	Thousands of euros			
	2022		2021	
	Profit	**Loss**	**Profit**	**Loss**
From disposal of non-current assets held for sale	37,591	(14,205)	18,289	(4,821)
Provisions for value adjustments due to impairment of non-current assets held for sale	-	(16,329)	-	(19,462)
	37,591	**(30,534)**	**18,289**	**(24,283)**

39. Linked parties

In addition to the information presented in Note 5 regarding the balances and transactions with members of the Bank's Board of Directors and Senior Management, the remaining balances recorded in the balance sheet at December 31, 2022 and 2021 and transactions recorded in the income statement for 2022 and 2021 arising from related party transactions are presented below:

					Thousands of euros 2022
	Significant shareholders	Administrators and Managers	Individuals, companies or group entities	Other associates	Total
Expenses					
Financial expense	-	(9)	(296)	(43)	(348)
Management or collaboration contracts	(1,464)	-	(76,876)	-	(78,340)
R&D transfers and licensing agreements	-	-	-	-	-
Leasing	-	-	(72)	-	(72)
Reception of services	-	-	-	-	-
Purchase of goods (finished or in process)	-	-	-	-	-
Valuation allowances for doubtful or bad debts	-	-	-	-	-
Losses due to write-downs or disposal of assets	-	-	(3)	-	(3)
Other expenses	-	-	-	-	-
Total Expenses	**(1,464)**	**(9)**	**(77,247)**	**(43)**	**(78,763)**
Income					
Financial income	-	6	28,477	398	28,881
Management or collaboration contracts	-	-	104	-	104
R&D transfers and licensing agreements	-	-	-	-	-
Dividends received	-	-	-	-	-
Leasing	-	-	619	-	619
Provision of services	-	-	-	-	-
Sale of goods (finished or in process)	-	-	-	-	-
Gains on retirement or disposal of assets	-	-	2,268	-	2,268
Other income	-	-	-	-	-
Total Earnings	**-**	**6**	**31,468**	**398**	**31,872**
Financial					
Purchase of tangible, intangible or other assets	-	-	50,280	-	50,280
Financing arrangements: credits and contributions of capital (lender)	-	1,414	-	23,418	1,725,235
Other transactions	-	-	1,700,403	-	1,700,403
Total assets	**-**	**1,414**	**1,750,683**	**23,418**	**1,775,515**
Liabilities					
Financing agreements loans and contributions of capital (borrower)	54,505	8,198	969,360	15,675	1,047,738
Dividends payable	20,391	-	-	-	20,391
Total liabilities	**74,896**	**8,198**	**969,360**	**15,675**	**1,068,129**
Guarantees and commitments					
Guarantees and collateral provided	-	213	387,020	1,755	388,988
Financing commitments	-	-	-	-	-
Total guarantees and commitments	**-**	**213**	**387,020**	**1,755**	**388,988**

	Thousands of euros				
	2021				
	Significant shareholders	Administrators and Managers	Individuals, companies or group entities	Other associates	Total
Expenses					
Financial expense	-	(80)	(922)	(113)	(1,115)
Management or collaboration contracts	(983)	-	(9,274)	-	(10,257)
R&D transfers and licensing agreements	-	-	(12,860)	-	(12,860)
Leasing	-	-	(1,569)	-	(1,569)
Reception of services	-	-	(10,775)	(2,491)	(13,266)
Purchase of goods (finished or in process)	-	-	-	-	-
Valuation allowances for doubtful or bad debts	-	-	-	-	-
Losses due to write-downs or disposal of assets	-	-	-	-	-
Other expenses	-	-	-	(1)	-
Total Expenses	**(983)**	**(80)**	**(35,400)**	**(2,605)**	**(39,067)**
Income					
Financial income	-	4	23,155	884	24,036
Management or collaboration contracts	251	-	924	-	1,175
R&D transfers and licensing agreements	-	-	-	-	-
Dividends received	-	-	-	-	-
Leasing	-	-	1,077	-	1,077
Provision of services	-	-	127	-	127
Sale of goods (finished or in process)	-	-	-	-	-
Gains on retirement or disposal of assets	-	-	-	-	-
Other income	-	-	-	-	-
Total Earnings	**251**	**4**	**25,283**	**884**	**26,422**
Assets					
Purchase of tangible, intangible, or other assets	-	-	25,487	21	25,508
Financing arrangements: credits and contributions of capital (lender)	-	1,873	2,540,102	121,759	2,663,734
Other transactions	-	-	45,974	34	46,008
Total assets	**-**	**1,873**	**2,611,563**	**121,814**	**2,735,250**
Liabilities					
Financing agreements loans and contributions of capital (borrower)	46,650	9,148	1,110,875	29,067	1,195,740
Dividends payable	7,471	-	-	-	7,471
Total liabilities	**46,650**	**9,148**	**1,110,875**	**29,067**	**1,203,211**
Guarantees and commitments					
Guarantees and collateral provided	-	62	97,530	7,874	106,060
Financing commitments	-	92	294,826	18,155	313,073
Total guarantees and commitments	**-**	**154**	**392,356**	**26,029**	**419,133**

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.

40. Mortgage market information

Article 21 of Royal Decree 716/2009, of April 24, 2009, establishes that the entities issuing mortgage bonds or covered bonds shall keep a special accounting record of the mortgage loans and credits that serve as collateral for such issues, of the replacement assets backing them and of the derivative financial instruments linked to each issue. This special accounting record must also indicate whether or not the mortgage loans and credits are eligible in accordance with Article 3 of the aforementioned Royal Decree 716/2009. The Bank of Spain will determine the essential data of the aforementioned record that must be incorporated into the annual accounts of the issuing entity, having defined several statements of public information on the mortgage market in Bank of Spain Circular 4/2017.

The Board of Directors states that it has express policies and procedures in place covering all the activities carried out with respect to mortgage market issuances. These policies and procedures ensure strict compliance with prevailing applicable mortgage market regulations.

The policies and procedures referred to include the following criteria:

- Relationship between the amount of the loan and the appraised value of the mortgaged property, as well as the influence of other guarantees and the selection of these appraisal entities.
- Relation between the borrower’s debt and income, as well as the verification of the borrower’s solvency and other information provided.
- Avoid imbalances between the flows from the hedging portfolio and the payment of outflows resulting from the attention to securities issued.

Article 3 of Law 41/2007, of December 7, 2007, establishes that appraisal companies that provide their services to credit institutions of the same group must, provided that any of these credit institutions has issued and has mortgage securities in circulation, have adequate mechanisms to favor the independence of the appraisal activity and avoid conflicts of interest.

As of December 31, 2022 and 2021, the Bank has no participation in any appraisal company.

As an issuer of mortgage-backed securities and mortgage bonds certain relevant information is presented hereafter that must be disclosed in accordance with the mortgage market:

A) Active transactions

As of December 31, 2022 and 2021, the detail of the nominal value of mortgage loans and credits backing the issuance of mortgage bonds and covered bonds or that have been mobilized through mortgage participations or mortgage transfer certificates, is as follows:

	Thousands of euros	
	2022	**2021**
Loans held as assets transferred	**557,205**	**631,519**
Mortgage participations	59,657	69,868
Mortgage transfer certificates	497,548	561,651
Mortgage loans pledged as security for financing received	**-**	**-**
Loans that back the issuance of bonds and mortgage bonds	**35,991,669**	**35,684,169**
Non-eligible loans	4,516,206	4,572,484
Meet the requirements for eligibility, except for the limit of article 5.1 of the Royal Decree 716/2009	1,497,104	2,985,873
Others	3,019,102	1,586,611
Eligible loans	31,475,463	31,111,685
Non-eligible amounts	152,484	37,620
Eligible amounts	31,322,979	31,074,065
Loans covering mortgage bond issues	-	*110,203*
Loans eligible for mortgage-backed securities coverage	*31,322,979*	*30,963,862*
	36,548,874	**36,315,688**

At December 31, 2022 and 2021, the outstanding nominal value of the loans and mortgage credits backing the issuance of bonds and mortgage bonds amounts to 35,991,669 thousand euros and 35,684,169 thousand euros, respectively, and the outstanding nominal value of the loans and mortgage loans that meet the characteristics of being eligible for the purpose of backing the issue of these mortgage bonds and covered bonds amounts to 31,475,463 thousand euros and 31,111,685 thousand euros, respectively.

The nominal value of all the non-eligible mortgage loans and credits that do not comply with the limits established in Article 5.1 of Royal Decree 716/2009 but nevertheless comply with the other requirements for eligible loans and credits, as stated in Article 4 of said regulation, amounts to 1,497,104 thousand euros and 2,985,873 thousand euros at December 31, 2022 and 2021, respectively.

Following is a detail of the loans backing the issuance of bonds and mortgage bonds, classified according to different criteria, at December 31, 2022 and 2021.

	Thousands of euros	
	2022	
	Loans that back the issuance of bonds and mortgage bonds	**Of which: Eligible loans**
Nominal value of all loans and credits outstanding mortgages	**35,991,669**	**31,475,463**
According to origin:	35,991,669	31,475,463
- Arising from the Entity	35,891,926	31,389,060
- Subrogated from other entities	99,743	86,403
- Others	-	-
Depending on the currency:	35,991,669	31,475,463
- In euros	35,968,808	31,452,930
- Other currencies	22,861	22,533
Depending on the payment situation:	35,991,669	31,475,463
- Normal payment situation	35,535,719	31,475,463
- Other situations	455,950	-
Based on average residual maturity:	35,991,669	31,475,463
- Up to 10 years	13,474,582	11,136,970
- More than 10 years and up to 20 years	10,144,242	9,306,054
- More than 20 years and up to 30 years	11,918,034	11,032,439
- More than 30 years	454,811	-
Depending on the type of interest:	35,991,669	31,475,463
- Fixed rate	1,439,403	1,076,437
- Variable rate	34,552,266	30,399,026
- A mixed type	-	-
Depending on holders:	35,991,669	31,475,463
- Legal entities and individual employers	3,784,657	2,396,426
Of which: real estate development	*380,113*	*227,885*
- Households	32,207,012	29,079,037
Depending on the type of guarantee:	35,991,669	31,475,463
- Assets/buildings and other completed constructions	33,884,673	30,088,088
- Residential	32,630,415	29,281,794
Of which: government-subsidized housing units	*998,286*	*944,590*
- Commercial	1,003,033	637,383
- Others	251,225	168,911
- Assets/ buildings and other construction in progress	515,538	413,306
- Residential	487,280	399,734
Of which: government-subsidized housing units	*1,772*	*1,772*
- Commercial	28,050	13,364
- Others	208	208
- Land	1,591,458	974,068
- Consolidated urban land	459,386	205,492
- Others	1,132,072	768,576

	Thousands of euros	
	2021	
	Loans that back the issuance of bonds and mortgage bonds	Of which: Eligible loans
Nominal value of all loans and credits outstanding mortgages	**35,684,169**	**31,111,685**
According to origin:	35,684,169	31,111,685
- Arising from the Entity	32,604,319	28,316,673
- Subrogated from other entities	2,803,149	2,680,438
- Others	276,701	114,574
Depending on the currency:	35,684,169	31,111,685
- In Euros	35,661,651	31,089,248
- Other currencies	22,518	22,437
Depending on the payment situation:	35,684,169	31,111,685
- Normal payment situation	34,685,540	30,663,220
- Other situations	998,629	448,465
Based on average residual maturity:	35,684,169	31,111,685
- Up to 10 years	10,647,670	8,841,790
- More than 10 years and up to 20 years	11,495,884	10,473,822
- More than 20 years and up to 30 years	12,634,592	11,708,720
- More than 30 years	906,023	87,353
Depending on the type of interest:	35,684,169	31,111,685
- Fixed rate	8,000,375	7,533,558
- Variable rate	24,302,323	21,144,950
- A mixed type	3,381,471	2,433,177
Depending on holders:	35,684,169	31,111,685
- Legal entities and individual employers	5,910,128	4,266,852
Of which: real estate development	*513,050*	*224,640*
- Households	29,774,041	26,844,833
Depending on the type of guarantee:	35,684,169	31,111,685
- Assets/buildings and other completed constructions	33,936,184	30,110,053
- Residential	31,877,863	28,591,337
Of which: government-subsidized housing units	*719,708*	*680,150*
- Commercial	1,827,398	1,371,192
- Others	230,923	147,524
- Assets/ buildings and other construction in progress	459,001	282,989
- Residential	302,627	166,521
Of which: government-subsidized housing units	*2,321*	*2,321*
- Commercial	131,130	91,697
- Others	25,244	24,771
- Land	1,288,984	718,643
- Consolidated urban land	464,582	179,994
- Others	824,402	538,649

As of December 31, 2022 and 2021, the breakdown of the nominal value of all eligible mortgage loans and credits, based on the percentages reached by the ratio between the amount of the transactions and the appraisal values corresponding to the latest available appraisal of the respective mortgaged assets, is as follows:

	Thousands of euros 2022				
	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%.	Total
Eligible loans					
- On housing	7,781,659	9,115,090	12,784,780	-	29,681,529
- On other assets	953,375	805,039	35,520	-	1,793,934
	8,735,034	**9,920,129**	**12,820,300**	**-**	**31,475,463**

	Thousands of euros 2021				
	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%.	Total
Eligible loans					
- On housing	7,692,612	9,426,185	11,352,687	-	28,471,484
- On other assets	1,351,344	1,159,404	129,453	-	2,640,201
	9,043,956	**10,585,589**	**11,482,140**	**-**	**31,111,685**

The following is information regarding the nominal value of loans and mortgage loans that have been removed from or added to the portfolio in fiscal years 2022 and 2021:

	Thousands of euros			
	2022		2021	
	Eligible loans	Non-eligible loans	Eligible loans	Non-eligible loans
Beginning balance for the fiscal year	**31,111,685**	**4,572,484**	**15,220,890**	**3,103,731**
Write-downs in the period	**(1,793,987)**	**(627,775)**	**(2,099,168)**	**(802,164)**
Settlements on maturity	(63,014)	(3,770)	(115,810)	(48,373)
Early settlement	(579,147)	(111,186)	(693,072)	(184,673)
Subrogations from other entities	(14,809)	(1,592)	(13,102)	(848)
Others	(1,137,017)	(511,227)	(1,277,184)	(568,270)
Additions in the period	**2,157,765**	**571,497**	**17,989,963**	**2,270,917**
Effect of the merger by absorption of Liberbank	-	-	15,443,002	1,909,594
Arising from the Entity	610,417	273,223	972,750	71,055
Subrogations from other entities	-		-	105
Others	1,547,348	298,274	1,574,211	290,163
Closing balance for the fiscal year	**31,475,463**	**4,516,206**	**31,111,685**	**4,572,484**

The movements included under “Other,” in the case of movements associated with “Disposals in the period,” mainly correspond to the following flows that generate a variation in the nominal balance in both eligible and non-eligible transactions and which are applicable to movements in both fiscal years 2022 and 2021:

- Transfers between the eligible and ineligible portfolio, such that they are additions to the “eligible loans” item and deletions to the “ineligible loans” portfolio or vice versa. This variation is common with the movements associated with “Additions in the period” (with opposite sign). Transfers are due to changes in compliance with eligibility requirements in accordance with applicable regulations (mainly due to change in LTV ratio due to loan drawdown/amortization or appraisal review/update).

- Amortization of transactions that are still outstanding with respect to the amount declared in the previous period and that, therefore, are not computed as cancellations at maturity or early cancellations.

On the other hand, the movements included under “Other,” in the case of movements associated with “Additions in the period,” mainly correspond to the following flows that generate a variation in the nominal balance in both eligible and ineligible transactions and are applicable to the movements of both fiscal years 2022 and 2021:

- Transfers between the eligible and ineligible portfolio, such that they are additions to the “eligible loans” item and deletions to the “ineligible loans” portfolio or vice versa. This variation is common with the movements associated with “Divestitures in the period” (with opposite sign). Transfers are due to changes in compliance with eligibility requirements in accordance with applicable regulations (mainly due to change in LTV ratio due to loan drawdown/amortization or appraisal review/update).

The available balance of the mortgage loans that support the issuance of mortgage bonds and covered bonds at December 31, 2022 and 2021 is as follows:

	Thousands of euros	
	2022	**2021**
Potentially eligible	529,642	419,589
Non-eligible	97,148	260,915
	626,790	**680,504**

The nominal value of the available amounts (unavailable committed amounts) of all potentially eligible loans and mortgage loans at December 31, 2022 and 2021 corresponds to 529,642 thousand euros and 419,589 thousand euros, respectively, and those potentially ineligible amount to 97,148 thousand euros and 260,915 thousand euros, respectively.

As of December 31, 2022 and 2021, the Entity does not have any replacement assets related to the issuance of mortgage securities and mortgage bonds.

B) Passive transactions

The breakdown at December 31, 2022 and 2021 of the aggregate nominal value of the outstanding mortgage securities issued by the Bank and of the mortgage participations and mortgage transfer certificates outstanding at that date, based on their residual maturity, is as follows:

	Thousands of euros	
	2022	**2021**
Outstanding mortgage bonds	**-**	**-**
Mortgage-backed securities issued	**9,172,051**	**9,664,088**
Issued through a public offering	-	-
- Residual maturity up to one year	-	-
- Residual maturity greater than 1 year and up to 2 years	-	-
- Residual maturity greater than 2 years and up to 3 years	-	-
- Residual maturity greater than 3 years and up to 5 years	-	-
- Residual maturity greater than 5 years and up to 10 years	-	-
- Residual maturity greater than 10 years	-	-
Other issuances	4,700,000	4,730,000
- Residual maturity up to one year	-	30,000
- Residual maturity greater than 1 year and up to 2 years	2,000,000	-
- Residual maturity greater than 2 years and up to 3 years	1,500,000	2,000,000
- Residual maturity greater than 3 years and up to 5 years	-	1,500,000
- Residual maturity greater than 5 years and up to 10 years	1,200,000	1,200,000
- Residual maturity greater than 10 years		-
Deposits	4,472,051	4,934,088
- Residual maturity up to one year	450,000	462,037
- Residual maturity greater than 1 year and up to 2 years	-	450,000
- Residual maturity greater than 2 years and up to 3 years	1,282,051	-
- Residual maturity greater than 3 years and up to 5 years	1,110,000	1,282,051
- Residual maturity greater than 5 years and up to 10 years	1,630,000	2,740,000
- Residual maturity greater than 10 years	.	-
Mortgage participations issued	**59,657**	**69,868**
Issued through a public offering		-
Other issuances	59,657	69,868
Mortgage transfer certificates Issued	**497,548**	**561,651**
Issued through a public offering		-
Other issuances	497,548	561,651
	9,729,256	**10,295,607**

41. Transparency of information regarding financing for construction, real estate development, financing for home purchases and assets acquired in payment of debts

41.1 Qualitative information

In relation to the minimum information to be disclosed by the 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:

- In relation 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 Banco de España being able to provide, at a later date, the details of the minimum information on financing and liquidity needs).

Unicaja Banco, as part of its risk policy, and in particular that related to construction and real estate development, has established a series of specific policies and strategies focused on favoring compliance with the borrowers' obligations and mitigating the risks to which the Bank is exposed. In this sense, alternatives are sought to allow the completion and sale of the projects, analyzing the renegotiation of the risks if the Bank's credit position improves and with the basic purpose of allowing the borrower to maintain its business activity.

This takes into account the 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 dation 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 Bank's balance sheet are managed with the ultimate purpose of divesting or leasing them.

For this purpose, Unicaja Banco has holding companies specializing in the management of urban development projects, real estate marketing and leasing of real estate assets. On the other hand, the Bank has specific units to develop these strategies and coordinate the actions of the holding subsidiaries of the branch network and the rest of the agents involved. Finally, the Unicaja Banco Group's website *www.unicajainmuebles.com*is one of the main tools used to inform the public interested in these assets.

41.2 Quantitative information

As of December 31, 2022 and 2021, the detail of financing for construction and real estate development and its hedges (1) is as follows:

	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)	**987,878**	**254,731**	**(96,287)**	**891,591**
Of which: Doubtful/ Stage 3	*145,488*	*54,988*	*(84,273)*	*61,215*
Pro-memoria				
Non-performing assets (5)	445,537			

	Thousands of Euros			
	2021			
	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)	**931,065**	**218,233**	**(87,366)**	**843,699**
Of which: Doubtful/ Stage 3	*129,613*	*50,910*	*(67,001)*	*62,612*
Pro-memoria				
Non-performing assets (5)	351,937			

Pro-memoria: Consolidated group data	Book value	
	2022	2021
Loans to customers, excluding general government (business in Spain) (carrying amount) (6)	49,650,239	51,607,098
Total assets (total business) (amount in books) (7)	99,480,889	115,963,199
Impairment and provisions for normal classified exposures (total business) (8)	475,634	480,421

(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) Excess of the gross book value of each transaction over the value of the real rights, if any, received as collateral, calculated in accordance with the provisions of Annex 9 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) 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.

(6) 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).

(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 stated in Annex 9 of 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, 2022 and 2021 is as follows:

	Thousands of Euros	
	Gross book amount	
	2022	**2021**
Without real estate guarantee (*)	330,326	286,622
With real estate guarantee (1)	657,552	644,443
Finished buildings and other constructions (2)	369,352	340,258
Housing	261,792	259,536
Others	107,560	80,722
Buildings and other constructions under construction (3)	154,410	134,107
Housing	127,605	123,657
Others	26,805	10,450
Land	133,790	170,078
Consolidated urban land	64,605	73,378
Other land	69,185	96,700
Total (4)	**987,878**	**931,065**

(*) As of December 31, 2022, the book value of financing identified as "Without real estate collateral" includes 209,205 thousand euros corresponding to transactions with real estate collateral that do not fully cover the exposure of the Company (173.766 thousand euros at December 31, 2021). It also includes secured transactions with public authorities amounting to 165,038 thousand euros (163,542 thousand euros at December 31, 2021).

(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)" of statement PC 7-1.

As of December 31, 2022 and 2021, the breakdown of loans to households for home purchases, transactions recorded by credit institutions (business in Spain), is as follows:

	Thousands of euros			
	2022		2021	
	Amount Gross (2)	**Of which: Noncompliant/ Doubtful**	**Amount Gross (2)**	**Of which: Noncompliant/ Doubtful**
Home purchase loans (1)	31,848,805	827,373	31,021,565	787,799
No real estate mortgage	189,499	2,405	209,311	2,637
With real estate mortgage (3)	31,659,306	824,968	30,812,254	785,162

(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 latest 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) (1), transactions registered by credit institutions (businesses in Spain) at December 31, 2022 and 2021, is as follows:

						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 / Doubtful (2)	111,334	160,311	247,463	119,099	186,761	824,968

						December 31, 2021 (1)
	LTV≤40%	40%<LTV≤60%	60%<LTV≤80%	80%<LTV≤100%	LTV>100%	Total
Gross book value (2)	**7,177,890**	**9,654,503**	**12,720,520**	**696,955**	**562,385**	**30,812,253**
Of which: Non-compliant / Doubtful (2)	97,621	150,721	213,058	113,401	210,361	785,162

(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: doubtful” 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, 2022 and 2021, the detail is as follows:

						Thousands of euros
			2022			2021
	Gross book	Accumulated	Net amount	Gross book	Accumulated	Net amount
Property awarded or received in payment of debts	**1,833,069**	**(1,174,712)**	**658,357**	**2,208,423**	**(1,384,525)**	**823,898**
Real estate assets from financing for construction and	1,136,100	(777,363)	358,737	1,367,240	(908,171)	459,069
Finished buildings and other constructions	214,313	(136,050)	78,263	264,722	(155,371)	109,351
Housing	155,191	(102,873)	52,318	201,867	(118,642)	83,225
Others	59,122	(33,177)	25,945	62,855	(36,729)	26,126
Buildings and other constructions under construction	230,810	(161,211)	69,599	262,499	(169,730)	92,769
Housing	202,056	(141,974)	60,082	230,533	(148,568)	81,965
Others	28,754	(19,237)	9,517	31,966	(21,162)	10,804
Land	690,977	(480,102)	210,875	840,019	(583,070)	256,949
Consolidated urban land	597,149	(405,228)	191,921	462,477	(343,477)	119,000
Other land	93,828	(74,874)	18,954	377,542	(239,593)	137,949
Real estate assets from mortgage financing to	361,864	(192,792)	169,072	418,295	(224,023)	194,272
Rest of real estate assets foreclosed or received in	335,105	(204,557)	130,548	422,888	(252,331)	170,557
Equity instruments awarded or received in payment of debts	**8,768**	**(4,319)**	**4,449**	**30,945**	**(23,397)**	**7,548**
Investments in real estate entities	**157,843**	**(3,616)**	**154,227**	**166,232**	**(228)**	**166,004**
Equity instruments of entities holding real estate assets foreclosed or received in payment of debts (5)	108,520	-	108,520	115,619	-	115,619
Financing to entities holding real estate assets foreclosed or received in payment of debts (5)	49,323	(3,616)	45,707	50,613	(228)	50,385
	1,999,680	**(1,182,647)**	**817,033**	**2,405,600**	**(1,408,150)**	**997,450**

(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 the 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 are recorded in the 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, 2022 the gross acquisition cost of foreclosed properties, therefore excluding equity instruments and investments in real estate entities, amounted to 1,833.069 thousand euros, with a total coverage of provisions of 1,174,712 thousand euros, which represents a coverage level over the gross acquisition cost of 59% (2,208,423 thousand euros at December 31, 2021, with a total coverage of 1,384,525 thousand euros, which represented a coverage level of 63%).

42. 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 Bank is basically engaged, the information relating to debt deferrals relates, basically to payments to suppliers for the provision of various services and supplies, other than payments to depositors and holders of securities issued by the Bank, which have been made in all cases in scrupulous compliance with the contractual and legal deadlines established for each of them, whether they were debts on demand or with deferred payment.

- Payments made by Unicaja Banco to suppliers exclusively for the rendering of services and the supply of sundry services in 2022 amounted to 435,177 thousand euros (234,482 thousand euros in 2021), which were made within the legally and contractually established terms. The balance pending payment to suppliers at December 31, 2022 and 2021 is not significant and has a shorter term than that established by Law 15/2010, of July 5.

In accordance with the provisions of the second final provision of Law 31/2014, of December 3, which amends 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 on the base of the provisions of the Resolution of January 29, 2016 of the Spanish Accounting and Auditing Institute (Instituto de Contabilidad y Auditoría de Cuentas), the average period of payment to suppliers of the Bank during the fiscal years 2022 and 2021 is 14.22 days and 17.97 days, respectively, while the ratio of transactions paid for said fiscal years amounts to 14.22 days and 17.96 days, respectively, and the ratio of transactions pending payment amounts to 14.27 days and 24.09 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.

In addition, Law 18/2022 requires the inclusion of 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. In this regard, Unicaja Banco paid a total of 198,832 invoices during 2022, of which 164,903 invoices were paid within the legal maximum term (82.94% of the total). In terms of monetary volume, Unicaja Banco paid a total of 435,177 thousand euros during 2022, of which 366,997 thousand euros were paid in a period less than the legal maximum (84.33% of the total).

43. Customer Service

In compliance with the provisions of Article 17.2 of Order ECO/734/2004, of March 11, 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 2022 87.88% were resolved in said period (87.86% in fiscal year 2021). The rest, pending at the end of 2022, are expected to be resolved within the maximum term established by current legislation and the Bank's Customer Protection Regulations.

APPENDIX I
AGENCY AGREEMENTS AT December 31, 2022

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
A&C TIERRA SUR INVERSIONES, S.L.	RAMBLA (LA)
ABAD PEREZ, GUILLERMO	COVALEDA
ABELLAN BERRUEZO, MARIA DOLORES	MOJACAR
ACOSTA GONZALEZ, RAUL	CANDELEDA
ACTIVIDADES FINANCIERAS Y SERVICIOS MJ, S.L.	SPAIN
AGENCIA FINANCIERA FJ RAMIREZ, S.L.	VELEZ-RUBIO*MARIA*VELEZ-BLANCO
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
ALVAREZ MUÑIZ, MARIA	SPAIN
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
ARES LOZANO, MARIA	CARBAJOSA DE LA SAGRADA
ARGUDO ATIENZA, LUCIA	SPAIN
ARREGUI CUEVAS, JOAQUIN	OSUNA
ARROYO BLANCO, JUAN ANGEL	VILLAMANRIQUE*COZAR
ARROYO PANIAGUA, MARIA CRISTINA	SPAIN
ASENJO ISABEL, JULIO	SPAIN
ASENSIO AGUILA, MARIA DOLORES	BAYARCAL
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
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
BENITEZ MONTERO, MARIA LUZ	ZAHARA
BENZADONMUÑOZ, S.L.	YUNQUERA*BURGO (EL)
BERNABEU TORRECILLAS, TEODORO	CARBONEROS
BERNARDO FAUS, DANIEL	ASTORGA
BERRON HERNANDEZ, JOSE MIGUEL	MUÑANA
BESANA GESTION S.L.	SPAIN
BLANCO DEL RIO, JAVIER	MATALLANA DE TORIO
BLANCO MACIAS, LIDIA	LINARES DE RIOFRIO
BLANCO SAN EMETERIO, BARBARA	SPAIN
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

APPENDIX I
AGENCY AGREEMENTS AT December 31, 2022

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
CACHOLAS SERVICIOS FINANCIEROS, S.L.	SPAIN
CALDERON CORDERO, MARIA TERESA	ALARAZ
CALDERON ZAPATA, JOSE ANTONIO	SPAIN
CAMACHO CAMPOY, ANDRES	SPAIN
CAMPAYO OLEA, JOSE ANDRES	TORREPEROGIL
CAMPIÑA ASESORES, S.R.L.	VILLANUEVA DE LOS CASTILLEJOS*BEAS
CANIEGO MONREAL, CARLOS	SPAIN
CANO ACEITUNO, ANTONIO JESUS	FRAILES
CANUTO ALAMO, VICENTE	VISO DEL MARQUES
CARNERO SALVADOR, MARIA ISABEL	VILLANUEVA DEL CAMPO
CARO ROYON, CESAR EMILIO	SPAIN
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 BARBERO, MARIA PEÑAS ALBAS	SPAIN
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, JESUS CARLOS	SPAIN
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
CSP 2020 AGENTE FINANCIERO, S.L.	SPAIN
CUESTA CALVO, RAQUEL	RENEDO DE ESGUEVA
CUESTA LOPEZ, SANTOS	SPAIN
DE ARRIBA ALONSO, BEATRIZ	BARRUECOPARDO
DE FUENTE CUERVO, MARIA DEL SOL	VECILLA (LA)*VEGAS DEL CONDADO
DE LA ROSA GARCIA, JULIAN	SPAIN
DE LUIS GARCIA, ELIAS	SPAIN
DEFERRE CONSULTING, S.L.	MAYORGA
DIAZ FERNANDEZ, JESUS	SPAIN
DIAZ SILVA, NANCY	PARAMO DEL SIL
DIAZ TABUENCA, MARIA TERESA	SPAIN
DIGES INES, NIEVES	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
ESCRIBANO RODRIGUEZ, NELSON	SPAIN
ESTEBAN RODRIGUEZ, CECILIO	MAYA (LA)
ESTEVEZ HERNANDEZ, CARLOS	SOTOSERRANO*LEDRADA
EXPOSITO ORCERA, TANYA	CHICLANA DE SEGURA
FERNANDEZ ARROYO, ERNESTO JAVIER	CASTELLAR DE SANTIAGO
FERNANDEZ CARBAJOSA, ALBERTO	SPAIN
FERNANDEZ CORDERA, JOSE MAXIMINO	SPAIN
FERNANDEZ CORRAL, OSCAR PEDRO	QUINTANA DEL PUENTE
FERNANDEZ ENRIQUEZ, PABLO	ALCOLEA
FERNANDEZ GIRALDO, MARIA INMACULADA	SPAIN
FERNANDEZ LARA, JESUS	SPAIN
FERNANDEZ LLORENTE, NATALIA	ADRADA (LA)
FERNANDEZ MARQUEZ, DANIEL	BOVEDA DE TORO (LA)*LAGUNA DE NEGRILLOS

APPENDIX I
AGENCY AGREEMENTS AT December 31, 2022

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
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
FINANCIAL SERVICES NORTH OF SPAIN,S.L.	CISTERNIGA
FINANZASCORROTO, S.L.	SPAIN
FINISTROSA MONTES, YENNIFER	RIAÑO
FRAILE GARCIA, MARIA CARMEN	SPAIN
FRESNEDA CASTRO, ALICIA	VILLANUEVA DE LA FUENTE
GALERA MASEGOSA, ENCARNACION MARIA	ARBOLEAS
GALLEGO SANCHEZ, ANTONIA	SAN CARLOS DEL VALLE
GARCIA ALVAREZ, SANDRA OFELIA	SPAIN
GARCIA CABAS, RHUT SEHILA	SPAIN
GARCIA CABRERO, JORGE MANUEL	CAMPASPERO
GARCIA CASERO, IRENE	ALCOLEA DE CALATRAVA
GARCIA DIEZ, VICTOR	QUINTANILLA DE ONESIMO
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
GARCIA MAROTO FERNANDEZ, SONIA	SPAIN
GARCIA 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 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 QUIRCE, ALEJANDRO	FUENTES DE NAVA
GOMEZ SANCHEZ, FRANCISCO GUILLERMO	CANTALPINO
GONZALEZ ALCARAZ, MARIA DE LOS ANGELES	MOJONERA (LA)
GONZALEZ ARIAS, MARIA DEL MAR	OHANES
GONZALEZ CARCELEN, ANTONIO	SPAIN
GONZALEZ GARCIA, ANGEL	SPAIN
GONZALEZ GARCIA, ANTONIO	OJEN
GONZALEZ GONZALEZ, VANESA	SPAIN
GONZALEZ HERNANDEZ, DAVID	SPAIN
GONZALEZ IBAÑEZ, MANUEL	SPAIN
GONZALEZ MARTIN, CRISTINA	HERRERA DE PISUERGA
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	SANTA FE DE MONDUJAR
GORDO MUÑOZ, MIGUEL	CORTEGANA
GRANADOS LOPEZ, MARIA DE LOS ANGELES	ALCALA LA REAL
GUTIERREZ ANTOLIN, ANA ISABEL	SPAIN
GUTIERREZ GARCIA, JAVIER	VILLAMURIEL DE CERRATO
GUTIERREZ MENENDEZ, FRANCISCO JAVIER	SPAIN
H&O RECURSOS ECONOMICOS,S.L	LUQUE
HARO RODRIGUEZ, DOMINGA PILAR	CARRIZOSA
HERNANDEZ NIEVES, JUAN CARLOS	SPAIN

APPENDIX I
AGENCY AGREEMENTS AT December 31, 2022

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
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
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
IZQUIERDO SANTOS, BENITO	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 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
MANSO SANCHEZ, ANTONIA MARIA	TARIFA
MANUEL JESUS JIMENEZ LARA S.L	BRENES
MAQUEDA MUÑOZ, RAQUEL	SPAIN
MARCEM CONSULTORES, S.L.	SPAIN
MARCOS HERREZUELO, MARIA JOSE	MOJADOS
MARCOS SANCHEZ, SEVERO ENRIQUE	NAVA DEL REY
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
MARTOS PASTOR, MARIA AMALIA	ORIA
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
MOLINA ARTERO, PILAR	ARQUILLOS
MOLINA TORO, MONICA	VILLANUEVA DE TAPIA
MONTEJANO LOPEZ, FERNANDO JESUS	SPAIN
MONTERO CHACON, JORGE LUIS	CAMAS
MORA MALDALA,S.L.	BENAMARGOSA
MORENO ALCAÑIZ, JOSE LUIS	SPAIN
MORENO DE LA FUENTE, EMILIO JOSE	SPAIN
MORENO HERNANDEZ, JORGE FRANCISCO	SPAIN

APPENDIX I
AGENCY AGREEMENTS AT December 31, 2022

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
MORENO MORENO, JESUS	IBROS
MORENO RUBIO, RAQUEL	SPAIN
MORENO SANCHEZ, PABLO JOSE	NIJAR
MOYA BALLESTEROS, MAIRENA	PUEBLA DEL PRINCIPE
MPF TORCAL,S.L.	ANTEQUERA*CUEVAS BAJAS
MUÑOZ MUÑOZ, CARLOS RUFINO	SPAIN
MUÑOZ MUÑOZ, JOSE	GAUCIN*JUBRIQUE
NAFORE GESTION FINANCIERA,S.L.U.	CORTIJOS (LOS)*PORZUNA
NARANJO FERNANDEZ, NATALIA	BOSQUE (EL)
NAVARRO LAO, FRANCISCA	GERGAL
NAVARRO LATORRE, ANTONIA	CUEVAS DEL ALMANZORA
NAVARRO MOLINA, FRANCISCO ALEJANDRO	GABIAS (LAS)*SALOBREÑA
NEVADO CHAMORRO, FRANCISCO MIGUEL	SPAIN
NEXION CONSULTORES, S.L.	CAMPONARAYA
NICODEMUS INVERSIONES, S.L.	SPAIN
NIETO JIMENEZ, MANUEL	FONTIVEROS
NOGUES & SORIANO, S.L.	SPAIN
NOVA GOMEZ, BEATRIZ	PUERTA DE SEGURA (LA)*ARROYO DEL OJANCO
NOVENTA Y TRES AFI INNOVATION, 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
PADILLA TORRES, DAVID	BAENA
PAFISER, S.L.	SPAIN
PAYLITE, S.L.	SPAIN
PB ASESORES ECONOMIA Y EMPRESA, S.L.	CILLEROS
PEÑA BECERRA, ALEJANDRO	ESTEPONA
PEREZ ABRUÑA, MOISES	BURGANES DE VALVERDE
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
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
REQUEJO FERNANDEZ, BELEN	SPAIN
RIVAS DOMINGUEZ, MARIA DE LA PEÑA	SPAIN
RIVERO MANSILLA, ROSARIO	SPAIN
RIVERO ORTEGA, PATRICIA	ALCAUCIN
ROBLES GALLARDO, JOSE JESUS	ILLORA
RODRIGUEZ ALONSO, RENE	PUENTE DE DOMINGO FLOREZ

APPENDIX I
AGENCY AGREEMENTS AT December 31, 2022

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
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)
ROJAS TELLEZ, JOSEFA	JEREZ DE LA FRONTERA
ROJO FLORES, ALVARO	MOTA DEL MARQUES
ROJO FRUCTUOSO, CARLOS	VILLABRAGIMA
ROJO HERNANDEZ, MARIA CRUZ	SPAIN
ROMAN GARCIA, MARIA	FUENTE DE PIEDRA
ROMERA SORIA, MARIA EVA	SILES
ROMERO BALETA, EULALIA	SANTIAGO-PONTONES
ROSADO CHAPARRO, VERONICA	SPAIN
ROYUELA MORA, SARA	SPAIN
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 MULAS, ALFONSA	CANTALAPIEDRA
SANCHEZ PEREZ, MIGUEL	OLMEDO
SANCHEZ RUIZ, ANTONIO	VILLARRODRIGO
SANCHEZ SANZ, DAVID	SAN PEDRO DEL ARROYO*MINGORRIA
SANCHO JIMENEZ, DAVID	SAUCEJO (EL)
SANDOVAL MARIN, FAUSTO	SPAIN
SANTAMARIA VIZAN, ANA BELEN	MORALEJA
SANTIAGO PEREZ, ALBERTO	GALENDE
SANTOS CLEMENTE, JESUS MARIA	SPAIN
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
SORIA ARROYO, PEDRO	MONTIEL
SUAREZ ALVAREZ, JUAN JOSE	SPAIN
TALAVERA GOMEZ, ANGEL	SPAIN
TAMARGO PELAEZ, MARIA JESUS	SPAIN
TAPIAS & BELLIDO INVESTMENT, S.L.	CUELLAR*CEBREROS
TEBA BARRAGAN, JOSE ANTONIO	PALMA DEL CONDADO (LA)
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

APPENDIX I
AGENCY AGREEMENTS AT December 31, 2022

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
TROYANO GARCIA, JOSE RAFAEL	SIERRA DE YEGUAS
TRUJILLO CARMONA, FRANCISCO	ALOZAINA
TRUSAN GESTION FINANCIERA, 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
VICENTE HOLGADO, JUAN CARLOS	BABILAFUENTE
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)

APPENDIX II
GROUP ENTITIES AT December 31, 2022

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	Business consulting	100.00%	0.00%	**100.00%**
Alqlunia Duero, S.L.U. (1)	B45541786	C/ Titán 8 - 2º, Madrid	Real estate development	100.00%	0.00%	**100.00%**
Análisis y Gestión de Innovación Tecnológica, S.L.U.	B91774422	Plaza de Santa María, 8, Cáceres	Parking lots	100.00%	0.00%	**100.00%**
Analistas Económicos de Andalucía, S.L.U.	B29714045	C/ San Juan de Dios, 1-2	Economic activity study and analysis	100.00%	0.00%	**100.00%**
Andaluza de Tramitaciones y Gestiones, S.A.U.	A29600178	C/ Angosta del Carmen 2 Entreplanta, Málaga	Management and settlement of documents and deeds	100.00%	0.00%	**100.00%**
Arco Explotaciones, S.L.U.	B10486348	Plaza de Santa María, 8, Cáceres	Farming operations	100.00%	0.00%	**100.00%**
Asturiana de Administración de Valores Mobiliarios, S.L.U.	B33473760	Plaza de la Escandalera, 2, Oviedo	Business consulting	100.00%	0.00%	**100.00%**
Banco Europeo de Finanzas, S.A.U.	A78963816	C/ La Bolsa, 4, piso 1 Málaga	Banking, financial activities	100.00%	0.00%	**100.00%**
Briareo Gestión, S.A.U.	A86081718	Camino Fuente de la Mora, 5, Madrid	Business consulting	100.00%	0.00%	**100.00%**
Caja Castilla La Mancha Iniciativas Industriales, S.L.U.	B45664224	Camino Fuente de la Mora, 5, Madrid	Holding company activities	100.00%	0.00%	**100.00%**
Camín de la Mesa, S.A.U.	A74014085	C/ San Francisco, 14, Planta 4, Oviedo	Business consulting	100.00%	0.00%	**100.00%**
Camping Alto Gallego, S.L.U.	B10488286	Plaza de Santa María, 8, Cáceres	Catering	0.00%	100.00%	**100.00%**
Cánovas Explotaciones, S.L.U.	B10488294	Plaza de Santa María, 8, Cáceres	Catering	100.00%	0.00%	**100.00%**
Cantábrica de Inversiones de Cartera, S.L.U.	B33473729	C/ Álvarez Garaya, 2, Planta 7, Gijón	Holding company activities	100.00%	0.00%	**100.00%**
CCM Brokers 2007 Correduría de Seguros, S.A.U.	A45652260	C/ Sillería, 18, Planta 3, Toledo	Insurance broker	100.00%	0.00%	**100.00%**
Concejo Explotaciones, S.L.U.	B10488328	Plaza de Santa María, 8, Cáceres	Catering	100.00%	0.00%	**100.00%**
Corporación Empresarial Caja Extremadura, S.L.U.	B10255404	Plaza de Santa María, 8, Cáceres	Consulting	100.00%	0.00%	**100.00%**
Ercávica Desarrollos, S.L.U.	B10490464	Plaza de Santa María, 8, Cáceres	Real estate development	100.00%	0.00%	**100.00%**
Explotaciones Santa Isabel, S.L.U.	B10485043	Plaza de Santa María, 8, Cáceres	Catering	100.00%	0.00%	**100.00%**
Factoría de Transformación de Operaciones y Servicios, S.L.U.	B45847837	C/ Ocaña, 1, Toledo	Other consulting activities	100.00%	0.00%	**100.00%**
Finca Las Huelgas, S.A.U.	A33363920	Villamayor, Piloña	Farming	100.00%	0.00%	**100.00%**
Gestión de Inmuebles Adquiridos, S.L.U.	B92954197	C/ Mauricio Moro Pareto nº 6, 6ª planta, Edf. Eurocom, Málaga	Real estate development	0.00%	100.00%	**100.00%**
Grafton Investments, S.L.U.	B87977476	Camino Fuente de la Mora, 5, Madrid	Catering	100.00%	0.00%	**100.00%**
Hoteles Layos, S.L.	B10485472	Plaza de Santa María, 8, Cáceres	Catering	46.22%	53.78%	**100.00%**
Instituto de Economía y Empresa, S.L.U.	B02109999	Camino Fuente de la Mora, 5, Madrid	Business consulting	100.00%	0.00%	**100.00%**

APPENDIX II
GROUP ENTITIES AT December 31, 2022

Company Name	Tax ID Number	Registered Office	Activity	% of Capital Owned by The Group		
				% of Equity Interest		Total Holding
				Direct	Indirect	
La Algara Sociedad de Gestión, S.L.U.	B91933523	C/ Mauricio Moro Pareto nº 6, 4ª, Edf. Eurocom, Málaga	Real estate development	0.00%	100.00%	**100.00%**
Liberbank Capital, S.A.U.	A74188988	C/ San Francisco, 14, Planta 4, Oviedo	Other auxiliary activities to financial services	100.00%	0.00%	**100.00%**
Liberbank Contact, S.L.U.	B02656924	Camino Fuente de la Mora, 5, Madrid	Call center activities	100.00%	0.00%	**100.00%**
Liberbank Digital, S.L.U.	B88074687	Camino Fuente de la Mora, 5, Madrid	IT services	100.00%	0.00%	**100.00%**
Liberbank Ebusiness, S.L.U.	B10490431	Camino Fuente de la Mora, 5, Madrid	Business consulting	100.00%	0.00%	**100.00%**
Liberbank I.T., S.L.U.	B74365115	C/ San Francisco, 14, Planta 4, Oviedo	IT Consulting	100.00%	0.00%	**100.00%**
Liberbank Pensiones, Sociedad Gestora de Fondos de Pensiones, S.A.U.	A81553398	Camino Fuente de la Mora, 5, Madrid	Pension fund manager	0.00%	100.00%	**100.00%**
Liberbank Servicios Financieros, S.A.U.	A81404592	Camino Fuente de la Mora, 5, Madrid	Other financial services	100.00%	0.00%	**100.00%**
Lisson Directorship, S.L.U.	B87977500	Camino Fuente de la Mora, 5, Madrid	Real estate development	100.00%	0.00%	**100.00%**
Midamarta, S.L.U.	B84921675	Camino Fuente de la Mora, 5, Madrid	Real estate development	100.00%	0.00%	**100.00%**
Mosacata, S.L.U.	B84921758	Camino Fuente de la Mora, 5, Madrid	Real estate development	100.00%	0.00%	**100.00%**
Norteña Patrimonial, S.L.U.	B33473745	Plaza de la Escandalera, 2, Oviedo	Business consulting	100.00%	0.00%	**100.00%**
Parque Industrial Humilladero, S. L.	B92503432	C/ Miguel Hernández, 1, Humilladero, Málaga	Real estate development	0.00%	92.00%	**92.00%**
Peña Rueda, S.L.U.	B74022872	C/ San Francisco, 14, Planta 4, Oviedo	Business consulting	100.00%	0.00%	**100.00%**
Pico Cortés, S.L.U.	B74022898	C/ San Francisco, 14, Planta 4, Oviedo	Business consulting	100.00%	0.00%	**100.00%**
Pico Miravalles, S.L.U.	B74022880	C/ San Francisco, 14, Planta 4, Oviedo	Business consulting	100.00%	0.00%	**100.00%**
Planes e Inversiones CLM, S.A.U.	A16144917	Camino Fuente de la Mora, 5, Madrid	Real estate development	100.00%	0.00%	**100.00%**
Pomarada Gestión, S.L.U.	B01800796	Camino Fuente de la Mora, 5, Madrid	Business consulting	100.00%	0.00%	**100.00%**
Procesa Recuperación de Activos, S.A.U.	A33516410	C/ San Francisco, 14, Planta 4, Oviedo	Legal activities	100.00%	0.00%	**100.00%**
Promociones Miralsur, S.L.U.	B84180330	Camino Fuente de la Mora, 5, Madrid	Real estate development	100.00%	0.00%	**100.00%**
Propco Blue 1, S.L.U.	B93597904	C/ Mauricio Moro Pareto nº 6, 6ª planta, Edf. Eurocom, Málaga	Real estate development	0.00%	100.00%	**100.00%**
Puertu Maravio, S.L.U.	B74014069	C/ San Francisco, 14, Planta 4, Oviedo	Business consulting	100.00%	0.00%	**100.00%**
Puntida, S.L.U.	B39557269	Pasaje Puntida, 1, Santander	Other professional, scientific, and technical activities	100.00%	0.00%	**100.00%**
Segóbriga Desarrollos, S.L.U.	B10490449	Plaza de Santa María, 8, Cáceres	Catering	100.00%	0.00%	**100.00%**
Segurandalus Mediación, Correduría de Seguros, S.A.U.	A48484232	C/ Cuarteles nº 51 Ptl.1 Entreplanta Málaga	Insurance broker	100.00%	0.00%	**100.00%**
Sierra del Acebo, S.L.U.	B74014077	C/ San Francisco, 14, Planta 4, Oviedo	Business consulting	100.00%	0.00%	**100.00%**

APPENDIX II
GROUP ENTITIES AT December 31, 2022

Company Name	Tax ID Number	Registered Office	Activity	% of Capital Owned by The Group		
				% of Equity Interest		Total Holding
				Direct	Indirect	
Tiatordos, S.A.U.	A74022864	C/ San Francisco, 14, Planta 4, Oviedo	Business consulting	100.00%	0.00%	**100.00%**
Unicaja Gestión de Activos Inmobiliarios, S.A.U.	A93229516	Avda. Andalucia, 10-12, Málaga	Real estate development	100.00%	0.00%	**100.00%**
Unicartera Gestión de Activos, S.L.U.	B84537356	C/ Bolsa nº 4, planta 5ª, Málaga	Activities auxiliary to financial services	100.00%	0.00%	**100.00%**
Unicorp Patrimonio, Sociedad de Valores, S.A.U.	A92067131	C/ Bolsa, Nº 4, 1ª planta, Málaga	Asset management	100.00%	0.00%	**100.00%**
Unigest, S.G.I.I.C., S.A.U.	A29558798	Avda. Andalucia, 10-12, Málaga	Collective investment institution manager	100.00%	0.00%	**100.00%**
Unimediación Operador Banca Seguros, S.L.U.	B92802271	C/ Bolsa nº 4, planta 2, Málaga	Insurance broker	100.00%	0.00%	**100.00%**
Unión del Duero Seguros de Vida, S.A.U.	A37042975	C/ Titán 8-11, Madrid	Insurance	100.00%	0.00%	**100.00%**
Uniwindet, S.L.U.	B18602680	C/ Bolsa, Nº 4, 5ª planta, Málaga	Renewable energies	100.00%	0.00%	**100.00%**
Urbe Cantabria, S.L.U.	B39401179	Pasaje Puntida, 1, Santander	Real estate development	100.00%	0.00%	**100.00%**
Viacava – Incós de Energía, S.A.U.	A74235227	C/ San Francisco, 14, Planta 4, Oviedo	Catering	0.00%	100.00%	**100.00%**
Viproelco, S.A.U. (1)	A24501561	Av. Madrid 120, León	Real estate development	100.00%	0.00%	**100.00%**

(1) Company in liquidation

APPENDIX III
JOINTLY CONTROLLED ENTITIES AT December 31, 2022

Name 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									
				Direct	Indirect	Total Holding							
Dolun Viviendas Sociales, S.L. (1)	B91701854	C/ Muñoz Olivé 1, portal 1-1-C – Sevilla	Real estate development	0.00%	40.00%	40.00%	-	140	125	-	-	-	-
Espacio Medina, S.L. (3)	B85186526	Paseo del Club Deportivo (Ed.11), 1 – PQ.E – Pozuelo de Alarcón – Madrid	Real estate development	0.00%	30.00%	30.00%	(174)	3,124	9,733	1,073	1,325	204	(378)
Instituto de Medicina Oncológica y Molecular de Asturias, S.A. (3)	A74234709	Avenida Jose Maria Richard Grandio, S/N, Latores	Medicine	0.00%	33.33%	33.33%	(1,204)	1,031	723	84	1,359	1,568	(2,772)
Lares Val de Ebro, S.L. (5)	A84076975	Avda. Talgo 155 Madrid	Real estate development	33.33%	0.00%	33.33%	(292)	-	19,277	2	21,381	-	(292)
Liberbank Vida y Pensiones, Seguros y Reaseguros, S.A. (4)	A74087081	C/ Fruela, 8, Oviedo	Insurance	50.00%	0.00%	50.00%	24,340	275,869	2,165	264,978	1,408	32,114	(7,774)
Madrigal Participaciones, S.A. (1)	A47538301	Avda. Madrid, 120 Ed.El Portillo – León	Investment in assets, securities and financial companies	75.70%	0.00%	75.70%	(107)	2,035	20,206	-	62	-	(107)
Muelle Uno-Puerto Málaga, S.A. (3)	A92674522	Avda. de Andalucía 21- Entreplanta, Málaga	Real estate development	0.00%	39.74%	39.74%	1,037	38,907	8,004	19,665	2,053	7,920	(6,883)
Polígono Romica, S.A. (2)	A02182715	C/ Parque San Julián, 20, Cuenca	Real estate development	0.00%	50.00%	50.00%	(17)	1,016	-	-	-	13	(30)

APPENDIX III
JOINTLY CONTROLLED ENTITIES AT December 31, 2022

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 Holding							
				Direct	Indirect								
Promociones 2020 San Lázaro, S.L. (4)	B10488302	C/ López del Vallado, 2, Oviedo	Real estate development	0.00%	20.00%	20.00%	-	-	3,809	3,804	3	90	(90)
Rochduero, S.L. (6)	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)
Sociedad de Gestión San Carlos, S.A. (2)	A11504842	Avda. San Juan Bosco,46. San Fernando – Cádiz	Real estate development	0.00%	62.20%	62.20%	(358)	-	14,300	-	8,299	-	(358)

(1) Financial data at December 31, 2022.
(2) Financial data at September 30, 2022.
(3) Financial data at November 30, 2022.
(4) Financial data at December 31, 2022.
(5) Financial data as of Thursday, June 30, 2016. Company in liquidation.
(6) Financial data as of Wednesday, 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 financial statements. When this financial information does not correspond to December 31, 2022, it is because information relating to a date very close to the end of 2022 has been used instead or because the jointly controlled entity has no relevant activity that could have a significant bearing on these financial statements (either because it is in liquidation or for other reasons with similar effects).

APPENDIX IV
ASSOCIATED COMPANIES AT December 31, 2022

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 Holding	Total Assets at End of Year	Equity	Company Results	Liabilities	Operating Income
				Direct	Indirect						
Ala Ingeniería y Obras, S.L. (16)	B85294536	Crta. de la Estación, naves 7 y 8 - Meco (Madrid)	Manufacture of metal structures	0.00%	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 development	2.07%	17.93%	20.00%	1,325	1,181	(120)	144	(120)
Andalucía Económica, S.A. (3)	A41397514	C/ Diego de Riano nº 11, Piso 2º, Seville	Publishing, graphic arts and television	23.80%	0.00%	23.80%	648	598	82	50	82
Área Logística Oeste, S.L. (13)	B85273514	C/ Príncipe de Vergara, 15, Madrid	Real estate development	0.00%	27.28%	27.28%	4	(1,793)	(2,081)	1,797	(2,081)
Azoe Inmuebles, S.L. (6)	B09606005	C/ Alfonso XI, 18, Planta 5, Burgos	Real estate development	0.00%	48.40%	48.40%	17,193	11,061	(377)	6,132	(288)
B.I.C. Euronova, S.A. (2)	A29534765	Avenida Juan López Peñalver, 21 (Parque Tecnológico Andalucía), Campanillas, Málaga	Investment and promotion services	20.00%	0.00%	20.00%	1,728	1,355	66	373	90
Baraka Home 20, S.L. (6)	B01998855	Carretera de Fuencarral, Campus Tribeca, Edificio 6, Alcobendas	Real estate development	0.00%	29.96%	29.96%	17,866	14,790	(90)	17,776	(82)
Camping El Brao, S.A. (14)	A33357484	C/ Uría, 56 - 2 C, Oviedo (Asturias)	Camping	25.00%	0.00%	25.00%	5	(10)	(4)	15	(4)
Cantabria Capital S.G.E.I.C., S.A. (3)	A39548110	C/ Gándara, 6, Santander	Financial adviser	20.00%	0.00%	20.00%	394	4	(308)	390	(308)
Cartera de Activos H&L, S.L. (6)	B88625686	C/ Zurbano, 76, Planta 8, Madrid	Real estate development	5.69%	21.85%	27.54%	6,829	5,963	(26)	867	58
CCM Vida y Pensiones de Seguros y Reaseguros, S.A. (3)	A16029191	C/ Carretería, 5, Cuenca	Insurance	50.00%	0.00%	50.00%	641,733	68,952	20,406	572,781	20,406
Convivenzia Projet, S.L. (6)	B01993781	Plaza Nueva, 8, Planta 4, Sevilla	Real estate development	43.26%	6.68%	49.94%	6,121	5,863	(39)	258	(35)
Desarrollo Urbanísticos Cerro de Medianoche, S.L. (2)	B23532252	Plaza Jaén por la Paz, 2, Jaén	Real estate development	0.00%	24.72%	24.72%	3,502	3,432	5	71	7
Desarrollos Inmobiliarios Navalcan, S.L. (6)	B01674704	Carretera Nacional V, Kilometro 107.5, Toledo	Real estate development	0.00%	48.79%	48.79%	9,408	9,331	(196)	76	(196)
Desarrollos Inmobiliarios Peña Vieja, S.L. (6)	B39889258	Paseo Pereda, Planta 1, Santander	Real estate development	15.16%	33.78%	48.94%	33,752	28,513	4	5,238	61
Desarrollos Inmobiliarios Ronda Sur, S.L. (2)	B74469313	C/ López del Vallado, 9, Oviedo	Real estate development	0.00%	37.14%	37.14%	7,059	6,955	-	104	1
Druet Real Estate, S.L. (6)	B02871390	C/ Príncipe de Vergara, 15, Madrid	Real estate development	0.00%	49.23%	49.23%	29,937	16,374	-	13,563	219
Electra de Malvana, S.A. (7)	A10348100	C/ Periodista Sánchez Asensio, 1, Cáceres	Renewable energies	0.00%	20.00%	20.00%	19	15	(7)	4	(7)
Euro 6000, S.L. (2)	B87990552	C/ Alcalá 27, Madrid	Activities auxiliary to financial services	23.20%	0.00%	23.20%	4,443	2,866	523	1,577	525
Experiencia Peñíscola, S.L. (5)	B02975605	Avenida de España, 17, Peñíscola	Real estate development	47.63%	0.00%	47.63%	10,046	9,639	(377)	407	(377)
Gestión e Investigación de Activos, S.A. (4)	A79332367	Paseo General Martinez Campos, 46, 2ª planta, Madrid	Real estate sector	31.71%	18.29%	50.00%	494	490	17	4	(24)

APPENDIX IV
ASSOCIATED COMPANIES AT December 31, 2022

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 Holding	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	5.28%	14.72%	20.00%	35,055	32,114	(1,819)	2,941	(1,819)
Griffin Real Estate Developments, S.L. (6)	B52579299	C/ Alvarez Garaya, 12, Gijón	Real estate development	0.00%	40.83%	40.83%	10,142	9,461	(276)	680	(269)
Hidralia, Gestión Integral de Aguas de Andalucía, S.A. (2)	A41461856	C/ Alisios, Edf Ocaso, nº 1, Sevilla	Comprehensive water cycle management	20.00%	0.00%	20.00%	273,580	90,471	11,132	183,109	19,224
Hormigones y Áridos Aricam, S.L. (9)	B83221598	Carretera de Fuenlabrada, Kilometro 18.500, Pinto	Sand and gravel mining	25.00%	0.00%	25.00%	-	-	-	-	-
Hostelería Asturiana, S.A. (2)	A33013160	C/ Gil de Jaz ,16, Oviedo	Catering	40.42%	0.00%	40.42%	7,162	5,619	(33)	1,543	20
Industrializaciones Estratégicas, S.A. (9)	A45601580	Cuesta Carlos V, 5, Planta 2, Madrid	Real estate development	0.00%	35.00%	35.00%	3,789	2,367	(45)	1,422	(43)
Ingeniería de Suelos y Explotación de Recursos, S.A. (8)	A21102157	Paseo del Coso S/N, Minas de Riotinto, Huelva	Mining industry	30.00%	0.00%	30.00%	86,543	38,417	9,768	48,125	12,904
Inversiones Alaris, S.L. (3)	B31881055	Avda. Diagonal, 621, Barcelona	Share holdings	33.33%	0.00%	33.33%	7,695	5,327	55	2,368	55
Kenta Capital Investment Management, S.A. (2)	A10592426	C/ Miguel Ángel,11, Madrid	Activities auxiliary to financial services	36.00%	0.00%	36.00%	5,397	4,275	330	1,122	472
La Reserva de Selwo Golf, S.L. (10)	B18671784	Pasaje Linaje 3, Planta 1, Piso 1, Málaga	Real estate development	0.00%	35.00%	35.00%	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%	28,167	13,299	(1,216)	14,868	(2,499)
Malagaport, S.L. (6)	B92635192	Muelle Cánovas s/n, Edif.Inst. Estudios Portuarios del Puerto de Málaga, Málaga	Transportation and warehousing services	26.77%	0.00%	26.77%	316	230	(202)	86	(202)
Mastercajas, S.A. (2)	A81584369	C/ Alcalá 27, Madrid	Banking, financial activities	72.75%	0.00%	72.75%	3,592	3,567	113	25	124
Mejor Campo Abonos y Cereales, S.A. (14)	A24371866	Callejón de San Francisco, 1 - Bajo, Medina del Campo, Valladolid	Fertilizer and feed sales	27.00%	0.00%	27.00%	3	(58)	-	61	-
Oppidum Capital, S.L. (3)	B74341678	C/ Cimadevilla, 8, Oviedo	Holding company	44.13%	0.00%	44.13%	1,402,277	952,947	40,920	449,330	1,305
Parque Científico-Tecnológico de Almería S.A. (6)	A04418067	Avda. de la Innovación, nº 15, Edificio Pitágoras, Almería	Real estate development	0.00%	30.13%	30.13%	39,976	26,975	71	13,002	159
Participaciones Estratégicas del Sur, S.L. (2)	B90471350	C/ Luis Montoto Nº 65, 1º B	Other financial services	0.00%	30.00%	30.00%	16,625	12,699	1,965	1,962	-
Patrimonio Inmobiliario Empresarial, S.A. (15)	A83458067	C/ Santa Engracia, 69, Madrid	Real estate development	29.09%	0.00%	29.09%	26,857	(21,423)	(566)	48,280	-
Propco Eos, S.L.U. (3)	B93673291	C/ Goya, 6, 2ª planta, Madrid	Real estate development	0.00%	20.00%	20.00%	61,198	57,004	2,400	4,193	2,400

APPENDIX IV
ASSOCIATED COMPANIES AT December 31, 2022

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 Holding	Total Assets at End of Year	Equity	Company Results	Liabilities	Operating Income
				Direct	Indirect						
Propco Epsilon, S.L. (3)	B93673283	C/ Goya, 6, 2ª planta, Madrid	Real estate development	0.00%	20.00%	20.00%	53,418	50,030	(20)	3,382	(20)
Propco Malagueta, S.L. (2)	B93562940	C/ Mauricio Moro Pareto (Edificio Eurocom Norte), 6, Málaga	Real estate development	0.00%	25.00%	25.00%	4,970	4,954	(4,457)	15	(2,928)
Propco Orange 1 S.L. (2)	B93597896	C/ Mauricio Moro Pareto (Edificio Eurocom Norte), 6, Málaga	Real estate development	0.00%	49.00%	49.00%	28,548	9,330	955	19,219	1,294
Proyecto Lima, S.L. (2)	B93562957	C/ Mauricio Moro Pareto (Edificio Eurocom Norte), 6, Málaga	Real estate sector	0.00%	25.00%	25.00%	3,439	3,213	(3,730)	226	(2,148)
Pryconsa- Ahijones, S.L. (6)	B88560768	Glorieta de Cuatro Caminos, 6, Madrid	Real estate business	0.00%	32.94%	32.94%	58,387	50,698	-	7,689	-
Santa Justa Residencial, S.L. (2)	B93514453	C/ Mauricio Moro Pareto (Edificio Eurocom Norte), 6, Málaga	Real estate development	0.00%	49.50%	49.50%	1,040	561	(4)	478	(5)
Sedes, S.A. (3)	A33002106	C/ Arquitecto Galán, 2, Oviedo	Real estate and construction	39.90%	0.00%	39.90%	35,931	7,343	(821)	28,588	(699)
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. (3)	B74453432	C/ Fruela, 5, Oviedo	Real estate business	8.96%	40.77%	49.73%	85,899	61,117	(493)	24,782	(378)
Sociedad Municipal de Aparcamientos y Servicios, S.A. (3)	A29178902	Plaza Jesús "El Rico" 2-3, Málaga	Parking lots	24.50%	0.00%	24.50%	62,555	47,601	3,130	14,954	3,807
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%	91,212	74,058	(360)	17,514	(25)

APPENDIX IV
ASSOCIATED COMPANIES AT December 31, 2022

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 Holding	Total Assets at End of Year	Equity	Company Results	Liabilities	Operating Income
				Direct	Indirect						
Uncro, S.L. (11)	B23545379	C/ Ibiza, 35, 5ª A, Madrid	Real estate development	0.00%	25.00%	25.00%	1,562	(8,784)	(2)	10,346	(2)
Unema Promotores Inmobiliarios, S.A. (12)	A92078013	C/ Strachan, 1, planta 1, Málaga	Real estate development	0.00%	40.00%	40.00%	37	(1,669)	-	1,706	-
Unicorp Vida, Compañía de Seguros y Reaseguros, S.A. (2)	A78804390	C/ Bolsa, 4, 3ª planta, Málaga	Insurance	50.00%	0.00%	50.00%	3,514,494	211,044	63,930	3,303,450	81,448
World Trade Center Santander, S.A. (17)	A39348156	C/ Carlos Haya, 23, Santander	Real estate development	31.50%	0.00%	31.50%	214	212	(12)	2	(13)
Zedant Desarrollos, S.L. (5)	B02865129	C/ Fernández de la Hoz, 62, Madrid	Real estate development	40.30%	4.81%	45.11%	11,213	6,477	(309)	4,736	(258)

(1) Company in liquidation.
(2) Financial data at December 31, 2022.
(3) Financial data at November 30, 2022.
(4) Financial data at November 30, 2022. Company in liquidation.
(5) Financial data at October 31, 2022.
(6) Financial data at September 30, 2022.
(7) Financial data at August 31, 2022.
(8) Financial data at July 30, 2022.
(9) Financial data at December 31, 2021. Company in liquidation.
(10) Financial data as of December 31, 2020. Company in liquidation.
(11) Financial data as of Tuesday, June 30, 2020. Company in liquidation.
(12) Financial data as of Saturday, September 30, 2017. Company in liquidation.
(13) Financial data at December 31, 2017. Company in liquidation.
(14) Financial data as of Saturday, December 31, 2016. Company in liquidation.
(15) Financial data as of Monday, March 31, 2014. Company in liquidation.
(16) Financial data as of Tuesday, December 31, 2013. Company in liquidation.
(17) Financial data at 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 financial statements. When this financial information does not correspond to December 31, 2022, it is because information relating to a date very close to the end of 2022 has been used instead or because the associate has no relevant activity that could have a significant bearing on these financial statements (either because it is in liquidation or for other reasons with similar effects).

UNICAJA BANCO, S.A.

MANAGEMENT REPORT FOR FISCAL YEAR 2022

1. Evolution of Unicaja Banco's business performance

Introduction

Unicaja Banco, S.A. (hereinafter Unicaja Banco, or the Bank) is a credit institution incorporated in Spain 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. Also, on July 31, 2021, the merger by absorption of Liberbank S.A. (as absorbed entity) by Unicaja Banco, S.A. (as absorbing entity) took place.

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 interests 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. In addition, the Bank holds a license for the exercise of banking activity granted by the Ministry of Economy and Finance, in accordance with the provisions of Article 1 and concordant provisions of Royal Decree 1245/1995, a regulation that was replaced by the current Royal Decree 84/2015, of February 13, implementing Law 10/2014, of June 26, on the regulation, supervision, and solvency of credit institutions.

As of December 31, 2022, 30% of the Bank's capital stock is owned by Fundación Bancaria Unicaja, the Bank's ultimate parent entity and parent company of the Unicaja Group. Both the Bank and its parent company are domiciled in Malaga, subject to Spanish law, and file their annual accounts with the Mercantile Registry of Malaga.

The Bank is also the head of a subgroup of subsidiaries engaged in various activities that make up the Unicaja Banco Group.

The result of the fiscal period amounts to 235 million euros for the year, doubling the income before write-offs

In terms of results, at the close of the 2022 financial year, Unicaja Banco presents a net profit of 235 million euros compared to 1,085 million euros recorded in the 2021 financial year. The results for 2021 include the impact of the merger between Unicaja Banco S.A. and Liberbank S.A., carried out at the end of July, which resulted in the recording of a *badwill* of 1,301 million euros. Likewise, the income statement includes €17 million of acquisition expenses and €399 million of provisions for personnel, office and IT restructuring.

Income statement. Unicaja Banco

Figures in millions of Euros	Dec-22	Dec-21	V.Abs.	I.R.C.
Net interest margin	**1,059.1**	**742.6**	**316.5**	**42.6%**
% S/ATM	*1.0%*	*0.9%*		
Net commissions	468.4	333.6	134.8	40.4%
Net interest margin + Net commissions	**1,527.5**	**1,076.2**	**451.3**	**41.9%**
% S/ATM	*1.4%*	*1.3%*		
Dividends	92.8	46.7	46.1	98.6%
RFO + exchange rate differences	56.8	52.2	4.6	8.8%
Other products/operating expenses	-140.1	-136.9	-3.2	2.3%
Gross margin	**1,537.1**	**1,038.3**	**498.8**	**48.0%**
% S/ATM	*1.4%*	*1.3%*		
Operating expenses	815.8	671.7	144.1	21.5%
Operating margin *(before write-downs)*	**721.2**	**366.6**	**354.7**	**96.8%**
Write-downs and other results	386.4	685.1	-298.8	-43.6%
Negative difference in business combinations (Badwill)	0.0	1,301.3	-1,301.3	
Profit (loss) before tax	**334.9**	**982.8**	**-647.9**	**-65.9%**
Income tax	99.8	-102.1	201.9	-197.8%
Profit or loss for the year	**235.1**	**1,084.8**	**-849.8**	**-78.3%**
% S/ATM	*0.2%*	*1.3%*		
Pro memoria:				
Average balance	**111,293**	**82,873**	**28,420.3**	**34.3%**

For the purpose of analyzing the evolution of the business, a pro-forma income statement for the year 2021 is constructed, in which the results of Unicaja Banco and Liberbank are aggregated and no extraordinary merger adjustments or restructuring costs recorded by Liberbank prior to the merger are considered. It is provided solely for the purpose of better explaining the evolution of the income statement of Unicaja Banco, S.A. in homogeneous terms in 2022 and 2021.

Pro-forma income statement. Unicaja Banco				
Figures in millions of Euros	**Dec-22**	**Dec-21**	**V.Abs.**	**I.R.C.**
Net interest margin	**1,059.1**	**1,057.3**	**1.9**	**0.2%**
% S/ATM	*1.0%*	*1.0%*		
Net commissions	468.4	448.9	19.5	4.3%
Net interest margin + Net commissions	**1,527.5**	**1,506.2**	**21.4**	**1.4%**
% S/ATM	*1.4%*	*1.4%*		
Dividends	92.8	88.4	4.4	4.9%
RFO + exchange rate differences	56.8	46.7	10.1	21.6%
Other products/operating expenses	-140.1	-152.6	12.6	-8.2%
Gross margin	**1,537.1**	**1,488.7**	**48.4**	**3.2%**
% S/ATM	*1.4%*	*1.4%*		
Operating expenses	815.8	884.1	-68.3	-7.7%
Operating margin *(before write-downs)*	**721.2**	**604.6**	**116.6**	**19.3%**
Write-downs and other results	386.4	433.5	-47.2	-10.9%
Negative difference in business combinations (Badwill)	0.0	0.0	0.0	
Profit (loss) before tax	**334.9**	**171.1**	**163.8**	**95.7%**
Income tax	99.8	36.3	63.5	175.1%
Profit or loss for the year	**235.1**	**134.8**	**100.2**	**74.4%**
% S/ATM	*0.2%*	*0.1%*		
Pro memoria:				
Average balance	**111,293**	**110,142**	**1,151.4**	**1.0%**

The net *interest* margin increased 0.2% year-on-year. The wholesale business increased its contribution by 22 million euros, due to new investments in fixed-income securities and the increase in the return on the floating-rate portfolio, which offset the change in the remuneration of TLTROs (which reduce the net interest margin by 50 million euros) and the increase in the cost of issuance.

The retail business, on the other hand, had a negative year-on-year variation (-21 million euros). The main cause of the decline was the fall in interest rates in the first months of the fiscal period, which affected the profitability of loans (-24 million euros). The rate increase in the second half of the fiscal year will be more clearly reflected in 2023. Retail financing costs remained virtually unchanged. All this has caused the spread between the average yield on loans to customers and the average cost of retail deposits to evolve from 1.44% in 2021 to 1.38% in 2022.

"Commissions" grew by 4.3% year-on-year. This income statement line was boosted by the marketing of non-banking financial products.

The heading "*Other operating income and expenses"* shows an annual decrease of 12.6 million euros. This item includes the contribution to the Deposit Guarantee Fund (88 million euros), the annual contribution to the Single Resolution Fund (25 million euros), the equity benefit for monetizable deferred tax assets (26 million euros), commissions paid to agents (15 million)euros, as well as other recurring and non-recurring income and expenses.

The gross margin increased by 3.2% compared to the previous year, due both to the improvement in the core banking business (interest margins and and commissions) and to the higher contribution from dividends increase of 4 million euros) and trading income (increase of10 million euros compared to 2021). As a result, gross margin increased by 48 million euros to 1,537 million euros, representing 1.6% of average total assets.

On the other hand, operating expenses, comprising personnel expenses, administrative expenses, and depreciation, totaled 816 million euros, a decrease of 8% compared with the previous year, or, what is the same thing, a total saving of 68 million euros during the year, over 2021. These savings are the result of the cost reduction plans and policies that have been successfully implemented and executed in the bank in recent years, as well as the materialization of the first synergies derived from the planned personnel departures and branch closures, which have already materialized by 81% and 100%, respectively. As a result, the efficiency ratio, which measures the percentage of operating expenses required to generate operating income (i.e. the ratio of operating expenses to gross margin), increased to 53.1%.

Finally the calculation of write-downs and others of 386 million euros, resulted in a pre-tax profit of 335 million euros. As a result, and after considering the tax effect, net income for the year was 235 million, 74% higher than the previous year.

Performing loans and advances to individuals grew by 1.8%

The volume of administered funds managed by Unicaja Banco amounted to 98,913 million euros at year-end 2022.

Managed resources. Unicaja Banco *Figures in millions of Euros - Does not include valuation adjustments.*	**Dec-22**	**Compos.**	**Dec-21**	**Var. Var.**	**% Var. Var.**
Total Balance sheet resources	**78,651**	**79.5%**	**86,999**	**-8,348**	**-9.6%**
Customer deposits	**75,208**	**76.0%**	**84,517**	**-9,309**	**-11.0%**
Public Administration Bodies	**6,888**	**7.0%**	**9,259**	**-2,371**	**-25.6%**
Private sector	**68,320**	**69.1%**	**70,258**	**-6,938**	**-9.2%**
Demand deposits	57,771	58.4%	59,231	-1,460	-2.5%
Term deposits	10,529	10.6%	11,312	-783	-6.9%
Of which: mortgage securities	*4,655*	*4.7%*	*5,207*	*-552*	*-10.6%*
Temporary assignment of assets	20	0.0%	4,715	-4,695	-99.6%
Issuances	**3,442**	**3.5%**	**2,482**	**960**	**38.7%**
Mortgage bonds	1,185	1.2%	1,215	-30	-2.5%
Other values	1,659	1.7%	660	999	151.3%
Subordinated liabilities	599	0.6%	608	-9	-1.4%
Off-balance sheet funds	**20,262**	**20.5%**	**22,038**	**-1,776**	**-8.1%**
TOTAL FUNDS MANAGED	**98,913**	**100.0%**	**109,037**	**-10,124**	**-9.3%**
Of which:					
Customer funds managed (retail)	**90,816**	**91.8%**	**96,815**	**-5,999**	**-6.2%**
On-balance sheet	*70,533*	*71.3%*	*74,776*	*-4,243*	*-5.7%*
Off-balance sheet	*20,283*	*20.5%*	*22,039*	*-1,756*	*-8.0%*
Markets	**8,097**	**8.2%**	**12,222**	**-4,125**	**-33.8%**

The bulk of funds under management are customer deposits (75,188 million euros, excluding valuation adjustments), of which 57,771 million euros are demand deposits from private-sector customers, 10,529 million euros are time deposits from the private sector (including 4,655 million euros of non-negotiable issues of covered bonds) and 6,888 million euros are deposits from public administrations. Resources managed through off-balance sheet instruments and insurance amounted to 20,262 million euros, the main product being investment funds (11,263 million euros), followed by savings insurance (4,268 million euros), pension funds (3,682 million euros) and other assets under management (1,050 million euros).

In terms of the origin of the funds, 92% (90,816 million euros) corresponds to retail business, while the remaining 8% (8,097 million euros) is made up of funds raised in wholesale markets through issues, multi-seller bonds or asset repurchase agreements.

Unicaja Banco has made the first green issues of 500 million euros each, in senior preferred and non-preferred bonds, aimed at the materialization of the sustainable transition in the environmental aspect. In addition, a 300 million Tier 2 subordinated debt issue was carried out during the year, in order to comply with MREL's sectorial regulatory requirements.

Including the balances from Liberbank in the comparative information, the *customer funds under management* (retail) fell by 6.2% during the year, in an economic year that was not very favorable for savings, marked by high inflation and the volatility of the financial markets.

Performing loans (excluding reverse repurchase agreements) amounted to 54,424 million euros at year-end 2022 and maintained a low risk profile, with a high weight of mortgages to individuals (58%) and loans to public administrations (11%).

Excluding the effect of the integration of Liberbank, performing loans to individuals increased by 1.8% in the year, driven by the mortgage portfolio (1.7%), that is made up of transactions financing first homes (93%), with low LTVs (95% of cases are below 80%).

Loans and advances to customers. Unicaja Banco *Figures in millions of Euros without valuation adjustments*	**Dec-22**	**Compos.**	**Dec-21**	**Var. Var.**	**% Var. Var.**
PERFORMING CREDIT	**54,424**	**100.0%**	**56,293**	**-1,869**	**-3.3%**
1. Credit Public administrations not in doubt	**5,767**	**10.6%**	**5,558**	**209**	**3.8%**
2. Private sector loans not in doubt	**48,657**	**89.4%**	**49,956**	**-1,299**	**-2.6%**
Companies	**14,166**	**26.0%**	**16,091**	**-1,925**	**-12.0%**
Real estate development and construction	663	1.2%	841	-178	-21.2%
SMEs and self-employed workers	6,233	11.5%	6,937	-704	-10.2%
Other companies	7,270	13.4%	8,312	-1,043	-12.5%
Individuals	**34,491**	**63.4%**	**33,866**	**626**	**1.8%**
Housing	31,617	58.1%	31,090	527	1.7%
Others	2,874	5.3%	2,776	98	3.5%
3. Temporary assignments Acquisition of assets	**0**	**0.0%**	**779**	**-779**	**-100.0%**
PERFORMING CREDIT without TAAs	**54,424**		**55,514**	**-1,090**	**-2.0%**
Pro-memoria:					
TOTAL CREDIT without ATAS	**56,357**		**57,433**	**-1,077**	**-1.9%**

During the year, 10,049 million new loans and credits were granted, including 4,313 million mortgages and 3,511 million euros of loans and credits for companies. Lending to companies has slowed down in 2022, mainly due to the liquidity stockpiling carried out by companies in 2021 thanks to ICO lines.

Improved balance sheet quality and maintenance of high coverage

Unicaja Banco's balance of doubtful assets remained virtually unchanged during the year (+13 million euros), amounting to 1,933 million euros at year-end 2022 and translating into an NPL ratio of 3.4%. Likewise, Unicaja Banco maintains a level of coverage for doubtful risks of 67.5%, one of the highest in the sector.

At year-end 2022, the balance of foreclosed assets, net of provisions, amounts to 173 million euros (459 million in gross value), representing only 0.17% of Unicaja Banco's total assets. Fifty-one percent of foreclosed assets, at net book value, are newly completed and used housing.

Increase in CET 1 fully loaded *to 13.0% and strong liquidity position*

At December 31, 2022, Unicaja Banco had a liquid and discountable asset position with the European Central Bank, net of assets used, of 23,516 million euros, representing 24% of the balance sheet total.

Bankable Liquid Assets *Figures in millions of Euros*	**Dec-22**
Liquid Assets	
Short-term cash surplus (1)	3,235
Reverse purchase agreements of bankable assets	198
Fixed-income portfolio and other bankable assets at the ECB	28,488
Total liquid assets (discounted value at the ECB)	**31,921**
Liquid Assets Used	
Taken out at the ECB	5,321
Assets sold under temporary assignments of assets and other pledges	3,084
Total liquid assets used	**8,405**
Available bankable liquid assets	**23,516**

(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*	**2023**	**2024**	**2025**	**>2025**	**TOTAL**
AT1	-	-	-	500	500
Tier 2	-	300	-	300	600
Senior preferred debt	-	500	660	-	1,160
Non-preferred senior debt	-	-	-	500	500
Mortgage-backed securities	450	-	1,282	3,940	5,672
TOTAL	**450**	**800**	**1,942**	**5,240**	**8,432**

(*) It includes multi-seller covered bonds.

Unicaja Banco remains among the Spanish financial institutions with the highest level of capitalization. The Bank is the head of a subgroup of subsidiaries that make up the Unicaja Banco Group. At year-end 2022, the total computable shareholders' equity of the Unicaja Banco Group reached 5,818 million euros.

The highest quality capital, CET 1 Common Equity Tier 1, in the phased-in transient period was 13.7%, the Level1 Capital ratio was 15.3% and the Total Capital ratio was 17.1%. These ratios represent some leeway above the bank's required levels of 5.4 ppt in CET 1 and 4.4 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 13.0%, the Tier 1 Capital ratio to 14.6% and the Total Capital ratio to 16.4%.

Branch Network

Unicaja Banco operates exclusively in Spain, and principally in Andalucía, Asturias, Cantabria, Castilla y León, Castilla-La Mancha, Extremadura, and Madrid.

Unicaja Banco concentrates 90% of its branches in the regions of Andalusia (39%), Castilla y León (13%), Castilla-La Mancha (13%), Madrid (10%), Asturias (9%) and Extremadura (7%), with the provinces of Málaga (12%), Madrid (10%), Asturias (9%) and Toledo (6%) having the greatest specific weight.

As of December 31, 2022, the network comprised 969 branches: 968 branches in Spain and 1 foreign branch office in the U.K. (the branches are open to the public according to the criteria of the Bank of Spain, including itinerant customer service desks and offices open abroad).

DISTRIBUTION OF THE BUSINESS NETWORK

		Operational Branches at 12.31.2022		Operational Branches at 12.31.2021	
Country	**Autonomous Community**	**Number of Branches**	**Distribution (%)**	**Number of Branches**	**Distribution (%)**
SPAIN	Andalusia	374	38.6%	411	30.0%
	Aragón	2	0.2%	2	0.1%
	Asturias	85	8.8%	109	8.0%
	Cantabria	47	4.9%	74	5.4%
	Castilla y León	130	13.4%	225	16.4%
	Castilla-La Mancha	128	13.2%	268	19.6%
	Catalonia	9	0.9%	9	0.7%
	Ceuta	1	0.1%	1	0.1%
	Valencian Community	11	1.1%	11	0.8%
	Extremadura	65	6.7%	142	10.4%
	Galicia	10	1.0%	10	0.7%
	La Rioja	1	0.1%	1	0.1%
	Madrid	93	9.6%	93	6.8%
	Melilla	3	0.3%	3	0.2%
	Murcia	4	0.4%	4	0.3%
	Navarra	1	0.1%	1	0.1%
	Basque Country	4	0.4%	4	0.3%
Total Number of Offices in Spanish Territory		**968**	**99.9%**	**1,368**	**99.9%**

		Operational Branches at 12.31.2022		Operational Branches at 12.31.2021	
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		**969**		**1,369**	

As of September 30, 2022, according to Statement FI-132 published by the Bank of Spain, the market share of deposits to the private sector was 5.0% in the country as a whole, and as follows by autonomous community: Andalusia (11.9%), Asturias (21.6%), Cantabria (21.0%), Castilla y León (19.2%), Castilla-La Mancha (16.8%) and Extremadura (21.1%).

Regarding the share of credit to the private sector, according to Statement FI-132 published by the Bank of Spain, it amounted to 4.4% in the country as a whole and to 10.0% in Andalusia, 22.2% in Asturias, 24.0% in Cantabria, 11.6% in Castilla y León, 15.8% in Castilla-La Mancha and 15.0% in Extremadura.

With respect to branches, Unicaja Banco's share of presence in Andalusia represents 11.8%, in Asturias 18.4%, in Cantabria 22.2%, in Castilla y León 10.6%, in CastillaLa Mancha 11.7% and in Extremadura 9.8%, according to the latest available information from the Bank of Spain at September 30, 2022. Its branches in the country as a whole represented 5.4% of all branches from all banks.

2. Risk Management

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 involvement and supervision of the Top Management, which approves the Entity’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 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.

The Unicaja Banco 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 Banco’s organizational structure includes an Overall Risk Control Unit, which is accountable to the Vice President’s Office, which is in charge of controlling and relations with supervisors and is functionally independent from the departments that create exposures. One of the functions of this unit is to take control, from a global perspective, of all the risks for the Entity. 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.

2.1. Risk Appetite Framework

The Bank's risk management and control is ordered, among others, through the Risk Appetite Framework, which is approved by the Bank's Board of Directors.

Unicaja Banco uses the RAF as an instrument for the implementation of the Bank’s risk policy and as a key management and control tool that permits you to: (i) formalize the risk appetite statement; (ii) specify the Bank's risk objectives in line with the corporate strategy, acting as a guiding reference for the activities developed; (iii) formalize the risk supervision and monitoring mechanism, so as to ensure compliance with the risk appetite; (iv) integrate all risk control and management processes into a common framework; and (v) strengthen and disseminate the Bank's risk culture.

The development of this Framework as the Bank'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 Banco's RAF is for a set of principles, procedures, controls and systems by means of which the Bank's risk appetite can be defined, communicated and monitored to be established.

Risk appetite is understood as the risk level or profile that Unicaja Banco 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 Unicaja Banco's objective behavior, are transversal to the organization, and allow the risk-propensity culture to be transmitted to all levels in a systemized and comprehensive manner. In turn, they summarize the Bank's objectives and limits, and are therefore useful for communication, where appropriate, to stakeholders, and are homogeneous, since they are applied throughout the organization.

The Bank has a process for the identification of material risks, which establishes methodologies for the quantification of all risks to which the Bank is exposed. 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 Entity 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 is established through a qualitative statement, risk indicators or metrics are selected and a calibration methodology is defined to set target thresholds, early warnings and limits.

The Overall Risk Control Unit monitors compliance with the Risk Appetite Framework via the existing metrics for each type of risk. Moreover, it submits the results of its monitoring to the Top Management and its governing bodies.

The Entity has integrated its Risk Appetite Framework with its strategy, its ICAAP and ILAAP, its corporate risk policies and its Recovery Plan, among others. The Entity 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.

2.2. 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 Top Management, as well as adequate coordination 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 Entity's Bylaws and regulations and manuals, where applicable.

The Board of Directors

The overall risk management and control policies, methods and procedures are approved by the Entity'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 Entity 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 Entity'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.
    - Proposing suitable remedial measures according to the protocol established to deal with the surpassing of limits.
    - 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-
- Structural and corporate modification operations planned by the Entity

Among these functions, the assessment of all matter concerning the company's non-financial risks—including operational, technological, legal, social, environmental, political and reputational risks—stands out as far as risks are concerned.

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 Entity'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 Entity, 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 Entity's internal Committees, which will in turn inform the competent units of them if necessary.

2.3. Risk Control Model

The risk management and control model adopted by the Entity contemplates, among others, the following risks:

- 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 Banco has a document called Customer Credit Risk Policies, approved by the Board of Directors, which is established as a framework for the adequate control and management of the credit risks inherent to the Entity's 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.

Likewise, Unicaja Banco has scoring and *rating* models integrated in the admission, 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.

It should also be noted that, on June 28, 2021, Unicaja Banco 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 Banco 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.

Regarding the granting of credit transactions, Unicaja Banco has 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 Policy document and with the regulatory requirements established by 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, Unicaja Banco has implemented systems for compliance with Law 5/2015 on the promotion of business activity, which recognizes unwaivable rights for SMEs and the self-employed in those cases in which a credit institution decides to cancel or reduce the financial flow.
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, doubtful or unpaid transactions.

In accordance with the provisions of the regulations in force, Unicaja Banco has a policy of refinancing, restructuring, renewal, or renegotiation of operations.

In addition, Unicaja Banco has methodologies, procedures, tools, and action standards for the control and recovery of irregular assets.

Unicaja Banco has adapted its policies, processes and tools for identifying and measuring credit risk in the context derived from the coronavirus pandemic (COVID-19).

Market Risk

Market risk is defined as the possibility of the Entity 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.

Although for solvency purposes market risk is assigned to trading positions, Unicaja Banco has developed policies, processes, and tools for the management of market risk corresponding to the entire portfolio of securities recorded in the books at fair value.

For the adequate management of market risk, the Structural and Non-Financial Risks Area, which reports to the Global Risk Control Department, has tools to measure, calculate, and control the market risks and limits authorized by the Board of Directors, in particular "Value at Risk" (VaR) and operating limits for credit/counterpart risk affecting Unicaja Banco's operations in capital markets, which serve as a means of diversification to avoid excessively concentrated exposures to market risk.

Unicaja Banco performs the measurement and control function through the establishment of a structure of quantitative limits, as well as a system of attributions in financial market operations. The Bank has detailed information on the different sub-risks and has assigned limits in its Risk Appetite Framework that allow adequate monitoring and mitigation of these risks if necessary.

The ultimate responsibility for risk identification and control lies with Unicaja Banco's Governing Bodies, so that Senior Management is responsible for and actively participates in the entire risk management process (planning, approval, valuation, and control of all the risks inherent in the positions taken by the Entity 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 Entity arising from adverse interest rate fluctuations affecting interest rate sensitive instruments.

The control functions performed and methodologies employed by the Entity 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 Bank, sensitivity measurement techniques and analysis of a wide range of scenarios that could significantly affect it are used to capture the different sources of risk.

Based on the results of Unicaja Banco's structural interest rate risk exposure at each analysis date, a series of actions are implemented to mitigate such exposure until it is brought back to the acceptable levels defined by the Entity's risk profile, if necessary.

The Board of Directors approves the Entity’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 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 Entity 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 Entity 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.

Unicaja Banco has established liquidity risk limits to control exposure to liquidity risk 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.

Unicaja Banco also practices a diversification policy to avoid excessively concentrated exposures to 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.

Property Risk

This is the risk associated with the loss of value of real estate assets held on the Entity's balance sheet.

Unicaja Banco establishes limits to the real estate risk related to assets received in payment of debts in order to control this exposure and keep it within adequate levels.

These assets are managed in the Entity with the ultimate purpose of divesting or leasing them. For this purpose, Unicaja Banco has holding companies specialized in the management of urban development projects, real estate marketing, and 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 Entity 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 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, adapting its management perimeter to the more developed taxonomy that incorporates 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 management and model.

Unicaja Banco has established a series of procedures for capturing operational loss events.

These allow the Bank to have the necessary information to be able to implement the corresponding mitigation instruments of the operational risk management policy. Likewise, it has a Board of Directors-approved Operational Risk Framework.

The Bank 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 aim of minimizing and reducing all losses and negative impacts arising from this type of risk.

Unicaja Banco has other operational risk mitigation measures that are used in the management of 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 Banco has a catalog of metrics for their quantification, control and monitoring within the Entity'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 Entity 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.

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.

Unicaja Banco has traditionally been very demanding in aspects related to reputational risk management.

Customer satisfaction and the good image of the Entity 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 Entity'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, which could threaten the viability and sustainability of the Company's business model. It includes the risk of change management, understood as 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 Bank 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 relevant impact on the Company's financial or solvency development. The scope of these factors is extrapolated to those involved in the marketing of financial products and their exposure to the public, as well as to the Company's own exposures.

The proper management of ESG factors by the Company is conditioned, from a risk perspective, by the economic activity and by the classification of its assets (such as the sector and geographical location of its counterparts or issues of financial instruments invested) and liabilities (such as issues of financial instruments or investment portfolio).

ESG factors can affect the Company's financial performance by manifesting themselves in prudential financial or non-financial risks, such as credit, market, operational, liquidity and interest risk, or reputational or liability risk, respectively. Therefore, while ESG factors can have positive or negative impacts, ESG risks are defined from a prudential perspective, in the context of supervisory review, as the negative materialization (on the Company or on its counterparts) of ESG factors.

Climate-related and environmental risks (ESG Environmental factor) are risks generated by the Company's exposure to counterparts that may 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, at the same time, 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 classified, in turn, as:

  - "Severe," when it arises from extreme events, such as droughts, floods and storms, and,
  - "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, for example, damage to goods or a decrease in productivity, 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, counterparts or investors associate the Entity or its customers—particularly corporate or institutional customers—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.

For the proper management of ESG risks (which encompasses climate-related and environmental risks), the Company has begun a series of initiatives, including an Action Plan on Sustainable Finance, approved in June 2020 and reviewed in April and November 2021, which aim to measure in depth the impact of these risks on its financial structure, and to enable it to act efficiently in this area, in the medium and long term.

Likewise, the Bank has availed itself of a structure for promoting sustainability, which currently comprises the ESG Business Unit and the Sustainability and Corporate Social Responsibility (CSR) Unit. The Sustainability and CSR Committee is the body that brings together, in addition to these two units, other Bank units with ESG factor management powers.

It should be noted that in fiscal year 2022 the Sustainability Committee has been established as a support committee of the Board of Directors, whose 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.

On the other hand, the implementation of the aforementioned Sustainable Finance Action Plan has been included in Axis 5 of the 2022-2024 Strategic Plan approved by the Entity in December 2021. The new challenge of sustainability, in all its facets, is assumed by Unicaja Banco as an opportunity for development and improvement in its daily management, for which the Bank will work on a renewed offer of products and services, on the reduction of its carbon footprint and, at the same time, promote the culture of sustainability, identification and management of climate and environmental risk, which denotes a holistic approach to the management of these risks.

The Bank has included in the Risk Appetite Framework a number of climate-related and environmental risk metrics that constitute indicators on this level of climate and environmental risks.

Unicaja Banco considers that the appropriate management of ESG risks is part of a global work program, which analyzes the financial, marketing and good governance impacts, in order to position itself as a Company committed to sustainability and its derived impacts.

3. Post-Year-End Events

In the period between year-end December 31, 2022 and the date of preparation of this management report, there have been no events of particular relevance that are not disclosed in the notes to the financial statements or in the contents of the management report.

4. Research and Development

During fiscal years 2022 and 2021, the Bank did not carry out research and development activities of significant amount.

5. Environmental Impact

The Entity's global operations are governed by laws relating to the protection of the environment (Environmental Laws). The Bank believes that it is in material compliance with such laws and maintains procedures designed to ensure and encourage compliance.

The Bank 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 2022 and 2021, the Bank has not made any significant investments of an environmental nature and has not considered 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.

6. Own Shares

At December 31, 2022, the Bank holds 198,770 treasury stock (4,331,832 treasury shares at December 31, 2021) amounting to 148 thousand euros (3,359 thousand euros at December 31, 2021).

The breakdown of Treasury Stock at December 31, 2022 and 2021 is as follows:

	2022		2021	
	Number of Shares	**Thousands of Euros**	**Number of Shares**	**Thousands of Euros**
Balance of Own Shares at the Beginning of the Period	**4,331,832**	**3,359**	**92,296**	**92**
Effect of the merger by absorption of Liberbank	-	-	4,161,736	3,227
Acquisitions by Unicaja Banco	62,346	15	92,930	55
Redemption of Unicaja Banco's own shares	-	-	-	-
Sales made by Unicaja Banco	(4,195,408)	(3,226)	(15,130)	(15)
Balance of Treasury Stock at the Beginning of the Period	**198,770**	**148**	**4,331,832**	**3,359**

The net acquisitions of treasury stock made by Unicaja Banco during 2022 were made for a total negative price (net sale) of 3,211 thousand euros, while during 2021 they were made for a total positive price (net purchase) of 40 thousand euros.

7. Deferral of Payments to Suppliers

Payments made by Unicaja Banco to suppliers exclusively for the rendering of services and the supply of sundry services during 2022 amounted to 437,177 thousand euros (234,482 thousand euros in 2021), which were made within the legally and contractually established terms The balance pending payment to suppliers at December 31, 2022 and 2021 is not significant and has a shorter term than that established by Law 15/2010, of July 5.

In accordance with the provisions of the second final provision of Law 31/2014, of December 3, which amends 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 on the base of the provisions of the Resolution of January 29, 2016 of the Spanish Accounting and Auditing Institute (Instituto de Contabilidad y Auditoría de Cuentas), the average period of payment to suppliers of the Bank during the fiscal years 2022 and 2021 is 14.22 days and 17.97 days, respectively, while the ratio of transactions paid for said fiscal years amounts to 14.22 days and 17.96 days, respectively, and the ratio of transactions pending payment amounts to 14.27 days and 24.09 days, respectively.

In addition, Law 18/2022 requires the inclusion of 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. In this regard, Unicaja Banco paid a total of 198,832 invoices during 2022, of which 164,903 invoices were paid within the legal maximum term (82.94% of the total). In terms of monetary volume, Unicaja Banco paid a total of 435,177 thousand euros during 2022, of which 366,997 thousand euros were paid in a period less than the legal maximum (84.33% of the total).

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.

8. Non-Financial Information Statement

In accordance with 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, and Law 22/2015, of July 20, on Auditing of Accounts, regarding non-financial information and diversity, the Unicaja Banco Group has prepared the Consolidated Statement of Non-Financial Information regarding fiscal year 2022, which is included as a separate document attached to the Consolidated Management Report for fiscal year 2022, pursuant to the provisions of Article 44 of the Code of Commerce. The individual information corresponding to Unicaja Banco, S.A. has been included in this separate document attached to the consolidated management report, which will be filed with the Mercantile Registry of Malaga.

APPENDIX I

ANNUAL CORPORATE GOVERNANCE REPORT

The Annual Corporate Governance Report of Unicaja Banco, S.A. for the year ended December 31, 2022 is attached hereto as an integral part of this management report of the Bank.

APPENDIX II
ANNUAL REPORT ON DIRECTORS' REMUNERATION

The Annual Report on Remuneration of the Directors of Unicaja Banco, S.A. for the year ended December 31, 2022, is attached hereto as an integral part of this individual management report.

UNICAJA BANCO, S.A.

PREPARATION OF THE ANNUAL FINANCIAL STATEMENTS, MANAGEMENT REPORT, AND PROPOSED DISTRIBUTION OF INCOME FOR THE YEAR 2022

The Board of Directors of Unicaja Banco, S.A., meeting at its registered office on February 23, 2023, and in compliance with the requirements established in the current legislation, resolved to prepare the Annual Accounts of Unicaja Banco, S.A. for the year 2022, comprising the balance sheet, the profit and loss account, the statement of recognized income and expenses, the statement of total changes in net equity, the cash flow statement, and the notes to the financial statements, for the year ended December 31, 2022. Likewise, the Board of Directors resolves to prepare the Management Report for the 2022 fiscal year (which includes the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration), and the Proposed Distribution of Profit for the 2022 fiscal year, in accordance with the contents of Note 3 of the attached Annual Financial Statements. All of the foregoing is contained on the obverse of the folios of stamped paper of the State, numbered correlatively from [●] to [●] and from [●] to [●], all inclusive, of Series 00, Class 8th of 3 euro cents each.

To the best of our knowledge, the Financial Statements for 2022 give a true and fair view of the equity and financial position of Unicaja Banco, S.A. at December 31, 2022, and of its results and cash flows for the year then ended, in accordance with the applicable financial reporting framework (identified in Note 1.2 of the notes to the financial statements) and, in particular, with the accounting principles and criteria contained therein. Likewise, the Management Report for fiscal year 2022 includes a faithful analysis of the evolution, results, and position of Unicaja Banco, S.A.

The resolution for the preparation of the Annual Financial Statements, the Management Report, and the Proposed Distribution of Profit for 2022 was adopted by the Board of Directors with the unanimous vote of all the directors, who are Manuel Azuaga Moreno (Executive Chairman), Manuel Menéndez Menéndez (Managing Director), Juan Fraile Cantón (Vice-Chairman), Carolina Martínez Caro (Coordinating Councilor), Teresa Sáez Ponte (Secretary), María Luisa Arjonilla López (Spokesperson), María Teresa Costa Campi (Spokesperson), Jorge Delclaux Bravo (Spokesperson),Rafael Domínguez de la Maza (Member), Felipe Fernández Fernández Fernández (Member), María Garaña Corces (Member), Petra Mateos-Aparicio Morales (Member), Manuel Muela Martín-Buitrago (Member), Isidoro Unda Urzaiz (Member) and David Vaamonde Juanatey (Spokesperson.

Due to the fact that Carolina Martínez Caro, María Luisa Arjonilla López, Jorge Delclaux Bravo, María Garaña Corces, Petra Mateos-Aparicio Morales, Manuel Muela Martín-Buitrago and David Vaamonde Juanatey attended the meeting of the Board of Directors by telematic means and therefore have not been able to sign the aforementioned Annual Accounts and Management Report, they have given their approval to all of the above by e-mail sent to the e-mail addresses of the Chairman of the Board of Directors, the Secretary of the Board of Directors, and the Non-Director Vice-Secretary of the Board of Directors.

UNICAJA BANCO, S.A.

PREPARATION OF THE ANNUAL FINANCIAL STATEMENTS, MANAGEMENT REPORT, AND PROPOSED DISTRIBUTION OF INCOME FOR THE YEAR 2022

By means of the declaration of approval of the Board Members who attended the meeting telematically, as stated in the previous paragraph, and the signature of this document by the Board Members who physically attended the meeting, which are Manuel Azuaga Moreno, Manuel Menéndez Menéndez, Juan Fraile Cantón, Teresa Sáez Ponte, María Teresa Costa Campi, Rafael Domínguez de la Maza, Felipe Fernández Fernández and Isidoro Unda Urzaiz, it is hereby certified that the Annual Financial Statements of Unicaja Banco, S.A. have been prepared, in accordance with the terms indicated in folio number [●] of Series [●], Class 8, for the fiscal year ended December 31, 2022, along with the Management Report for the fiscal year 2022 (which includes the Annual Corporate Governance Report and the Annual Report on Directors' Remunerations).

Málaga, February 23, 2023

Mr. Manuel Azuaga Moreno Executive Chairman	Manuel Menéndez Menéndez CEO
Mr. Juan Fraile Cantón Vice-Chairman	Ms. Teresa Sáez Ponte Board secretary
Ms. María Teresa Costa Campi Board member	Mr. Rafael Domínguez de la Maza Board member
Felipe Fernández Fernández Board member	Mr. Isidoro Unda Urzaiz Board member

ANNUAL CORPORATE GOVERNANCE REPORT FOR LISTED CORPORATIONS

ISSUER'S IDENTIFICATION DETAILS

End date of the year concerned: 31/12/2022

Tax identification number: A93139053

Company Name:

UNICAJA BANCO, S.A.

Registered office:

AVENIDA ANDALUCÍA 10-12, MÁLAGA

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 (€)	Number of shares	Number of voting rights
January 14, 2022	663,708,369.75	2,654,833,479	2,654,833,479

The Extraordinary General Shareholders' Meeting, held on March 31, 2021, adopted, among other resolutions, a capital reduction by reducing the par value of the shares and creating a restricted reserve for the amount of the reduction. Once the authorization from the European Central Bank had been received, which had been set as a condition precedent to the capital reduction, the capital reduction was registered in the Málaga Commercial Registry on January 14, 2022. As a result, the share capital, which amounted to 2,654,833,479 euros divided into 2,654,833,479 shares, each with a nominal value of 1 euro, has been set at 663,708,369.75 euros divided into 2,654,833,479 shares of 0.25 euros. The amount of the capital reduction (1,991,125,109.25 euros) was used to increase the Company's voluntary reserves, by creating a restricted voluntary reserve, which can only be used in accordance with the requirements for the reduction of capital stock. The capital reduction is therefore neutral in terms of Unicaja Banco's equity and solvency levels.

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 the shares		% voting rights through financial instruments		% total voting rights
	Direct	Indirect	Direct	Indirect	
FUNDACIÓN BANCARIA UNICAJA	30.24	0	0	0	30.24
INDUMENTA PUERI, S.L.	0	8.54	0	0	8.54
OCEANWOOD CAPITAL MANAGEMENT LLP	0	3.31	0	4.10	7.41
FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	6.67	0	0	0	6.67

Name or company name of the shareholder	% voting rights attributed to the shares		% voting rights through financial instruments		% total voting rights
	Direct	Indirect	Direct	Indirect	
TOMÁS OLIVO LÓPEZ	0	6.74	0	0	6.74

The Company has updated the positions of FUNDACIÓN BANCARIA UNICAJA, INDUMENTA PUERI, S.L., FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS, and TOMÁS OLIVO LÓPEZ as of December 31, 2022, as the ownership of their shares is recorded in the Company's nominal accounting records. However, the positions of OCEANWOOD CAPITAL MANAGEMENT LLP have not been updated, as it holds an indirect stake through international custodian banks and therefore the percentages included in the last official communication of this shareholder published in the National Securities Market Commission are shown.

Breakdown of the indirect stake:

Name or Company name of the indirect holder	Name or Company name of the direct holder	% voting rights attributed to the shares	% voting rights through financial instruments	% total voting rights
INDUMENTA PUERI, S.L.	GLOBAL PORTFOLIO INVESTMENTS, S.L.	8.54	0	8.54
OCEANWOOD CAPITAL MANAGEMENT LLP	OCEANWOOD EUROPE LIMITED	1.89	0	1.89
OCEANWOOD CAPITAL MANAGEMENT LLP	OCEANWOOD EUROPE LIMITED II	1.08	0	1.08
OCEANWOOD CAPITAL MANAGEMENT LLP	OCEANWOOD OPPORTUNITIES MASTER FUND	0	4.04	4.04
TOMÁS OLIVO LÓPEZ	DESARROLLOS LA CORONELA, S.L.	6.74	0	6.74

Specify the most significant movements in the shareholding structure during the year.

Most significant movements

- On March 10, 2022, TOMAS OLIVO GÓMEZ announced that his shareholding, both direct and indirect, had decreased to 5.178% of the share capital.

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 shares, indicate where necessary the % of the additional attributed votes that correspond to shares with loyalty voting rights	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
MANUEL AZUAGA MORENO	0.01	0	0	0	0.01	0	0
MANUEL MENÉNDEZ MENÉNDEZ	0.03	0	0	0	0.03	0	0
MARÍA GARAÑA CORCES	0	0	0	0	0	0	0
FELIPE FERNÁNDEZ FERNÁNDEZ	0.01	0	0	0	0.01	0	0
DAVID VAAMONDE JUANATEY	0.01	0	0	0	0.01	0	0

% total voting rights held by members of the Board of Directors	0.06

María Garaña Corces's shareholding does not reach the threshold of 20% of total voting rights.

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 shares, indicate where necessary the % of the additional attributed votes that correspond to the shares with loyalty voting rights
No data					

State the total percentage of voting rights represented on the Board:

% total voting rights held by the Board of Directors	52.92

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 (0.06%), 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%), Oceanwood Capital Management, LLP (7.41%) and Indumenta Pueri, 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. Where appropriate, specify 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. It regulates, among others, 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.

Related party's name or company name	Type of relationship	Brief description
		General criteria for transactions between FBU and Unicaja Banco and mechanisms to avoid possible conflicts of interest.
FUNDACIÓN BANCARIA UNICAJA	Contractual	Fiscal 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 fiscal 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 whose last update was formalized on December 30, 2021. 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 entered into on February 24, 2017 between FBU and Unicaja Banco, which aims to describe the information flows between both companies, linked to their stake in accordance with Law 26/2013.
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 in certain matters, the last update of which was signed with Liberbank, S.A. on July 1, 2021, subrogated in Unicaja Banco as a result of the take-over merger.

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, state the names of 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 companies from their group. Also specify the nature of these relationships. In particular, mention will be made, if applicable, of the existence, identity and position of members of the board, or representatives of directors, of the listed company, who are, in turn, members of the board of directors, or their representatives, in companies that hold significant shareholdings in the listed company or in companies of the group of such significant shareholders:

Name or company name of the related director or representative	Name or company name of the associated significant shareholder	Company name of the significant shareholder's group company	Description of the relationship/position
PETRA MATEOS-APARICIO MORALES	FUNDACIÓN BANCARIA UNICAJA	N/A	N/A
FELIPE FERNÁNDEZ FERNÁNDEZ	FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	N/A	N/A
MANUEL MUELA MARTÍN-BUITRAGO	FUNDACIÓN BANCARIA UNICAJA	N/A	N/A
TERESA SÁEZ PONTE	FUNDACIÓN BANCARIA UNICAJA	N/A	N/A
DAVID VAAMONDE JUANATEY	OCEANWOOD CAPITAL MANAGEMENT LLP	N/A	INVESTMENT MANAGER IN THE EUROPEAN BANKING SECTOR
JUAN FRAILE CANTÓN	FUNDACIÓN BANCARIA UNICAJA	N/A	N/A
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.	WILMINGTON CAPITAL, S.L.	SOLE ADMINISTRATOR
RAFAEL DOMÍNGUEZ DE LA MAZA	INDUMENTA PUERI, S.L.	MAYORAL CHILDREN'S FASHION, S. A. U.	DEPUTY GENERAL MANAGER
RAFAEL DOMÍNGUEZ DE LA MAZA	INDUMENTA PUERI, S.L.	N/A	CEO

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 about the company's treasury stock:

At the end of the year:

Number of direct shares	Number of indirect shares (*)	Total % of share capital
198,770	86,293	0.01

(*) 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, 2022, Unicaja Banco directly owns 100% of Unión del Duero Compañía de Seguros de Vida, S.A.

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:

In accordance with 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 treasury stock 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. Modalities 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 equivalent values: 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, including in execution of Section 7 of the Common Merger Plan between Unicaja Banco (absorbing company) and Liberbank (absorbed company) of December 29, 2020.

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 shares of the Company, 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, as well as to exclude the shareholders' preemptive
subscription rights. 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	50.93

The Company's estimated floating capital, after subtracting from the Company's share capital at December 31, 2022, 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 could 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 the restrictions

There are no statutory restrictions on the free transferability of the Company's securities.

Regarding legal restrictions, Article 17 ("Duty of notification of the acquisition or increase of significant shareholdings") of the Regulation, Supervision and Solvency of Credit Institutions Act 10/2014 of June 26, 2014 states: Any natural or legal person (hereinafter, the potential acquirer) who, alone or acting 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, the credit institution 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 same 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 of shares, the rights and obligations to which they are entitled:

B. GENERAL SHAREHOLDERS' MEETING

B.1. Specify, providing details where appropriate, 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. Specify the regulations applicable to changes in the company's bylaws. Specifically, state the majorities established for changing the bylaws, as well as, where appropriate, the regulations established for protecting the rights of shareholders in the face of changes to the bylaws.

The Bylaws and the Regulations of the General Meeting of the Company contain a reference to the system established in the Capital Companies Act with regard to the rules applicable to the amendment of bylaws and, specifically, to the majorities required for amendment and the protection of the rights of the shareholders.

It is hereby stated that, as a credit institution, the amendment of the Bank's Bylaws is subject to the administrative authorization of the Bank of Spain, in accordance with the terms set out in Article 10 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. However, the following are exempt from this authorization (after notifying the Bank of Spain for registration in the Register of Credit Institutions): (a) changes to the registered office within the national territory, (b) share capital increases, (c) the incorporation into the bylaws of mandatory or prohibitive legal or regulatory provisions, or compliance with judicial or administrative resolutions and (d) any other modifications for which the Bank of Spain, in response to a prior consultation formulated to that effect by the bank concerned, has considered the authorization process unnecessary, due to its lack of relevance.

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. Provide 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	% vote by distance voting: Electronic	% vote by distance voting: Others	Total
April 29, 2020	0	31.22	0	50.07	81.29
Of which is Floating Capital	0	23.71	0	0.23	23.94
October 28, 2020	0	28.37	0	1.98	30.35
Of which is Floating Capital	0	16.02	0	0.05	16.07
March 31, 2021	0	23.45	0	51.24	74.69
Of which is Floating Capital	0	14.26	0	0.4	14.66
April 01, 2021	0	23.84	0	50.14	73.98
Of which is Floating Capital	0	14.98	0	0.26	15.24
March 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

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 are approximate, as the holdings of significant foreign shareholders are held through "nominees".

Based on the attendance information for the General Meetings held in 2020 and 2021, notification is given that under the provisions of the Urgent Extraordinary Measures to Address the Economic and Social Impact of COVID-19 Act, Royal Decree-Law 8/2020 of March 17, 2020, and the Urgent Measures to Support Business Solvency and the Energy Sector and in Tax Matters Act, Royal Decree-Law 34/2020, of November 17, 2020, the Board of Directors agreed that the General Meetings for those years were exclusively held electronically, in other words, without the physical attendance of shareholders or their representatives. Therefore, in the column "Others" for the data of the General Meetings held in 2020 and 2021, the shareholders present electronically 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

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

In accordance with Article 9.3 of the Company's Bylaws, the General Meeting may only be attended by shareholders who hold a minimum of 1,000 shares, and have registered the shares representing this capital in the corresponding book-entry 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 can be found with information on corporate governance 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. Furthermore, various types of information about the General Meetings held is provided, such as: 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.

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		Executive	CHAIR	December 01, 2011	March 31, 2022	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
MANUEL MENÉNDEZ MENÉNDEZ		Executive	CEO	July 30, 2021	July 30, 2021	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
JUAN FRAILE CANTÓN		Proprietary director	VICE-CHAIR	December 01, 2011	March 31, 2022	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
CAROLINA MARTÍNEZ CARO		Independent	INDEPENDENT COORDINATING DIRECTOR	March 31, 2022	March 31, 2022	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
TERESA SÁEZ PONTE		Proprietary director	DIRECTOR SECRETARY	April 27, 2018	March 31, 2022	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
MARÍA LUISA ARJONILLA LÓPEZ		Independent	DIRECTOR	January 23, 2020	April 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
MARIA TERESA COSTA CAMPI		Independent	DIRECTOR	December 01, 2022	December 01, 2022	CO-OPTATION
JORGE DELCLAUX BRAVO		Independent	DIRECTOR	July 30, 2021	July 30, 2021	AGREEMENT BY THE GENERAL SHAREHOLDERS ' MEETING
RAFAEL DOMÍNGUEZ DE LA MAZA		Proprietary director	DIRECTOR	March 31, 2022	March 31, 2022	AGREEMENT BY THE GENERAL SHAREHOLDERS ' MEETING
FELIPE FERNÁNDEZ FERNÁNDEZ		Proprietary director	DIRECTOR	July 30, 2021	July 30, 2021	AGREEMENT BY THE GENERAL SHAREHOLDERS ' MEETING
MARÍA GARAÑA CORCES		Independent	DIRECTOR	July 30, 2021	July 30, 2021	AGREEMENT BY THE GENERAL SHAREHOLDERS ' MEETING
PETRA MATEOS-APARICIO MORALES		Proprietary director	DIRECTOR	January 31, 2014	March 31, 2022	AGREEMENT BY THE GENERAL SHAREHOLDERS ' MEETING
MANUEL MUELA MARTÍN-BUITRAGO		Proprietary director	DIRECTOR	February 21, 2018	March 31, 2022	AGREEMENT BY THE GENERAL SHAREHOLDERS ' MEETING
ISIDORO UNDA URZÁIZ		Independent	DIRECTOR	September 09, 2022	September 09, 2022	CO-OPTATION
DAVID VAAMONDE JUANATEY		Proprietary director	DIRECTOR	July 30, 2021	July 30, 2021	AGREEMENT BY THE GENERAL SHAREHOLDERS ' MEETING

Total number of directors	15

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 tenure
MANUEL CONTHE GUTIERREZ	Independent	April 27, 2018	February 15, 2022	AUDIT AND REGULATORY COMPLIANCE RISK COMMITTEE	YES
ANA BOLADO VALLE	Independent	April 27, 2018	February 22, 2022	APPOINTMENTS COMMITTEE AUDIT AND REGULATORY COMPLIANCE COMMITTEE REMUNERATION COMMITTEE	YES
MANUEL GONZÁLEZ CID	Independent	July 30, 2021	March 08, 2022	APPOINTMENTS COMMITTEE RISK COMMITTEE	YES
ERNESTO LUIS TINAJERO FLORES	Proprietary director	July 30, 2021	November 17, 2022	TECHNOLOGY AND INNOVATION 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

Through the publication of Other Relevant Information, registry number 14,073, on February 15 the Company gave notification that the Board of Directors had become aware of the resignation of Manuel Conthe Gutiérrez. As a result, the Board adopted a resolution by majority vote regarding the partial renewal to take place during the year, which entails the non-renewal of one of the two independent directors whose term of office expires.

On February 22, the Company gave notification through the publication of Other Relevant Information, registry number 14,173, that the Board of Directors had become aware of the resignation of Ana Bolado Valle from her position as director, in view of the decision adopted by the Board of Directors by majority vote, on February 15 to reduce the number of independent directors.

On March 8, the Company gave notification through the publication of Other Relevant Information, registry number 14,902, that the Board of Directors had become aware of the resignation of Manuel González Cid from his position as director due to his disagreement with the direction that bank governance was taking.

(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	Profile
MANUEL AZUAGA MORENO	CHAIR OF THE BOARD OF DIRECTORS	Manuel 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 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.
MANUEL MENÉNDEZ MENÉNDEZ	CEO	Manuel Menéndez holds a Ph.D. in Economics from Universidad de Oviedo and is a Professor of Financial Economics and Accounting at the same university (currently on leave). His professional career has been in the banking and energy sectors, having been Chairman of Asturgar, Caja de Ahorros de Asturias, Banco de Castilla La Mancha, Hidroeléctrica del Cantábrico, S.A. and Naturgas Energía Grupo, S.A. He was also a member of the Boards of Directors of Cecabank, Enagás and CECA, Chairman of the Fundación Bancaria Caja de Ahorros de Asturias, a director of the Fundación de las Cajas de Ahorro (FUNCAS) and a member of the Board of Directors of AELEC, the Spanish Association of Electricity Companies. At Liberbank he was Executive Chairman and has been Chief Executive Officer since 2011. He is also currently a member of the Board of EDP Renovaveis and Non-Executive Chairman of EDP Spain, a Trustee of the Fundación Princesa de Asturias, Chairman of the EDP Spain Foundation and Trustee of the Fundación DIPC.

Total number of executive directors	2

% of the total members of the board	13.33

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	Profile
PETRA MATEOS-APARICIO MORALES	FUNDACIÓN BANCARIA UNICAJA	Petra Mateos received her doctorate cum laude in Economics and Business Administration from the Universidad Complutense de Madrid and is Professor of Financial Economics. She has been Vice-Chairwoman of the Spain – USA Chamber of Commerce, since February 2011 and Independent Director of Técnicas Reunidas S.A. since February 2016. She was Independent Director of Solvay (2009-2013) in Belgium, Executive Chairwoman and Non-Executive Chairwoman of Hispasat (2005-2011), Director of Hispamar Satélites (Brazil), Director of Xtar LLC (United States) (2005-2012), Director of Iberia and Banco Exterior de España (1983-1985), Deputy General Manager of Banco Exterior de España and Director of Banco Exterior UK and Banco de Alicante (1985-1987). With extensive academic experience, she is a Member of the International Advisory Council on Science, University and Society of CRUE Spanish Universities. She was Professor of Financial Economics in the Department of Business Economics and Accounting at the School of Economics and Business Administration of the UNED and Professor of Financial Economics at the Colegio Universitario de Estudios Financieros (1982-2015), Member of the National Board of Directors of IEAF, the Spanish Institute of Financial Analysts (2011-2017) and Member of the Board of ANECA, the National Agency for Quality Assessment and Accreditation (2009-2015). The awards she has received include the following: Knight of the Order of the Legion of Honor of the French Republic (2011), Satellite Executive of the Year Washington Award (2010), Business Leader of the Year from the Spain-U.S. Chamber of Commerce and Businesswoman of the Year from the Brazil-Spain Chamber of Commerce (2010) and the Executive Woman of the Year and Women Together Foundation Awards (2009) from the United Nations Economic and Social Council. She is an author and has published several books and numerous articles on financial matters. Among her most recent published work, the following is worthy of special mention: "Corporate Finance" with Richard A. Brealey, Stewart C. Myers and Alan J. Marcus (McGraw-Hill and UNED, 2010). This is a key text for decision making in the financial world.
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. Professor of Statistics and Econometric Analysis at Universidad de Oviedo, School of Business and Economics. He held the position of General Manager of Caja de Ahorros de Asturias, as well as several management positions in the Regional Administration of Asturias. He was also Director of Administration and Finance at EDP España, S.A.U. He is currently

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	Profile
		a director at the following companies: EDP España S.L.U., Lico Leasing S.A., Instituto Medicina Oncologica y Molecular de Asturias S.A., Cementos de Tudela Veguín S.A., Cimento Verde do Brasil S.A. and Masaveu Inmobiliaria, S.A. 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 Director of the Business Corporation Area and Director since 2013.
MANUEL MUELA MARTÍN-BUITRAGO	FUNDACIÓN BANCARIA UNICAJA	Manuel Muela holds a degree in Political Science and Economics from the Universidad Complutense de Madrid and a degree in Law from the Universidad Nacional de Educación a Distancia (UNED). He was a member of the General Vice-Secretariat of the Instituto de Crédito de las Cajas de Ahorros. He held the positions of Head of the Savings Banks Department and Head of the Credit Institutions Department at the Bank of Spain. He was also Chairman of the IGS – Mortgage Market Settlement Committee and Executive Chairman of the Settlement Committees of several Mutual Guarantee Companies, with the appointment proposed by the Bank of Spain. He has held the following positions: Assistant General Manager and Technical General Secretary of Caixa Catalunya, General Manager of Caja de Ahorros y Monte de Piedad de Cádiz, Chief Executive Officer of Bank of Credit and Commerce, S.A.E., and Executive Chairman of the European Bank of Finance (in the latter two cases, an appointment proposed by the Deposit Guarantee Fund), as well as independent Director of the Caja3 Group, non-executive Chairman of Banco de Caja España de Inversiones, Salamanca y Soria, S.A. (EspañaDuero) and Director of Caja de Seguros Reunidos, Compañías de Seguros y Reaseguro, S.A. (CASER).
TERESA SÁEZ PONTE	FUNDACIÓN BANCARIA UNICAJA	Teresa Sáez holds a degree in Economics from the University of de Santiago de Compostela. She began working in the Financial Division of Sociedad Petrolífera Española Shell S.A. She developed most of her professional career at the Instituto de Crédito Oficial (ICO) occupying the following positions: Assistant Chief Financial Officer, Financial Markets Manager, Senior Treasury Dealer and Coordinator of Front Office and Back Office activities. She was Director of the Financial Division of Caja España de Inversiones, General Manager of Banco Europeo de Finanzas, S.A. and Director of Investees at Unicaja Banco. She was a director of several companies in the industrial and financial sectors and a trustee of the Fundación Bancaria Unicaja.
DAVID VAAMONDE JUANATEY	OCEANWOOD CAPITAL MANAGEMENT LLP	David Vaamonde holds a degree in Economics and Business Studies from the Universidad de A Coruña and a Master's degree in Finance from the London Business School. He was also an associate professor at the School of Economics and Business of Universidad de A Coruña. David began his professional career

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	Profile
		at the Caja de Ahorros de Galicia as an analyst in the Research Department. He has worked at Fitch Ratings Ltd. as a bank rating analyst and at JP Morgan Europe Ltd. as a credit risk analyst with financial institutions. He has also worked as an equity analyst for Spanish and Portuguese banks at Fidentiis Equities. S.V. S.A. and MainFirst Bank AG. Since April 2015, he has worked at Oceanwood Capital Management LLP, where he is a partner and portfolio manager of financial institutions. At Liberbank, he served as a member of the Board of Directors from 2018 to 2021.
JUAN FRAILE CANTÓN	FUNDACIÓN BANCARIA UNICAJA	Juan Fraile is a primary school teacher and he holds a degree in Philosophy and Educational Sciences from the Universidad Nacional de Educación a Distancia. He has been an elementary school teacher at Escuela Aneja a la Escuela Normal de Melilla and at Colegio Juan Carrillo de Ronda. He has held the following positions: Councilman and Mayor of the town of Ronda, Member and Chairman of the Deputation of Málaga, Chairman of Patronato de Turismo Costa del Sol and Member of the European Parliament (member of the Subcommittee on Human Rights, the Development Committee and the Delegation to the ACP-EU Joint Parliamentary Assembly). Other relevant positions: Former Chairman of the Audit Committee, General Counsel, member of the Board of Directors and Vice-Chairman of Unicaja, Trustee of Fundación Bancaria Unicaja and Director of Banco Europeo de Finanzas, S.A. and Alteria Corporación Unicaja, S.L. He is currently Vice-Chairman of Unicaja Banco S.A. and Trustee of Fundación Unicaja Ronda.
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 in the Board of Directors of the listed companies CAVOLO Inversiones SICAV, Wilmington SICAV and Patton Investments SICAV. He was also a proprietary director of Masmovil Ibercom, S.A. He has developed his entire professional career in the Mayoral Group, holding various positions of responsibility and management in different companies of the family-owned group – he has been managing director of Indumenta Pueri, S.L., since May 2022, a sole director at Global Portfolio Investments, S.L. and Wilmington Capital, S.L. and deputy 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.

Total number of proprietary directors	7

% of the total members of the board	46.67

INDEPENDENT PROPRIETARY DIRECTORS	
Name or company name of the director	Profile
JORGE DELCLAUX BRAVO	Jorge Delclaux holds a degree in Economics and Business Studies from the Colegio Universitario de Estudios Financieros. He began his professional career as Assistant Director at Morgan Grenfell & Co. Limited, continuing his investment banking career at UBS Phillips and Drew and at Rothschild, where he was Global Partner and CEO for Spain. In 2006 he joined Inversiones Ibersuizas, S.A. as Vice-Chairman and CEO and in 2012 was appointed CEO of Roland Berger in Spain. During his professional career he has been Director of several companies such as Grucycsa S.A, Safei, S.A, Ebro Agrícolas S.A, Fomento de Construcciones y Contratas, S.A., Península Capital, S.A.R.L., as well as of numerous investee companies as Private Equity manager. He has been a director of Liberbank, S.A. since 2011 and is currently on the Board of Directors of Preventiva Compañía de Seguros y Reaseguros, S.A. He is also currently Founding Partner and Chief Operating Officer of Azzurra Capital, an international private equity firm.
MARÍA GARAÑA CORCES	María Garaña holds a degree in Business Law from the Universidad CEU San Pablo, a diploma in International Trade from Berkeley University and an MBA from Harvard University. She worked as a Consultant at Andersen Consulting and as a Manager at Bain & Company in Mexico. She has worked with Microsoft in different regions as Director of Operations and Marketing in Mexico, President of the Southern Cone of Latin America and President and CEO of Microsoft Ibérica, S.A., before joining Google as General Manager of Professional Services for Europe, Middle East and Africa. She is currently Vice President of Professional Services for Adobe Inc in the EMEA region. From 2015 to 2021, she was an independent director of Liberbank. She was an independent director at Distribuidora Internacional de Alimentos, S.A. (DIA) from 2016 to 2019, a member of the board of the insurance company Euler Hermes (the Alliance Group, now Alliance Trade), in Paris from 2016 to 2020 and a member of the European Institute of Technology under the European Committee between 2012 and 2017. Since 2015 she has been a director at Alantra Partners, S.A. and since 2020 she has been a member of the Supervisory Board of TUI AG, positions she currently holds.
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. At Euro Automatic Cash, Entidad de Pago S.L. she was a 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. At present, she continues to work on executive programs focusing on technology at the AFI Escuela. She has recently taken part in

INDEPENDENT PROPRIETARY DIRECTORS	
Name or company name of the director	Profile
	specialization courses in the area of technology at Stanford and Michigan Universities. She is currently Director of Corporate Technology at Proeduca Altus Group and a member of its Management Committee.
ISIDORO UNDA URZÁIZ	Isidoro Unda holds a degree in Law from the University of Deusto in Bilbao, majoring in Economic Law, and is a State Tax Inspector and Auditor. He began his professional career in the Public Administration, as Chief Inspector of Excise Duties at the Special Tax Delegation of the Basque Country and was a member of the Regional Economic-Administrative Court. He later served as a member of the Negotiating Committee for Spain's accession to the European Union during his time at the General Directorate of Customs and Excise of the Ministry of Economy and Finance, later working as a Technical Advisor in the General Directorate of Budgets, which is part of the same Ministry. Isidoro Unda was Deputy General Manager and Chief Financial Officer at the Consorcio de Compensación de Seguros, Managing Director of Credit & Surety and CEO and Chairman of the Management Committee of Atradius NV, Chairman of Inverseguros, Sociedad de Valores y Bolsa and member of the Board of Directors of Mutua Madrileña Automovilística. In addition to his professional career, he has carried out extensive academic work as a professor at the School of Public Finance, the Chamber of Commerce of Bilbao, the Spanish Insurance Institute and as a visiting professor at the MBA of the Nyenrode Business University, among other posts. He is currently a director of Nacional de Reaseguros, S.A. and Ges Seguros y Reaseguros, S.A.
MARIA TERESA COSTA CAMPI	María Teresa Costa holds a degree in Economics and a PhD Cum Laude from the University of Barcelona and is Professor of Economics and Director of the Chairwoman of Energy Sustainability at the same university. She has also held senior positions in both the public and private sectors. She has been President of the National Energy Committee (CNE), President of the Association of Ibero-American Energy Regulators (ARIAE), President of the Iberian Electricity Market Council (MIBEL), Vice-President of the Association of Mediterranean Energy Regulators (MEDREG) and President of its Scientific Committee, member of the Council of European Energy Regulators (CEER) and member of the Advisory Council of the Nuclear Safety Council (CSN). In the private sector, she was a member of the Advisory Board of Abertis in 2012, member of the Board of Directors of ABERTIS (IBEX) from 2013 to 2018, working as a member of the Audit, Appointments and Remuneration Committees and Chairwoman of the CSR Committee. From 2018 until March 2022 she was a director of Red Eléctrica, S.A. (IBEX) and a member of its Sustainability Committee. She is currently a director of ENAGAS, S.A (IBEX) and a member of the Sustainability and Nominations Committee. She was also Chairwoman of the Board of Directors of the non-listed company EPLICSA (Empresa de Promoción y Localización Industrial de Cataluña), a director of the Catalan Institute of Finance, a board member of INCASOL (Catalan Land Institute) and IDIADA, the Institute of Applied Automotive Research, and the Instituto General de Ensayos e Investigaciones (now Applus Laboratories), among other positions. She has extensive experience in research and teaching, with a number of books and articles in specialist international publications. In addition, she has achieved the highest recognition granted by the Spanish evaluation agency for her scientific contributions. She is currently coordinator of the Energy Economics and Sustainability Program in the Master's Degree in Renewable Energy and Sustainability at the University of Barcelona and leads a group recognized by AGAUR (the Agency for

INDEPENDENT PROPRIETARY DIRECTORS	
Name or company name of the director	Profile
	Management of University and Research Grants) for research excellence in energy sustainability. From 1987 to 2000 she was an advisor to the OECD, the European Committee, the Inter-American Development Bank, the Spanish Government (at different times) and several Autonomous Communities and Spanish town and city councils. She is a corresponding member of the Royal Academy of Moral and Political Sciences and was the recipient of the 2019 Victoriano Reinoso National Energy Award.
CAROLINA MARTÍNEZ CARO	Born in 1969 in Alicante, Carolina Martínez Caro has a degree in Law and a Diploma in Business Administration from the Universidad Pontificia de Comillas. She also obtained a Certificate in Business Administration from Yale University and a Master's Degree in Community Law from the Institut d'Etudes Européenes de Bruxelles, majoring in Finance. Throughout her career, she has attended different executive programs at business schools around the world, such as IESE (Barcelona), Wharton BS (Filadelfia), CEIBSS (Shanghai) and Haas BS (San Francisco). She has also participated in director programs organized by companies such as PwC, SPENCERS STUART and DELOITTE, among others. Carolina Martínez has held various relevant positions in the financial sector, including Senior Vice President of Investments in the area of Global Wealth Management for Bank of America Merrill Lynch in Spain and Executive Director and later CEO for Spain and Portugal, subsequently taking up the position at Julius Baer Bank. She is currently Senior Advisor to Forbes Global Properties, Founder and CEO of CMC Family Advisors, board member of the Spanish Association Against Cancer, member of the Advisory Board at FinReg, member of the Board of Trustees of the ITER Foundation and Advisor to the Board of Directors of LH Paragon Inc.

Total number of independent directors	6
% of the total members of the board	40

State whether any independent director 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 a company that has or has had any such 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	Profile
No data			

Total number of external directors	N/A
% of the total members of the board	N/A

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
No data			

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			
	2022	2021	2020	2019	2022	2021	2020	2019
Executive directors					0	0	0	0
Proprietary directors	2	2	2	2	28.57	28.57	40	40
Independent directors	4	3	3	2	66.66	50	60	50
Other external directors					0	0	0	0
Total	6	5	5	4	40	33.33	41.67	36.36

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? According to the definition in the Account Auditing Act, small and medium-sized enterprises must at least report the diversity policy they have established regarding gender.

[√] Yes
[ ] No
[ ] Partial policies

If Yes, 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 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.

(CONTINUED IN SECTION H.1)

C.1.6 Explain the measures, if any, that the appointments 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 state 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.

Furthermore, in accordance with Article 32.5 of the Board Regulations, the duties of the Appointments 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, the general managers and similar, and other key personnel for the undertaking of Unicaja Banco's financial activity, states that the Appointments Committee is in charge of analyzing the overall composition of the Board, comparing the actual skills with those required to adequately understand the Company's activities, ensuring that the procedures for the selection of 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.

Unicaja Banco has a Policy for the Selection and Appointment of Directors approved by the Board of Directors, which aims to ensure that the selection procedures for the members of the Board of Directors are oriented towards favoring 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, an attempt will be made 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.

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 foregoing and in accordance with current regulations, the Committee has ensured the goal that ensures that that the number of women directors should reach at least 30% of the members of the Board, reaching 40% by the end of 2022.

(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 respect to the number of women senior managers, it should be noted that the Company ensures fairness in the selection and promotion processes, ensuring the natural flow of talent, whether male or female, at all levels of the organization.

For this purpose, as of December 31, 2022, the percentage of women on the Steering Committee will be 16.67%, with 44.53% 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 2023, the Appointments Committee, prepared the report on the application of the Policy for the Selection and Appointment of Directors and the Diversity Policy, concluding that the individual and collective suitability assessment processes carried out in 2022 were undertaken 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. 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
MANUEL AZUAGA MORENO	Manuel Azuaga has been delegated broad powers of representation and administration for the exercise of the position of Executive Chairman of the Company.
MANUEL MENÉNDEZ MENÉNDEZ	Manuel Menéndez 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	CONFEDERACIÓN ESPAÑOLA DE CAJAS DE AHORROS (CECA)	DIRECTOR
MANUEL AZUAGA MORENO	Fundación de las Cajas de Ahorro (FUNCAS)	TRUSTEE
MANUEL AZUAGA MORENO	ASOCIACIÓN CIFAL MÁLAGA	OTHERS
MANUEL MENÉNDEZ MENÉNDEZ	EDP ESPAÑA, S.A.U.	CHAIR
MANUEL MENÉNDEZ MENÉNDEZ	EDP RENOVAVEIS, S.A.	DIRECTOR
MANUEL MENÉNDEZ MENÉNDEZ	FUNDACIÓN PRINCESA DE ASTURIAS	TRUSTEE
MANUEL MENÉNDEZ MENÉNDEZ	DONOSTIA INTERNATIONAL PHYSICS CENTER FOUNDATION (DIPC)	TRUSTEE
MANUEL MENÉNDEZ MENÉNDEZ	FUNDACIÓN EDP	CHAIR
JUAN FRAILE CANTÓN	FUNDACIÓN UNICAJA RONDA	TRUSTEE
CAROLINA MARTÍNEZ CARO	FUNDACIÓN ITER	TRUSTEE

Identification of the director or representative	Company name of the entity, listed or not	Position
CAROLINA MARTÍNEZ CARO	SPANISH ASSOCIATION AGAINST CANCER (ACC)	DIRECTOR
MARÍA LUISA ARJONILLA LÓPEZ	ALTUS PROEDUCA GROUP	OTHERS
MARIA TERESA COSTA CAMPI	ENAGAS, S.A.	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	INSTITUTO DE MEDICINA ONCOLÓGICA Y MOLECULAR DE ASTURIAS, S.A.	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
MARÍA GARAÑA CORCES	ALANTRA PARTNERS, S.A.	DIRECTOR
MARÍA GARAÑA CORCES	TUI A.G.	DIRECTOR
ISIDORO UNDA URZÁIZ	NACIONAL DE REASEGUROS, S.A.	DIRECTOR
ISIDORO UNDA URZÁIZ	GES SEGUROS Y REASEGUROS S.A.	DIRECTOR
ISIDORO UNDA URZÁIZ	AMADEL CAPITAL, S.L.	SOLE ADMINISTRATOR
DAVID VAAMONDE JUANATEY	OCEANWOOD CAPITAL MANAGEMENT LLP.	OTHERS

Identification of the director or representative	Company name of the entity, listed or not	Position
JORGE DELCLAUX BRAVO	PREVENTIVA COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	DIRECTOR
JORGE DELCLAUX BRAVO	FINDEL, S.L.	JOINT AND SEVERAL ADMINISTRATOR
JORGE DELCLAUX BRAVO	AMADEL CAPITAL, S.L.	JOINT AND SEVERAL ADMINISTRATOR
JORGE DELCLAUX BRAVO	PROMOTORA RESIDENCIAL LIENDO, S.L.	JOINT AND SEVERAL ADMINISTRATOR
JORGE DELCLAUX BRAVO	ESTRELA CAPITAL PARTNERS ASESORES, S.L.	JOINT AND SEVERAL ADMINISTRATOR
JORGE DELCLAUX BRAVO	AZZURRA CAPITAL PARTNERS SARL	OTHERS
JORGE DELCLAUX BRAVO	AZZURRA CAPITAL HOLDINGS GP SARL	OTHERS
JORGE DELCLAUX BRAVO	AZZURRA CAPITAL MANAGEMENT FZE-EAU	OTHERS
JORGE DELCLAUX BRAVO	WINSLOW S.L.	JOINT AND SEVERAL ADMINISTRATOR
JORGE DELCLAUX BRAVO	FUNDACION GEORGE TOWN ESPAÑA	TRUSTEE
PETRA MATEOS-APARICIO MORALES	SPAIN-US CHAMBER OF COMMERCE.	VICE-CHAIR
PETRA MATEOS-APARICIO MORALES	TÉCNICAS REUNIDAS, S.A.	DIRECTOR
PETRA MATEOS-APARICIO MORALES	ALTKOCA, S.A.	SOLE ADMINISTRATOR
PETRA MATEOS-APARICIO MORALES	SENECTICAL, S.L.	SOLE ADMINISTRATOR
PETRA MATEOS-APARICIO MORALES	GRUPO CELULOSAS MOLDEADAS S.L.	BOARD REPRESENTATIVE
PETRA MATEOS-APARICIO MORALES	CRUE INTERNATIONAL ADVISORY COUNCIL ON SCIENCE, UNIVERSITY AND SOCIETY	DIRECTOR

The following is a description of the positions that have been reported as “OTHER” or “Director's Representative”:
- Manuel Azuaga Moreno is a member of the Board of Directors of the CIFAL Málaga Association, representing Unicaja Banco.
- María Luisa Arjonilla is Director of Corporate Technology at the Proeduca Altus Group.
- Jorge Delclaux Bravo is Class A Manager of Azzura Capital Partners Sarl and Azzura Capital Holding GP Sarl. He is also a Director/Executive Director of Azurra Capital Management FZE-EAU.
- Rafael Domínguez de la Maza is Deputy General Manager at Mayoral Moda Infantil, S.A.U.
- Petra Mateos-Aparicio Morales is a member of the CRUE International Advisory Council on Science, University and Society and is the individual representative of the Altkoca, S.A. on the Grupo Celulosas Moldeadas, S.A. Board of Directors.
- María Garaña is a member of the Supervisory Board of TUI AG.
- Felipe Fernández is a member of the General and Supervisory Board of EDP Energías de Portugal, S.A.
- David Vaamonde is a Partner/Director of Oceanwood Capital Management LLP.

Of the above positions, the following are remunerated:
- Manuel Azuaga Moreno: Cecabank, S.A. and CECA.

- Manuel Menéndez Menéndez: EDP Renovaveis, S.A.
- Jorge Delclaux Bravo: Preventiva Compañía de Seguros y Reaseguros, S.A. and Azzurra Capital Management FZE-EAU.
- 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.
- María Garaña Corces: TUI AG and Alantra Partners, S.A.
- Petra Mateos-Aparicio Morales: Técnicas Reunidas, S.A.
- Isidoro Unda Urzaiz: Nacional de Reaseguros, S.A., GES Seguros y Reaseguros S.A. and GES Seguros y Reaseguros S.A.
- David Vaamonde: Oceanwood Capital Management LLP.

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
MARIA TERESA COSTA CAMPI	Teaching, research and knowledge transfer as Emeritus Professor at the University of Barcelona
MARÍA GARAÑA CORCES	Vice-Chairwoman of Professional Services for Europe, Middle East and Africa at ADOBE INC.
DAVID VAAMONDE JUANATEY	European Banking Sector Investment Manager at OCEANWOOD CAPITAL MANAGEMENT LLP
CAROLINA MARTÍNEZ CARO	CEO of CMC Family Advisors, Advisor to the Board of Directors of Holding LH Paragon Inc., Senior Advisor to Forbes Global Propierties LLC and member of the Advisory Board of FinancialReg360, S.L.
ISIDORO UNDA URZÁIZ	Member of the Advisory Board of Beragua Advisory S.L.

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)	2,553
Amount of funds accumulated by current directors for long-term savings systems with consolidated economic rights (thousands of euros)	4,118

Amount of funds accumulated by current directors for long-term savings systems with unconsolidated economic rights (thousands of euros)	
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)
GALO JUAN SASTRE CORCHADO	REGULATORY COMPLIANCE COMMITTEE
MIGUEL ANGEL BARRA QUESADA	ESG BUSINESS MANAGER
JOAQUÍN SEVILLA RODRÍGUEZ	DIGITAL BUSINESS DIRECTOR
JOSÉ MARÍA DE LA VEGA CARNICERO	GENERAL MANAGER OF HUMAN RESOURCES, TALENT AND CULTURE
MARTA SUÁREZ GONZÁLEZ	DIRECTOR OF BUSINESS OBJECTIVES AND FOLLOW-UP
JONATHAN JOAQUIN VELASCO	CHIEF FINANCIAL OFFICER
ANA ECHENIQUE LORENZO	DIRECTOR OF THE CABINET OF THE CHIEF EXECUTIVE OFFICER
SEVERINO JESÚS MÉNDEZ SUÁREZ	CHIEF OPERATING AND TECHNOLOGY OFFICER
ISIDRO RUBIALES GIL	ASSISTANT GENERAL MANAGER TO THE CHAIR
PABLO GONZÁLEZ MARTÍN	CHIEF FINANCIAL OFFICER
FRANCISCO JAVIER PÉREZ GAVILÁN	CHIEF CREDIT RISK OFFICER
JESÚS NAVARRO MARTÍN	INTERNAL AUDIT DIRECTOR
JESÚS RUANO MOCHALES	ASSISTANT GENERAL MANAGER TO THE CHIEF EXECUTIVE OFFICER
AGUSTÍN LOMBA SORRONDEGUI	DIRECTOR OF STRATEGIC PLANNING AND BUDGETING
JUAN PABLO LÓPEZ COBO	INVESTOR RELATIONS MANAGER
CÉDRIC BLANCHETIÈRE	GLOBAL RISK CONTROL MANAGER
MARÍA DEL CRISTO GONZÁLEZ ÁLVAREZ	DIRECTOR OF TRANSFORMATION AND INNOVATION
VICENTE ORTI GISBERT	GENERAL MANAGER OF THE TECHNICAL GENERAL SECRETARIAT

Number of women in senior management	3
Percentage of the total members of senior management	16.66

Total remuneration of senior management (in thousands of euros)	4,310

The total amount of remuneration of senior management corresponds to the amounts accrued by 19 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.

The full title of Isidro Rubiales Gil’s position is as follows: Assistant General Manager to the Chairman for Control and Supervisory Relations.

The full title of Jesús Ruano Mochales's position is as follows: Assistant General Manager to the CEO of Corporate Development, Investees, Recoveries and Non-Core Asset Management.

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 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 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 Appointments 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 Appointments Committee will take into account the balance of knowledge, capacity, diversity and experience on the Board of Directors and will prepare a description of the functions and skills required for a specific appointment, assessing the time commitment envisaged for the performance of its duties. This shall be in line with the needs of the Company's management bodies at any given time, and, in particular, taking into account the target representation for the least represented sex on the Board of Directors
and the guidelines established in this regard in the Diversity Policy of Unicaja Banco's Board of Directors, in order to ensure said target of 30% representation of women directors is upheld.

2. 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 Appointments Committee take into consideration potential candidates to fill vacancies on the Board of Directors if they consider them suitable. The Appointments Committee may contract external services ("headhunters") for the selection of potential candidates, when it deems doing so necessary or convenient.

The Board of Directors may proceed to co-opt the appointment of directors, where legal and statutory requirements are met.

Furthermore, the Appointments Committee may 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 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 Appointments Committee shall 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 Appointments Committee, the Board of Directors will analyze 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.
d) 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.

(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

The Board of Directors of Unicaja Banco carries out an annual evaluation of the functioning of the Board, the support committees and their respective positions. Based on the outcome of the performance evaluation for the 2021 fiscal year (the conclusions of which were satisfactory, although there were certain areas for improvement), the Board of Directors, at the behest of the Appointments Committee, approved an action plan that was monitored during the 2022 fiscal year.

The action plan aims to (i) continue to increase directors' advance access to documentation on matters to be discussed at meetings of the governing bodies, (ii) optimize the time dedicated to sessions in order to better cover important matters and (iii) continue to hold extraordinary sessions to review the company's mid-term strategy.

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

Article 529 (h) of Royal Legislative Decree 1/2010, of July 2, 2010, approving the amended text of the Capital Companies Act, states that a Board of Directors should carry out an annual evaluation of its operations and that of its committees, proposing an action plan to correct the deficiencies detected based on its results. The result of the evaluation shall be recorded in the minutes of the meeting or attached to the minutes as an annex.

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 year that the Company had an external consultant was for the 2019 assessment, in which the Board of Directors, at the behest of the Appointments Committee, appointed the independent external consultant EgonZehnder to assist it in the performance of the evaluation.

For the 2022 assessment of the organization and its operations, the Company will have the support of an external consultant.

The scope to be assessed specifically comprises the Board 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. Furthermore, each of its support committees and individually the positions of Chairman/Chairwoman and Secretary of each Committee.

In the event that recommendations are made, an action plan will be drawn up and submitted to the Board for approval and, where appropriate, monitored throughout 2023.

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 with the assistance of an external consultant was for 2019, in which the firm EgonZehnder was hired. It did not provide any other services to the Company or any of its Group companies that year.

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 breached their obligations as directors, following a proposal or report from the Appointments Committee or (2) where 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 will 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 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, beyond the 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 chairman/woman 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 indispensable event that a director is unable to attend the meetings to which they have been summoned, they must instruct the director to whom, if any, they have granted their proxy.

By virtue of the provisions of Article 28.5 of the Board of Directors Regulations, the Chairman/Chairwoman will decide, in the event of any 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 Chairman/Chairwoman, ensures the certainty of the representation.

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 Chairman/Chairwoman. For the purposes of this calculation, representations made with specific instructions will be considered as attendance.

Number of board meetings	21
Number of board meetings that were held without the attendance of the chairman/woman	0

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 REMUNERATION COMMITTEE	8
Number of meetings of the AUDIT AND REGULATORY COMPLIANCE COMMITTEE	13
Number of meetings of the APPOINTMENTS COMMITTEE	16
Number of meetings of the RISK COMMITTEE	11
Number of meetings of the SUSTAINABILITY COMMITTEE	0
Number of meetings of the TECHNOLOGY AND INNOVATION COMMITTEE	7

The Board of Directors held 21 meetings in 2021. In addition, the Board of Directors adopted resolutions on two occasions by written procedure and without a meeting. The Nomination Committee and the Compensation Committee also adopted resolutions on one occasion by written procedure and without a meeting. These reported meetings were chaired by the current Coordinating Director, Carolina Martínez Caro. The Sustainability Committee did not meet in 2022 because it was not constituted until December 16, 2022.

C.1.26 Specify how many meetings were held by the Board of Directors during the year and the member attendance data:

Number of meetings attended by at least 80% of the directors	21
% attendance in person of the total votes held during the year	97.50
Number of meetings attended in person or representations made with specific instructions for all of the directors	15

% of votes cast via in-person attendance and representations made with specific instructions out of the total number of votes during the year	97.50

C.1.27 State whether the individual and consolidated annual accounts 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 annual accounts in order for same to be drawn up by the board:

C.1.28 Explain the mechanisms established, if any, by the Board of Directors so the annual accounts that the Board of Directors presents to the General Shareholders' Meeting are drawn up in accordance with accounting regulations.

The Audit and Regulatory Compliance Committee is responsible for maintaining relations with the external auditors in order to, among other things, receive information on the process of auditing the annual accounts. On this basis and prior to the preparation of the Company's Annual Accounts, the external auditors present the conclusions of their work to the Audit and Regulatory 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 Annual Accounts 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 Regulatory 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 Regulatory 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 Regulatory 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 2022, the corresponding reports of the external auditor and the Audit and Regulatory Compliance Committee on the independence of the external auditor have been prepared, confirming same. The Audit and Regulatory 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 annual accounts 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 Banco 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 Banco's Audit and Regulatory 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)	308	0	308
Amount for non-auditing work/Amount for auditing work (%)	17.76	0	15.33

The amount of other non-audit work (in thousands of euros) includes services rendered by PricewaterhouseCoopers Auditores, S.L. related to the 2022 fiscal year that are not directly required by current legislation. The amount of the audit work is the average of the last three fiscal years (2021, 2020 and 2019). 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 annual accounts for the previous year has any qualifications. If applicable, state the reasons given to the shareholders at the General Meeting by the chairman/woman 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 annual accounts? Please also state the percentage that represents the number of years audited by the current audit firm out of the total number of years in which the annual accounts have been audited:

	Individual	Consolidated
Number of consecutive years	12	12

	Individual	Consolidated
Number of years audited by the current auditing firm / Number of years that the company or its group were audited (%)	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 Chairman/Chairwoman will ensure that the Directors receive sufficient information prior to the meetings to deliberate on the items on the agenda.

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 Chairman/Chairwoman 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.

In accordance with Article 14.2.(e) of the Regulations of the Board of Directors, the directors must place their position at the disposal of the Board of Directors and formalize, if the Board deems it appropriate, the corresponding resignation, when the Board, following a report from the Appointments Committee, 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. 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 will 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

Name of director	Nature of the situation	Observations
TERESA SÁEZ PONTE	Summons to testify as a party under investigation in the Preliminary Proceedings 545/2014 at the Court of First Instance No. 6, Seville.	She was summoned to testify as a party under investigation for possible crimes of administrative malfeasance and embezzlement of public funds due to her participation as a member of the Governing Council of the Innovation Agency of Andalusia (IDEA) at its meeting of November 24, 2008, which approved the granting of a guarantee in favor of Sociedad Cooperativa Andaluza Frutera Exportadora de Sevilla (COFRUTEX).

In the above assumption, indicate whether the Board of Directors has examined the case. If the answer is yes, explain in a reasoned manner whether, in view of the specific circumstances, you have adopted any measure, such as opening an internal investigation, requesting the resignation of the director or proposing their dismissal.

Also indicate whether the Board's decision was supported by a report from the Nominating Committee.

[√] Yes
[ ] No

Decision made/action taken	Reasoned explanation
The Board of Directors examined the case and agreed, at the suggestion of the Nominating Committee, that no action should be taken with respect to the aforesaid director and her continued presence on the Board of Directors and that the Company's credit and reputation would not be harmed by the cited preliminary proceedings.	Considering certain aspects relating to the meaning of being summoned to testify as a person under investigation in criminal proceedings, the Appointments Committee understands that a mere summons does not imply either a critical judgment on the conduct of the person summoned to testify in this capacity, or that there must be some suggestion of participation in an allegedly punishable act, where a hypothesis, even one that is purely theoretical, deemed sufficient to be called to testify. Likewise, in view of the Ruling and the circumstances set out therein, the Appointments Committee noted that Sáez Ponte's participation in the facts under investigation was very limited. Teresa Sáez Ponte's relationship with the IDEA Agency was therefore limited to her membership in the Governing Council between 2008 and 2012, without any evidence that she exercised executive functions or that was given any powers of disposition, management or representation. The Ruling does not attribute any specific conduct to her that could give rise to the commission of the crimes under investigation, beyond her participation in the adoption of resolutions within the Governing Council of the IDEA Agency.

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 the beneficiaries (individually when referring to directors and as a group for all other cases) and describe in detail the agreements between the company and its executives or employees that provide compensation, guarantee or protection clauses when they resign, are dismissed improperly or where the contractual relationship comes to an end due to a takeover bid or another type of operation.

Number of beneficiaries	30
Type of beneficiary	Description of the agreement
CEO Members of the Steering Committee. Other employees	The Chief Executive Officer will be entitled to receive, in the cases regulated in his contract, an indemnity for an amount equivalent to one year's gross annual monetary remuneration. In addition, as compensation for the non-competition agreement, at the end of the contract they will receive financial compensation equivalent to one year of their fixed monetary remuneration at the time of termination of the contract, the amount of which would be paid once the non-competition period has ended. As for the members of the Steering Committee and other employees: Compensation, for some members of the Steering Committee (11) and other employees (18), 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 communication:

	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 Annual Accounts.

C.2. Board of Directors' Committees

C.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:

REMUNERATION COMMITTEE		
Name	Position	Category
MARÍA GARAÑA CORCES	CHAIR	Independent
MARÍA LUISA ARJONILLA LÓPEZ	BOARD MEMBER	Independent
FELIPE FERNÁNDEZ FERNÁNDEZ	BOARD MEMBER	Proprietary director
CAROLINA MARTÍNEZ CARO	BOARD MEMBER	Independent
PETRA MATEOS-APARICIO MORALES	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 in 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) Attributed functions:

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 Chairman/Chairwoman of the Committee 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 Chairman/Chairwoman 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 Chairman/Chairwoman or 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. 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)

AUDIT AND REGULATORY COMPLIANCE COMMITTEE		
Name	Position	Category
JORGE DELCLAUX BRAVO	CHAIR	Independent
CAROLINA MARTÍNEZ CARO	BOARD MEMBER	Independent
ISIDORO UNDA URZÁIZ	BOARD MEMBER	Independent
DAVID VAAMONDE JUANATEY	BOARD MEMBER	Proprietary director
MANUEL MUELA MARTÍN-BUITRAGO	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 in 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 Regulatory Compliance Committee. The latter was approved by the Board of Directors on February 21, 2018 (available through the Unicaja Banco corporate website at www.unicajabanco.com,which enacts the regulation contained in the Bylaws and in the Regulations of the Board of Directors, assuming, following its recommendations, the principles of Technical Guide 3/2017, of June 27, of the National Securities Market Commission, on audit committees of public interest entities.

1) Attributed functions:

(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 must periodically make public and submit to regulatory or supervisory bodies, with senior management, the internal auditor or, if applicable, with the auditor, in order to confirm that this information is reliable, understandable, relevant and that the accounting criteria of the annual accounts 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, the Board Regulations or the Committee's own Regulations, and, in particular, on the financial reporting that the Company should

periodically disclose, the creation or acquisition of shares in special purpose vehicles and entities with registered offices in countries or territories that are considered to be tax havens.
viii. Through the Chairman/Chairwoman, maintain a continuous dialogue 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/Chairwoman of this committee to their position.

Names of the directors with experience	JORGE DELCLAUX BRAVO
Date of appointment of the Chairman/Chairwoman to their position	February 22, 2022

APPOINTMENTS COMMITTEE		
Name	Position	Category
MARÍA GARAÑA CORCES	CHAIR	Independent
JUAN FRAILE CANTÓN	BOARD MEMBER	Proprietary director
CAROLINA MARTÍNEZ CARO	BOARD MEMBER	Independent
ISIDORO UNDA URZÁIZ	BOARD MEMBER	Independent
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 in 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) Attributed functions:
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. Evaluating periodically and at least once a year 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 Chairman/Chairwoman 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 reviewing 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-Chairmen/Chairwomen 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)

RISK COMMITTEE

Name	Position	Category
ISIDORO UNDA URZÁIZ	CHAIR	Independent
MARÍA LUISA ARJONILLA LÓPEZ	BOARD MEMBER	Independent
JORGE DELCLAUX BRAVO	BOARD MEMBER	Independent
DAVID VAAMONDE JUANATEY	BOARD MEMBER	Proprietary director
TERESA SÁEZ PONTE	SECRETARY	Proprietary director

% of executive directors	0
% of proprietary directors	40
% of independent directors	60
% 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) Attributed functions:
i. Advising the Board on the overall risk appetite, current and future, of the Company and its strategy in this area and assist the Board in monitoring the implementation of this strategy.
ii. Ensuring the proper operation of risk control and management systems, ensuring that any significant risks that affect the company are properly identified, managed and quantified.
iii. Ensuring that risk control and management systems adequately 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. Determining, together with the Board of Directors, the nature, amount, format and frequency of the information on risks that the Committee and the Board of Directors shall 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 participating in the preparation of the Company's risk management policy, ensuring that it at least identifies the following:
(a) The different types of financial and non-financial risk (including, among others: operational, technological, legal, social, environmental, political and reputational) that the company faces, including financial or economic risks, contingent liabilities and other off-balance sheet 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 to 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 will consist of a minimum of three and a maximum of five directors, who will 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. 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
MARIA TERESA COSTA CAMPI	CHAIR	Independent
JORGE DELCLAUX BRAVO	BOARD MEMBER	Independent
JUAN FRAILE CANTÓN	BOARD MEMBER	Proprietary director
MANUEL MUELA MARTÍN-BUITRAGO	BOARD MEMBER	Proprietary director
FELIPE FERNÁNDEZ FERNÁNDEZ	SECRETARY	Proprietary director

% of executive directors	0
% of proprietary directors	60
% of independent directors	40
% 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.

Functions:
i) Ensure that the Company's practices related to sustainability are in line with the strategy, the policies fixed and the commitments acquired.
ii) To give notification of the sustainability policies on 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.
iii) Ensure the integrity of the content of sustainability reports, as well as compliance with applicable regulations and international reference standards. With respect to the non-financial reporting contained in the annual management report, assess its content prior to the review and report thereof by the Audit and Regulatory Compliance Committee, for subsequent drafting by the Board of Directors.
iv) The monitoring of the processes of identification, evaluation, control and risk management in the field of sustainability.
v) Evaluate the periodic sustainability reports submitted by the relevant areas of the Company.
vi) To 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) To 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) To 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 will 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 will appoint a Chairman/Chairwoman 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 who will assist the Chairman/Chairwoman and provide for the proper functioning of the Committee, duly recording the proceedings in the minutes of the meeting. The minutes of each meeting shall 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 Chairman/Chairwoman 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 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.
6. The Committee shall submit an annual report on its operation to the Board of Directors.

3) The Committee was not active in 2022 due to the fact that it was not constituted until December 16, 2022.

TECHNOLOGY AND INNOVATION COMMITTEE		
Name	Position	Category
MARÍA LUISA ARJONILLA LÓPEZ	CHAIR	Independent
RAFAEL DOMÍNGUEZ DE LA MAZA	BOARD MEMBER	Proprietary director
MARÍA GARAÑA CORCES	BOARD MEMBER	Independent
TERESA SÁEZ PONTE	BOARD MEMBER	Proprietary director
MARIA TERESA COSTA CAMPI	BOARD MEMBER	Independent
PETRA MATEOS-APARICIO MORALES	SECRETARY	Proprietary director

% of executive directors	0
% of proprietary directors	50
% of independent directors	50
% 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) Attributed functions:
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 Regulatory 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 shall 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 Chairman/Chairwoman 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 Chairman/Chairwoman 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 Chairman/Chairwoman 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 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.

3) Actions of the Technology and Innovation Committee during 2022:

The main matters and issues dealt with by the Committee during 2022, in its different areas of activity, were as follows:
(i) Corporate governance: At the first session of 2022, the Committee approved its Action Plan for the year. The Committee also assessed its performance over the previous year.

(ii) Follow-up of the Technology Integration Plan: The Committee followed up on technology-related integration issues on the occasion of the migration of Liberbank's IT systems to those of Unicaja Banco after the merger.

(iii) 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 the 2022-2024 Technological Plan to the Board of Directors for its approval. The Committee was advised on the 2021 Annual Report on Governance and Data Quality.

(iv) Technology and cybersecurity risk: In joint meetings with the Risk Committee, the Committee has been informed of the status of technological risks and those related to cybersecurity.

The Company plans to publish on the corporate website, at the time of the call of the Ordinary General Meeting of 2023, the Annual Operating Report of the Technology and Innovation Committee, which sets out in more detail the operation and activities carried out by this Committee in 2022.

C.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							
	2022		2021		2020		2019	
	Number	%	Number	%	Number	%	Number	%
REMUNERATION COMMITTEE	4	80	3	60	2	40	2	40
AUDIT AND REGULATORY COMPLIANCE COMMITTEE	1	20	2	40	2	40	2	40
APPOINTMENTS COMMITTEE	2	40	2	40	2	40	1	25
RISK COMMITTEE	2	40	1	20	4	80	3	75

	Number of women directors							
	2022		2021		2020		2019	
	Number	%	Number	%	Number	%	Number	%
SUSTAINABILITY COMMITTEE	1	20	0	0	0	0	0	0
TECHNOLOGY AND INNOVATION COMMITTEE	5	83.33	2	60	2	66.67	1	50

C.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 Regulatory 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 2022 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 and the Technology and Innovation Committee will also be published on the Company's corporate website. The Sustainability Committee will not be published since its activity only began when it was created on December 16, 2022.

D. RELATED PARTY AND INTRA-GROUP TRANSACTIONS

D.1. Explain, if applicable, 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 company that regulate the abstention obligations of the affected directors or shareholders and detailing the internal information procedures
and regular monitoring established by the company related to any 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 in the Regulations of the Board of Directors, reserving for the exclusive knowledge of the Board the transactions that the Company carries out with Board Members, senior executives, with significant shareholders or shareholders represented on the Board, and with related-party transactions. These are subject to a favorable approved report from the Audit and Regulatory Compliance Committee, with a series of procedures effectively implemented that establish the bases of action to be followed for the purpose of preventing and, where appropriate, managing conflicts of interest that may arise between members of the Board of Directors, customers, suppliers and the Company in general, and, where appropriate, 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 implemented 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” (the “Policy”) 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 operations to be granted to members of the Board of Directors and related parties are the General Shareholders' Meeting or the Board of Directors, depending on the amount of the operation, in both cases after a report from the Board of Directors
of the Audit and Regulatory Compliance Committee. Along with other responsibilities, it shall assess whether the transaction is fair and reasonable from the Company's point of view and record the details required by Bank of Spain Circular 2/2016 for this type of transactions.

In accordance with the aforementioned internal regulations, the competent bodies for the approval of related-party transactions shall 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 shall 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 shall apply in terms similar to those provided for in Article 190.3 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, shall 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 shall require a prior report from the Audit and Regulatory Compliance Committee, in the drawing up of which the affected directors may not participate.

As stated above and in accordance with the Capital Companies Act, the Policy provides for a delegation in favor of certain internal committees of the Bank for the granting of credit operations to directors and related parties, which do not exceed the aggregate amount of 500,000 euros for the last year (an amount much lower than the limit of 0.5% of the net turnover of the Company established by the Capital Companies Act). This shall be on the condition that they are operations entered into under contracts whose
conditions are standardized, are applied *en masse* to a large number of customers, and are carried out at prices and rates that are 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. In addition,
on a half-yearly basis, the Bank shall provide the relevant authority with 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, in accordance with that established in the 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 Regulatory 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 company name of the shareholder of any of its subsidiaries	% Share	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, was approved by the board without a dissenting vote from the majority of independent directors
(1)	FUNDACIÓN BANCARIA UNICAJA	30.24	UNICAJA SPORTS SOCIETY	54	BOARD OF DIRECTORS	JUAN FRAILE CANTÓN, TERESA SÁEZ PONTE, PETRA MATEOS-APARICIO AND MANUEL MUELA MARTÍN-BUITRAGO.	NO
(2)	FUNDACIÓN BANCARIA UNICAJA	30.24	UNICAJA SPORTS SOCIETY	300	BOARD OF DIRECTORS	JUAN FRAILE CANTÓN, TERESA SÁEZ PONTE, PETRA MATEOS-APARICIO MORALES AND MANUEL MUELA MARTÍN-BUITRAGO	NO
(3)	FUNDACIÓN BANCARIA UNICAJA	30.24	CLUB BALONCESTO MÁLAGA, S.A.D.	3,500	BOARD OF DIRECTORS	JUAN FRAILE CANTÓN, TERESA SAEZ PONTE, PETRA MATEOS-APARTICIO MORALES, MANUEL MUELA MARTÍN-BUITRAGO.	NO
(4)	FUNDACIÓN BANCARIA UNICAJA	30.24	CLUB BALONCESTO MÁLAGA, S.A.D.	2,500	BOARD OF DIRECTORS	JUAN FRAILE CANTÓN, TERESA SAEZ PONTE, PETRA MATEOS-APARICIO MORALES,	NO

	Name or company name of the shareholder of any of its subsidiaries	% Share	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, was approved by the board without a dissenting vote from the majority of independent directors
						MANUEL MUELA MARTÍN-BUITRAGO	

	Name or company name of the shareholder or of any of its subsidiaries	Nature of the relationship	Type of operation and other information necessary for assessment
(1)	FUNDACIÓN BANCARIA UNICAJA	Contractual	GUARANTEE FOR A TERM OF ONE YEAR
(2)	FUNDACIÓN BANCARIA UNICAJA	Contractual	Collaboration agreement for the promotion of sports.
(3)	FUNDACIÓN BANCARIA UNICAJA	Contractual	Sports sponsorship contract for the 2022-2023 season. The amount does not include VAT.
(4)	FUNDACIÓN BANCARIA UNICAJA	Contractual	Renewal of a current account credit for a one-year term with a reduced credit limit.

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 the intra-group transactions that are significant due to their amount or relevant due to their subject matter carried out by the company with its parent company or with other companies belonging to the group of the parent company, including the listed company's own subsidiaries, unless no other related party of the listed company has an interest in these subsidiaries or the subsidiaries are wholly owned, directly or indirectly, by the listed company.

In all circumstances, any intra-group operation that is carried out with entities established in countries or territories that are considered tax havens will 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. Explain the mechanisms established to detect, determine and resolve any conflicts of interest between the company and/or the group thereof and the directors, executives, significant shareholders, or other related parties thereof.

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 Regulatory Compliance Committee.

Article 15 of the Board Regulations states that directors have, among other obligations, the following: (a) not to exercise their powers for purposes other than those for which they were granted, (b) to 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) to 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) to report any situation of direct or indirect conflict to the Board of Directors, in accordance with the established procedure and (e) to 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, in case they might interfere with the dedication proper to their position.

(CONTINUED IN SECTION H.1)

D.7. State whether the company is controlled by another company 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 the company in question or the subsidiaries thereof (other than those of the listed company) or carries out activities related to those of any such companies.

[ ] Yes
[√] No

E. RISK MANAGEMENT AND CONTROL SYSTEMS

E.1. Explain the scope of the company's financial and non-financial Risk Management and Control 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 in which the Unicaja Banco Group pays close attention to continuously maintaining a prudent and balanced risk profile, preserving the solvency, profitability and adequate liquidity targets, all of which translates into a solid and coherent risk culture.
- A selection of appropriate methodologies for risk identification, measurement, management and control, in a continuous process of improvement and in line with regulatory requirements, while adapting the equity requirements to the level of real risks arising from the 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 Banco Group's overall 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 Banco's organizational structure includes the Global Risk Control Department, which reports to the Deputy General Directorate, the Chairman/Chairwoman, Control and
and Supervisor Relations, functionally separate from the areas that generate the exposures. One of the functions of this unit is to take overall control of all risk on behalf of the Bank. Organization of the Unicaja Banco Group's Management has a perfectly defined internal structure, which provides support and allows it to materialize the different adopted decisions.
In the fiscal area, the fiscal risk management system in the Company operates according to the following scheme, in line with the Fiscal Strategy document of the Unicaja Banco Group approved by the Board of Directors:
- 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 Financial and Tax 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 Global Risk Control Department (CRO) and the Internal Audit Department act respectively as the second and third line of defense.
- The Audit and Regulatory Compliance Committee oversees risk control in tax matters.

E.2. Identify the company bodies responsible for drawing up and executing the financial and non-financial Risk Management and Control System, including tax risk.

The risk management and control model requires a robust and efficient organizational structure. This requires the effective involvement of the Board of Directors and the Top Management and appropriate 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:
- Approve the risk control and management policy, including fiscal risks, as well as the periodic monitoring of internal information and control systems.
- Approve the Risk Appetite Framework and its subsequent modifications, at the proposal of the Risk Committee.
- Taking the Risk Appetite Framework 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 Risk Appetite Framework 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 approve, where appropriate, the maintenance of situations that involve violation of Limits.
• Risk Committee
The following are among its main functions:

- Advising the Board of Directors on the Bank's current and future overall risk appetite and its strategy in this area, helping it to monitor the implementation of this strategy.
- Ensuring the proper operation of risk control and management systems, ensuring that any significant risks that affect the company are properly identified, managed and quantified.
- Ensuring that risk control and management systems adequately mitigate the risks within the framework of the policy defined by the Board of Directors.
- Actively participating in the preparation of the Company's risk management policy, ensuring that it at least identifies the following:
a) The different types of financial and non-financial risk (including, among others: operational, technological, legal, social, environmental, political and reputational) that the company faces, including financial or economic risks, contingent liabilities and other off-balance sheet 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 to be used to control and manage the aforementioned risks, including all contingent liabilities and off-balance sheet risks.
In particular, within the Risk Appetite Framework:
- Propose to the Board of Directors the approval of the Risk Appetite Framework and its subsequent modifications.
- Informing the Board of Directors on the monitoring of the Risk Appetite Framework, at least quarterly or at any time that the Board requests it.
- Requesting information on the Risk Appetite Framework from the various units where deemed necessary.
- Propose the appropriate remedial measures according to the protocol established in the event of a limit violation.
- Proposing to the Board of Directors the maintenance of situations that involve the surpassing of a limit, where appropriate.

• 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 over Financial Reporting system (ICFR)

- internal auditing
- the auditor
- compliance with corporate governance rules
- regulatory compliance
- 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 Regulatory Compliance Committee.
• Technology and Innovation Committee
Among the roles of this Committee is the monitoring of general technological risk.
• Sustainability committee
Among the roles of this Committee is the monitoring of the processes of identification, evaluation, control and management of risks in the area of sustainability.

(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
- Risk related to environmental, social and governance factors.
- Credit risk
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.
- Market Risk
Market risk is defined as the possibility of loss for the Company due to the maintenance of positions in the markets as a result of adverse movements in the financial variables or risk factors that determine the value of these positions.

- Interest Rate Risk in The Banking Book (IRRBB)
IRRBB is defined as the current or future risk to both the Company's results and economic value arising from adverse fluctuations in interest rates affecting interest rate sensitive instruments.
- Liquidity Risk
Liquidity risk can be defined in different ways since it is not a single concept. Usually, it is customary to speak of three different meanings of liquidity risk, which we will classify here 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).
- Mismatch between the degree of enforceability of liability operations and the degree of realization of assets (funding liquidity).
- Mismatch between the growth capacities of the investment activity derived from the impossibility of finding financing commensurate with the risk propensity 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. Does the company have levels of risk tolerance, including tax risk?

Among other elements, the Group's risk management and control is ordered through the Risk Appetite Framework as approved by the Bank's Board of Directors.

The Unicaja Banco Group uses this Risk Appetite Framework 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, so as to ensure compliance with the risk appetite, (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 key element in the Company's management and control, providing the Board of Directors and Senior Management with the comprehensive framework that determines the risks that the Company is willing to assume, and establishes 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 Risk Appetite Framework is to establish a set of principles, procedures, controls and systems through which the Company's risk appetite is defined, communicated and monitored.
Risk propensity is considered to be the risk profile or level that Unicaja Banco is willing to assume and maintain, both in terms of its type, amount and tolerance level. It must also be oriented towards achieving the objectives of the strategic plan, in accordance with the guidelines established therein.
The main aim of the management of the different risks is to achieve a risk profile that is within the desired risk appetite level, defined from the established limits, carrying out those management measures considered most appropriate to achieve it.

In addition, this Framework establishes different metrics for the quantification, control and monitoring of risks, which allow us to react to certain levels or situations. These metrics characterize the objective behavior of the Unicaja Banco 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 bring together all of the Group's aims and limits, can be communicated to its stakeholders, where appropriate, and are homogeneous, as they are applied throughout the organization.

The Group has a process for identifying material risks, in which methodologies are established for the quantification of all risks to which the Company is exposed. It also defines a criterion for the selection of those risks that are material and, therefore, have to be managed and controlled more intensively. Among other things, this approach to management and control requires the allocation of capital within an Internal Capital Adequacy Assessment Process or, in the case of the liquidity risk, the allocation of a liquidity management buffer, which is assessed within an ILAAP. The process of quantification and identification of material risks is performed on a recurring basis, allowing the Company to identify emerging risks at all times.
Within the Risk Appetite Framework, at least for each of the material risks, propensity and tolerance is established through a qualitative statement based on this process, risk indicators or metrics are selected and a calibration methodology is defined to establish target thresholds, early warnings and limits.
The Overall Risk Control Unit monitors compliance with the Risk Appetite Framework via the existing metrics for each type of risk. Moreover, it submits the results of its monitoring to the Top 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, regarding fiscal risk, Unicaja Banco's Tax Strategy (cited in Section E1 above) includes among its principles (i) respecting tax regulations in its actions, without resorting to aggressive fiscal strategy practices, (ii) prudence, basically understood as the principle of precaution in the assumption of risk and (iii) integrity, as evidence of the importance of ethics in the Company's actions and in its relations with customers, investors and shareholders, as well as with any other party with whom economic relations are maintained. 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. State which financial and non-financial risks, including tax risks, have arisen during the year.

Like any company that carries out its activity in the financial sector, Unicaja Banco cannot achieve its goals without assuming risk. Risk is therefore defined, measured and subject to constant control and monitoring. In line with this, Unicaja Banco's control systems have worked well, serving as an essential pillar for risk policies.
The Bank also 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-financiera/informesnancieros),
especially in Notes 18, 24, 25, 27, 28 and 29 to the consolidated financial statements, as well as in Section 11 of the consolidated Management's 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.

The Company, through its Risk Appetite Framework, defines risk limits, the monitoring and governance of which allows it to control its capacity for risk exposure and risk tolerance.
The Global Risk Control Department periodically monitors the Company's risk profile and compares it with the risk appetite and the established limits, informing the Board of Directors, the Risk Committee, as well as Senior Management, providing them with a tool to react to potential situations of impairment of the Company.
- 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.
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 Banco Group has also 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.
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.
Regarding the granting of credit transactions, Unicaja Banco has 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 currencies. Floating interest rates. 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.

(CONTINUED IN SECTION H.1)

F. RISK CONTROL AND MANAGEMENT SYSTEMS RELATED TO THE FINANCIAL REPORTING PROCESS (ICFR)

Describe the mechanisms that make up the risk control and management systems related to the company's financial reporting 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 (hereinafter, the Company) are aware of the importance of guaranteeing investors the reliability of the financial reporting published to the market, and are therefore fully involved in the Internal Control over Financial Reporting system (ICFR).

In accordance with the provisions of Article 10 of its Regulations, the Board of Directors of the Bank, with the assistance of the Audit and Regulatory 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 Banco 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.

In accordance with Article 31 of the Regulations of the Company's Board of Directors, with regard to the information and internal control systems and in addition to the functions set out in the Law and in the Bylaws, the Audit and Regulatory Compliance Committee is responsible, *inter alia*, 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 Company Management. In particular, the Audit and Regulatory 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 Financial and Tax Reporting and Strategic Planning and Budget Control Departments, both of which are answerable to the Deputy General Directorate to the Chairman/Chairwoman, to the extent that most of the activities aimed at ensuring the proper functioning of the ICFR are centralized, guaranteeing appropriate compliance. 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 areas involved.

The Deputy General Management to the Chairman/Chairwoman of Unicaja Banco, through the two aforementioned Directorates, is therefore responsible for ensuring that the practices and processes developed in the Company to prepare the financial reporting guarantee the reliability of the financial reporting and its compliance with the financial reporting framework applicable to the Company and its Group. 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) Coordinate, where appropriate, the heads of the most significant filial companies for consolidation purposes and its impact on the ICFR.
d) Jointly with the affected areas and the General Management of Human Resources, Talent and Culture, undertake specific training actions aimed at fostering the internal control culture among all Unicaja Banco Group employees with control functions.
e) Maintain reciprocal information with Unicaja Banco's Internal Audit Department.

With regard to the responsibilities for the supervision of the ICFR, the Internal Audit Department has assumed the supervision of the ICFR and its activity consists of ensuring its effectiveness, obtaining evidence of its correct design and operation. Its role in this regard is to verify that controls are in place to mitigate the risks that may affect the reliability of the financial reporting and confirm that the controls are working effectively in order to assess that the Unicaja Banco Group's financial reporting complies with the following principles:

a) The transactions, facts and other events described in the financial reporting effectively exist and were 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 Company 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 financial reporting framework (rights and obligations).
These functions are materialized in the following tasks:
a) Advising the Audit and Regulatory 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 Banco Group that require it.

c) Communicating the weaknesses detected and follow up on their correction within a reasonable time.
d) Informing the Company's governing bodies of ICFR activity.
e) Sharing information with the Financial and Tax Reporting and Strategic Planning and Budget Control Departments.

For this purpose, the Company's Internal Audit 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.

The take-over merger of Liberbank, S.A. (as the absorbed company) by Unicaja Banco, S.A. (as the absorbing company), the date of which for accounting purposes was July 31, 2021, had a significant impact on the Internal Control over Financial Reporting (ICFR) system of Unicaja Banco, as it represented the acquisition of a new business that is incorporated into the Unicaja Banco Group, with a different financial reporting. Although at the time of the business combination and before the end of 2021, the main control criteria and procedures on financial reporting were unified, full information and operational integration had not yet taken place, meaning that two control environments coexisted with differences from an operational point of view. Within this context, and in line with the milestones set out in the schedule established by the Unicaja Banco Group for the technological and operational integration, the integration of the information systems of Unicaja Banco and Liberbank was completed on May 20, 2022. The work carried out has enabled full integration from a technological, commercial and operational point of view, resulting in a unified technological platform. Since that date, there has been a single unified control environment that encompasses all of the financial reporting of Unicaja Banco and its Group, regardless of the origin of the business.

F.1.2 If the following elements exist, especially related to the financial reporting preparation process:

- Departments and/or mechanisms responsible for (i) the design and review of the organizational structure, (ii) a clearly definition of the lines of responsibility and authority, with an adequate distribution of tasks and duties and (iii) ensuring that there are sufficient procedures for its correct dissemination in the company:

The definition of the management structure and organization chart of Unicaja Banco and 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 Organization and Resource Optimization Department, which reports directly to the General Directorate of Operations and Technology, is responsible for ensuring that the organizational structure in the Company is continuously adapted to the needs of the business and to 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 Company's governing bodies, the Organization and Resource Optimization Department is responsible for defining the structure of each business line, specifying its functions, which are developed in the corresponding manuals. Their proposal, submitted to the Board of Directors for approval, is the responsibility of the Company's Senior Management.

With respect to the other areas and subsidiaries that also participate in the process of preparing financial reporting, they should abide by the rules and procedures established by the Financial and Tax Reporting and Strategic Planning and Budget Control Departments, whose functions and responsibilities are clearly identified and defined.

Additionally, the General Directorate of Human Resources, Talent and Culture proposes appointments to carry out the defined responsibilities, based on the organizational changes.

In the preparation of financial reporting, 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.

The Strategic Planning and Budget Control Department reaches an agreement with the areas responsible for the processes selected for review regarding 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 Strategic Planning and Budget Control 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 general Ethical Code that applies to directors, officers and employees of the Unicaja Banco Group, last amended by the bank's Board of Directors on October 28, 2022. Unicaja Banco also has an Internal Code of Conduct in the securities market, last amended by the 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 Banco 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.

· 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.

In accordance with Article 31 of the Regulations of the Company's Board of Directors, in addition to the functions set out in the Law and in the Bylaws, related to the information and internal control systems, the Audit and Regulatory Compliance Committee is responsible *inter alia* for establishing and supervising a mechanism that allows employees to report, confidentially and, if possible and deemed appropriate, anonymously, any potentially significant irregularities, especially financial and accounting irregularities, that are detected within the Company.

In this context, Unicaja Banco has created an internal communication channel (the Whistleblower 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, 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 Banco and its internal governance systems and behavior that is contrary to the Code of Ethics.

Throughout 2022 and up to the date of this document, no communications with the potential to generate risk for the financial reporting of Unicaja Banco or its Group have been received through these channels.

· 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 Banco 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 management or area to which the personnel belong, as well as their career plan in the case of technical personnel. To this end, the Department of Talent, Labor Relations and Economic Management, which is part of the Directorate General of Human Resources, Talent and Culture, contacts the different Directorates to analyze the needs for new training actions. Furthermore, the Directorates can directly contact the Training and Learning Department in case they identify new training needs that must be addressed.

Additionally, the technicians involved in the preparation of financial reporting receive technical updates that are distributed by the Financial and Tax Reporting Department, which in turn receives them from different official sources (Official State Gazette, Bank of Spain, National Securities Market Commission, European Central Bank, ESMA, IASB, ICAC, Ministry of Economy, etc.) and other internal (Regulatory Compliance Department) or external channels (for example, Cecabank, accounting advisory firms, reviews of portals specializing in accounting regulations, etc.)

F.2. Risk assessment of financial reporting

Report at least:

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 Company 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 implementation of the procedure is the responsibility of the relevant Divisions, always working together with the Strategic Planning and Budget Control Department, which carries out a periodic review of 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 the risk identification, within the scope of the ICFR, refers to the risks of incorrectness due to error or fraud in the Unicaja Banco Group's financial reporting to the markets.

• It is identified by the corresponding management department or area (together with the help of the areas responsible for the selected processes under review) in ongoing collaboration with the Strategic Planning and Budget Control Department.

• The process is aimed at identifying risks of material misstatement in Unicaja Banco'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 all circumstances, 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 an area of financial reporting with high, medium or low risk. Unicaja Banco's Strategic Planning and Budget Control Department updates the areas that exceed the quantitative materiality thresholds and have high or medium risk at least once a year.

· 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 Company has implemented a Consolidation Procedure which details the scope of consolidation 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.

In order to identify relationships of control, joint control or significant influence, as well as to assess any complex corporate structure or the existence of special purpose entities, if any, Unicaja Banco's Financial and Tax Reporting Department uses the criteria set out in the applicable financial reporting framework, particularly in the provisions of the International Financial Reporting Standards adopted by the European Union (IFRS-EU), with a special focus on IFRS 10.

· Does the process take 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?

When identifying risks of material misstatement in financial reporting, the effect of other types of risks – operational, technological, legal, reputational and environmental – is taken into account, where they may affect the
Company's financial reporting. In this sense: (i) the notes to the individual and consolidated financial statements of Unicaja Banco 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 the most recent financial reporting available as a basis, and is supervised by the Risk Committee, with the support of the Global Risk Control Department (CRO).

F.3. Control activities

Describe the main characteristics including, at least:

F.3.1 Procedures for the review and authorization of the financial reporting 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 various types of transactions that may materially affect financial statements, including the closing procedure and the specific review of relevant judgments, estimates, valuations and projections.

As described in Point F.1. above, in accordance with Article 31 of the Regulations of the Company's Board of Directors, the Audit and Regulatory 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.

As has been mentioned previously, the Audit and Regulatory 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 Regulatory Compliance Committee of Unicaja Banco 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 the Unicaja Banco 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 Company has a procedure for reviewing and authorizing the financial reporting that is sent to the markets and regulatory bodies with the frequency established by the applicable legislation and regulations, as prepared and updated by the Financial and Tax Reporting Department at the request of the General Management Assistant to the Chairman/Chairwoman. The Internal Audit Department is responsible for supervising this information.

The Financial and Tax Reporting Department is responsible for the accounting records derived from the various transactions occurring in the Company. 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 General Directorate Assistant to the Chairman/Chairwoman or, as the case may be, the Financial and Tax Reporting Directorate, requests the collaboration of the other Directorates and/or Areas responsible for obtaining certain supplementary information, the breakdown of which is required in the periodic financial reports. Once the information preparation process has been completed, and Strategic Planning and Budget Control 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 Strategic Planning and Budget Control, the Financial and Tax Reporting and the Internal Audit Departments, as well as by the aforementioned governing bodies, as part of the periodic information that the Company 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 as having a material impact on the individual and consolidated financial statements and their association with the controls that mitigate them, as well as the 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 party responsible for control.
• Frequency or periodicity of execution of the control.
• Evidence of control, obtained by the Strategic Planning and Budget Control Department by any of the following methods: inspection, observation, external confirmation, recalculation, re-performance, analytical procedures and inquiry.

Below are the significant processes (distinguishing between business and cross-cutting processes) associated with the Company's financial areas for which the aforementioned documentation is available:
• Specific business processes associated with the relevant areas (identified from the headings of the financial statements):
o Loans and receivables (loans to customers), including credit risk hedges for bad debts.
o Debt securities and equity instruments (treasury and capital markets), including derivatives.
o 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).
o Customer deposits (retail liabilities area).
o Tax assets and liabilities
o Personnel expenses
o General administrative expenses
o Provisions and accounting estimates
• Transversal processes that affect all areas as a whole:
o Investee companies

o Accounting close
o Consolidation
o General computer controls
o 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 areas involved in the process specifies the main risks in the process-related financial reporting with a material impact on the Company'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 Banco 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 Financial and Tax Reporting Department 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 fiscal 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. As a result of the merger by absorption of Liberbank, S.A. (the absorbed entity) by Unicaja Banco, S.A. (the absorbing entity), whose date for accounting purposes was July 31, 2021, the Bank incorporated into its internal control processes the main computer applications used to record the balances and transactions of the business from the Liberbank Group. On May 20, 2022, the integration of the information systems of Unicaja Banco and Liberbank was completed in line with the milestones set in the schedule established by the Unicaja Banco Group, allowing full integration from a technological, commercial and operational point of view.
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 Banco 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 Banco'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 area, 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 and to the scope of the new projects to be carried out, for all of the development subareas, adds greater reliability, coordination and efficiency to the development of
applications, while 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 assessment, 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 assessment 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 carried out
by the corresponding management or area responsible for operations with an aim 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 made.
In order to perform most of these functions, Unicaja Banco has a Procurement and Outsourcing Governance Department, which is part of the Organization and Resource Optimization Department and which in turn reports to the General Directorate of Operations and Technology.

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 Company has a "Manual of accounting standards, procedures and policies applied by the Unicaja Banco Group", which prescribes the accounting treatment in the Unicaja Banco Group of each of the material items comprising the financial statements, ensuring compliance with the requirements established by the applicable accounting regulatory framework. Unicaja Banco's Financial and Tax Reporting Department is responsible for establishing and updating the Group's accounting policies and for informing
the rest of the departments or areas of the updates, with the Legal Department and the Regulatory Compliance Department being responsible for informing the rest of the Departments on any new legislation.
This document is updated periodically, at least once a year, and any significant modifications or updates are communicated to the Group's companies and departments or areas 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.

The Financial and Tax Information Department of Unicaja Banco is responsible for aggregating, homogenizing, reviewing and reporting the information, using common systems and computer applications, as well as finally preparing the individual and consolidated financial statements that are reported and published.

The Financial and Tax Reporting Department issues the accounting policies and other procedures in the preparation of the individual financial statements by the subsidiaries in order for them to be reported to the Group for the preparation of

consolidated financial statements, as well as precise instructions on the reporting obligations, establishing the minimum contents and deadlines for sending 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 Banco Group has adapted to the new regulations that have been published related to the Single European 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. These regulations require that from 2022 onward, certain mandatory labels have to be included not only in the consolidated financial statements but also in the notes accompanying the 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 carried out 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. Furthermore,
the scope of the assessment of the ICFR carried out during the year and the procedure by which the person responsible for carrying out the evaluation communicates its results will be reported,
as well as whether the company has an action plan that describes the possible corrective measures and whether its impact on the financial reporting has been considered.

The plans of the internal audit function are approved by Unicaja Banco's Audit and Regulatory 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 Regulatory Compliance Committee. The Internal Audit Department is also in contact with the different functional areas of the Company and with the Strategic Planning and Budget Control Department, which is responsible for the periodic updating and maintenance of the ICFR.

F.5.2 Is there a discussion procedure whereby the auditor (in accordance with the provisions of the technical auditing standards or NTA), the internal audit function and other experts can communicate to senior management and the audit committee or directors of the company any significant internal control weaknesses identified during the review of the financial statements or other processes that have been 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 Regulatory Compliance Committee meets with the external auditor at least once a year to review and update the most significant matters in the audit, prior to the preparation of the individual and consolidated financial statements, to present the main results, for which it is supported by the Internal Audit Department.

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 the "Additional Report for the Audit and Regulatory Compliance Committee", which the external auditors deliver prior to the issuance of their audit report on the annual accounts of the Bank and its Group.

The auditors have direct communication with the Company's Senior Management, holding regular meetings, both to obtain the necessary information for performing their work and comment on the weaknesses and recommendations for improvement of the internal control system detected during the same. With respect to the latter, the external auditor submits an annual report to the Audit and Regulatory Compliance Committee detailing the internal control weaknesses detected in the course of its work, if any.

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.

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 2022, 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 why should be included to ensure 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 hand, 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 chairman/woman 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. 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 parties 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 annual accounts that the Board of Directors present to the general meeting of shareholders are prepared in accordance with the applicable accounting regulations. In those cases where the auditor has included a qualification in its audit report, the chairman/woman of the audit committee will clearly explain the audit committee's opinion on its content and scope at the general meeting, making a summary thereof available to shareholders when the meeting is called, together with the board's other proposals and reports.

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 premiums 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 the necessary size to achieve an effective and participatory operation, which means that should generally have between five and fifteen members.

    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) is specific and verifiable.

    b) ensures that nomination or re-election proposals are based on a prior analysis of the competencies required by the Board of Directors.

    c) 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 favor 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 appointments committee to be published when convening the general shareholders' meeting to which the ratification, appointment or re-election of each director is submitted.

    The appointments committee will verify compliance with this policy annually and will report thereon 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.

The number of women 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 [ ] Explain [X]

Although the percentage of proprietary directors compared to the total number of non-executive directors (53.84%) slightly exceeds the proportion of share capital represented by proprietary directors (52.86%), it is mitigated by the fact that several shareholders are represented on the Board of Directors (4).

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 appointments 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 appointments 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, in accordance with 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 out 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 vicissitudes 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 is to be reported in the annual corporate governance report, unless there are any special circumstances that justify not doing so, which must 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 a director leaves their position before the end of their term, either through resignation or by resolution of the general meeting, sufficiently explain the reasons for their resignation or, in the case of non-executive
directors, their opinion on the reasons for their removal by the meeting, in a letter that will be sent to all of the members of the Board of Directors.

And that, without prejudice to the disclosure of all of the above in the annual corporate governance report, to the extent that it is relevant for investors, the company should publish the termination as soon as possible, including sufficient reference to the reasons or circumstances provided by the director.

Complies [X] Partially complies [ ] Explain [ ] Not applicable [ ]

25. The appointments 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 [X] Partially complies [ ] Explain [ ]

27. The 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 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 chairman/woman 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. The directors are periodically informed of changes to the composition of the shareholders 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 Chairman/Chairwoman, 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 to the Board of Directors, organizing and coordinating the periodic evaluation of the board, as well as, where appropriate, that of the chief executive of the company. The Chairman/Chairwoman is also responsible for the management of the board and the effectiveness of its operations, ensuring 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 chairman/woman and vice-chairmen/women, 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 the Board of Directors 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 meets in a plenary session once a year to assess 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 appointments 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 appointments committee.

The business relationships that the consultant or any company in its group maintains with the company or any company in its group must 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 of the members of the Board of Directors 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/woman, are appointed based on 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 [ ] Partially complies [X] Explain [ ]

The Internal Audit Department reports hierarchically to the Chief Executive Officer and functionally to the Audit and Regulatory Compliance Committee.

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) Establish and supervise 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 of any other type related to the Company that they notice within the Company or its Group. This mechanism should guarantee confidentiality and, in all circumstances, envisage cases in which communications can be made anonymously, whilst respecting the rights of the complainant and the respondent.

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 to 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 risk control and management systems adequately 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 of the appointments 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 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] Explain [ ] Not applicable [ ]

49. The appointments 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 appointments 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) 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.

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 line with 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 [ ] Partially complies [X] Explain [ ] Not applicable [ ]

The rules of operation of the Sustainability Committee are not covered in the Regulations of the Board of Directors, which may be addressed in the next revision of the Regulations of the Board of Directors. The Sustainability Committee is not currently made up of a majority of independent directors, although the position of Chairman/woman is held by an independent director.

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 appointments committee, a committee specialized in sustainability or corporate social responsibility, or any other specialized committee that the Board of Directors has decided to create in the exercise of its own self-organizational powers. This committee is comprised solely of non-executive directors, with the majority thereof being independent directors and be specifically attributed the minimum functions specified in the following recommendation.

Complies [ ] Partially complies [X] Explain [ ]

The Sustainability Committee, created on December 16, 2022, is composed of non-executive directors but not a majority of independent directors.

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, payment 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 area 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 established based on a balance between meeting short-, medium- and long-term objectives, making it possible to reward continued performance over a sufficient period of time to evaluate its contribution to the sustainable creation of value, so that the indicators for measuring performance do not revolve solely around one-off, occasional or extraordinary events.

Complies [X]   Partially complies [ ]   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 [ ]   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 [ ] 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 [ ] 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 the director maintains, at the time of the transfer or exercise, a net economic exposure to the change 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 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 [ ] 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 [ ] Explain [ ] Not applicable [ ]

64. That 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 [ ] 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 adherence
   should be specified. 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 March 17, the Company complements the information published on the reasons for resignation of independent directors through the publication as Other Relevant Information under registry number 15062 at the request of the National Securities Market Commission, in which the following is stated:
- The resignations of the aforementioned directors have occurred in all three cases due to the resignation of the affected director and in no case as a result of a termination decided or proposed by the Company.
- In the particular case of Manuel Conthe and Ana Bolado, their terms of office expired on April 27, 2022, as did the terms of office of five other directors. Within this context of a partial renewal of the Board of Directors, the Bank nominated four proprietary directors for re-election and proposed the appointment of a new proprietary director from shareholders who, due to the size of their stake, have a legal right to obtain this level of representation on the Bank's Board of Directors.
- In view of this circumstance and the fact that there are 15 Unicaja Banco's board members, the maximum number allowed by its bylaws and recommended by the Code of Good Governance for Listed Companies, the situation described above led the Board, at its meeting of February 15, 2022, to agree not to renew one of the independent directors whose term of office was to be renewed, a decision that was adopted by a majority (eleven votes in favor, two against and two abstentions), without deciding at that time which director would not be nominated for re-election (which would temporarily set the number of independent directors at one third of the board, which in all circumstances complies with Recommendation 17 of the Code of Good Governance - taking into account the company's shareholder composition).
- In the case of both Manuel Conthe and Ana Bolado, the common reason for resignation was the aforementioned decision of the Board to reduce the number of independent directors, although with respect to Ana Bolado's resignation, which was subsequent to Manuel Conthe's, the following was also reported.
Ana Bolado's resignation took place in the context of the aforementioned decision of the Board of Directors, a decision on which Ms. Bolado voted against, considering, in her opinion, that it distanced the bank from the good governance practices that investors and regulators have the right to expect from a listed company, and especially from a bank.

Through the publication of Other Relevant Information under registry number 17784, the Company gave notification on July 29, 2022 that the Board of Directors had acknowledged and accepted the resignation of Ernesto Luis Tinajero Flores as director of Unicaja Banco, in order to provide the Company with six independent directors, as required by the Supervisor. The resignation was conditional upon obtaining the regulatory authorization and acceptance of the appointment by María Teresa Costa Campi.

Through the publication of Other Relevant Information under registry number 19658, on December 16, 2022 the Company gave notification that the Board of Directors had taken note of and accepted the resignation of proprietary director Juan Fraile Cantón, in order to facilitate any process of renewal of the representatives of the shareholder in whose representation he was appointed (Fundación Bancaria Unicaja), which will take effect at the moment in which regulatory authorizations are obtained. The notice also referred to the acceptance of the candidate proposed by the Fundación Bancaria Unicaja to replace him, Juan Fraile Cantón, which will take effect at the moment in which the regulatory authorizations are obtained and the acceptance of the candidate appointed by Fundación Bancaria Unicaja to replace him takes place.

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 will ensure that candidates considered for vacancies include different academic and professional backgrounds.

- Age: The Company will work to ensure that the Board includes members of different ages, so that a balance of knowledge, experience and skills is achieved, both individually and collectively. The selection processes for Board Members will therefore involve candidates from a wide range of age groups.

- 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 by a sufficient number of candidates of that gender to maintain an adequate balance in terms of diversity and to ensure the continued maintenance in the Company of a percentage of women's representation on the Board of Directors that complies with the diversity standards set, from time to time, by the competent authorities, as well as by the recommendations of good corporate governance of which the Company is a recipient.

In terms of gender, the competencies of the Appointments 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 exceeds the target set out in Recommendation 15 of the Code of Good Governance for listed companies, which states that the number of women directors represents at least 40% of the Board by the end of 2022. Previously, this minimum level of representation was set at 30%.

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 may hinder the appointment of women directors and that may impede the fulfillment of the Company's objective specified 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.
- Independence: The number of formally independent directors will be sufficient to allow for the good governance of the Company, taking as a reference the criteria contained in the Capital Companies Act and the recommendations and guidelines for good corporate and internal governance.
In 2022, the selection process for board members ensured diversity based on the following criteria:

A) Academic and professional profile.
With respect to the criterion of diversity of academic and professional backgrounds, in view of the individual contribution of each of the new directors incorporated in 2022, the current composition of the Board of Directors maintains, as a whole, sufficient knowledge and experience to cover all of the areas required for the advancement of the Bank's activities.

B) Age:
Age is another criterion taken into account to ensure diversity. In this regard, it should be noted that despite the modification of its composition that took place during the year, the Board of Directors maintained the average age of the directors with the new additions.

C) Independence:
Following the resignations of independent directors in 2022, and the entry of a proprietary director representing a significant shareholder, the Bank took all of the necessary steps to fill the vacancies, proposing the appointment of an independent director, for approval by the General Meeting and the co-option of another independent director.
In this way, once the corresponding regulatory authorizations were obtained (July and August 2022), the structure of the Board was rebalanced, with five independent directors representing 33.33% of the total number of directors, guaranteeing a balanced composition between executive and external directors. This exactly matched the proportion recommended for large cap companies with a shareholder controlling more than 30% of the share capital, thus complying with Recommendation 17 of the Code of Good Governance of Listed Companies.
As mentioned in the previous section, following the Supervisor's recommendations that the Board should have six independent directors, at the end of July the Company also agreed to co-opt a new independent director to fill the vacancy that arose on the Board as a result of the resignation of a proprietary director. Therefore, of the fifteen directors that make up the Board of Directors, two are executive directors (13.33%), seven are proprietary directors (46.67%) and six are independent directors (40%). Non-executive directors therefore make up a large majority of the Board, with the number of female directors also increasing with the new appointments, as will be explained in the following section, in accordance with Recommendation 15 of the Company's Code of Good Governance.

D) Gender:
The percentage of women members on the Board of Directors has remained above the minimum percentage of 30% stipulated by Recommendation 15 of the Code of Good Governance throughout the year. The Bank also managed to meet the recommendation of reaching 40% of women by the final 2022.

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 Appointments Committee remains committed to promoting an increase in the number of women in senior management, ensuring fairness 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 2022, Unicaja Banco maintained the same percentage of women holding senior management positions (16.67%). In the case of women in middle management, it is expected that the percentage will increase through the application of best working practices.

Unicaja Banco promotes equal opportunities between men and women.

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

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 Appointments 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.
General. 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 Regulatory Compliance Committee.

(b) Regarding 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) Regarding 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 cases, the auditor shall 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 Directors, Senior Management, significant shareholders or shareholders represented on the Board and those related to them ("related-party transactions") to the Board of Directors in advance 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 management". 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:

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 Regulatory 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 shall be non-executive Board Members, with the majority of them and, in all circumstances, its chairman/woman being independent Board Members.

The Board of Directors will appoint the members of the Committee and the Chairman/woman of the Committee for a term not exceeding four years. Directors who have held the office of Chairman/woman 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 Chairman/woman.
The Committee will meet at least quarterly and, in addition, whenever convened by its Chairman/woman 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 shall meet on the occasion of each annual or interim financial information publication date. The Committee Chairman/woman 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 Regulatory Compliance Committee in 2022:

(a) Activities performed to fulfill duties regarding internal information and control systems:

Prior to the meeting of the Board of Directors, the Committee reviewed and reported the annual accounts and interim financial statements, including reports on management, annual corporate governance, directors' remuneration and a separate report on non-financial reporting, as well as the rest of the financial reports that have been provided 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 evolution of credit allocations and analysis of provisions jointly with the Risk Committee.

The Committee was also informed of the Annual Data Quality and Governance Committee Report corresponding to fiscal year 2022, which gives information on the action carried out to comply with the regulatory requirements for the validation and implementation of the IRB models.

(b) Activities performed in compliance with the function related to the internal auditor:

The Committee was presented with the Internal Audit Strategic Plan 2022-2024 and the 2022 annual plan of Internal Audit activities. It was periodically informed of the degree of compliance with the requirements and recommendations issued by the Internal Audit Department.
The Annual Report on Internal Audit Activities was also submitted to the Committee. The Committee agreed to report favorably on updates to the Internal Audit's Statute and Code of Ethics.

(c) Activities performed in compliance with the function related to the auditor:

Taking into account that the period of activity of PricewaterhouseCoopers Auditores, S.L. as auditors of the Bank's accounts concludes with the audit of the accounts for 2023 and having exhausted the maximum period provided for in current regulations, in 2022 the Committee carried out the procedure for the selection of a new auditor provided for in EU Regulation 537/2014, recommending to the Board a proposal to the General Meeting.

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 2022 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.

It also accepted the Sustainability and ESG Business Report, as well as the main action planned for 2022.

The Committee also reported favorably on the 2022-2024 Corporate Social Responsibility Master Plan.

It also gave a favorable report on the proposed amendment of the Bylaws, which was approved by the 2022 Ordinary General Shareholders' Meeting, the prevention of corruption and bribery policy, the update to the policy for the identification and management of conflicts of interest and related-party transactions involving significant shareholders, board members, senior executives and other related parties. The update of the Corporate Outsourcing Policy was received, including the Annual Activity and Monitoring Report of the Outsourcing Governance Section in 2021. The Committee approved the procedure for updating the corporate website. The Committee reported favorably on the update of the Group's Employee Conflicts of Interest Prevention and Management Policy, the approval of the Corporate Governance Policy, the update of the Corporate Policy and the Manual on Criminal Risk Prevention and Reaction to Non-Compliance, as well as the update of the Corporate Regulatory Monitoring Policy.

(e) Activities performed in order to fulfill the duty of regulatory compliance:

The Regulatory Compliance Department's Annual Report on the actions carried out was presented to the Committee, along with the Regulatory Compliance Department's Master Plan for this year, with this Department having reported periodically on the activities carried to ensure its compliance, providing a favorable report on the updating of the Internal Code of Conduct to the Spanish Securities and Exchange Committee.

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 2021 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.
The Committee accepted AENOR's renewal of Unicaja Banco's Compliance Management System.

(f) Activities associated with Related-Party Transactions

Throughout the year, the Committee has issued reports on the proposals for granting related party transactions, confirming that all of the submitted proposals with related parties were made under market conditions, in accordance with the risk assessment criteria applicable to Unicaja Banco. Since July 4, the date of entry into force of the Capital Companies Act, the Audit and Regulatory Compliance Committee has also considered that the transactions submitted for approval by the Board of Directors are fair and reasonable for the Company, with the Committee reporting favorably on all submitted transactions. A new feature is the delegation by the Board of Directors to a number of the Bank's internal committees and the granting of related-party transactions that do not exceed a given aggregate amount over the past year, the conditions of which are standardized and carried out at generally established rates.

(g) Transactions with significant shareholders

With respect to transactions with significant shareholders, the Audit and Regulatory Compliance Committee ensures that relations with them are correct and appropriate. In particular, in 2022 the Committee analyzed transactions and reported favorably, prior to approval by the Board of Directors.

(h) Other matters:

The Committee has been periodically informed of the situation of and changes to the Company's treasury stock. It has also been informed of the requirements received from regulatory and supervisory bodies, having given notification of the contents of the prospectuses corresponding to the Issuance Program and other factors prior to the actual issuance. The Committee informed the Board of Directors on the approval of the Bank's Financial Agent Model, including the Corporate Policy for the Admission of Financial Agents.

At the time of the call of the Ordinary General Shareholders' Meeting in 2023, the Company plans to publish the Annual Operating Report of the Audit and Regulatory Compliance Committee on the corporate website, setting out the operation and activities carried out by this Committee in 2022 in more detail.

C.2.1 Appointments Committee.

2) Procedures, rules of organization and operation:

The Appointments Committee will consist of a minimum of three and a maximum of five directors who do not perform executive functions in the Company. Most of them, and in all cases the Chairman/Chairwoman, should be independent directors.

The members of the Appointments 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 will appoint a Chairman/woman 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 Chairman/Chairwoman 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 Chairman/Chairwoman or 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. 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 Appointments Committee in 2022:

(a) Actions performed in compliance with identification and recommendation through the corresponding report, in the case of executive Board Members or, in the case of independent directors, through the nomination of candidates to fill vacancies on the Board, with a view to their approval by the Board of Directors or the General Shareholders' Meeting.
The Committee nominated three candidates to become independent director in order to fill the vacancies arising from the resignations of three directors. It was assisted and advised in the selection process by the independent advisory firm Parangon Partners. Following the internal assessments undertaken by the Committee, it agreed to submit to the Board the nomination of the three independent directors. The Appointments Committee also agreed to report favorably on the re-election of one executive director and five proprietary directors.

(b) Activities performed to fulfill duties regarding appointments to the Board and the Committees:

The Appointments Committee dealt with the nominations arising throughout the year within the Board of Directors that required a prior pronouncement by the Committee on the assessment of the suitability of the candidates proposed for the following positions: Chairman/woman of the Audit and Compliance Committee, Chairman/woman of the Risk Committee, Chairman/woman of the Nominating Committee and Coordinating Director and Chairman/woman of the Sustainability Committee.

As a result of these assessments, the Appointments Committee concluded that all candidates complied with the defined profile types for the positions to which they had been nominated, considering them suitable and submitting the corresponding favorable reports 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:

When there is a partial renewal of part of the Board of Directors due to the ending of terms of office and with each new appointment of a director, the Appointments Committee assesses the collective suitability of the Board of Directors, both individually and as a whole, to ensure that it has the necessary knowledge, experience and skills to adequately understand the Company's activities, including its main risks, and to ensure its effective ability to make decisions independently and in the best interest of the Company, as well as that the various areas of expertise required are adequately covered.
Over the year, the Appointments Committee also worked in association with the consulting firm Korn Ferry to prepare a new knowledge and experience matrix for the Board as a whole, which will serve to determine the desirable profiles to be incorporated to the Board of Directors in the short and medium term and set priorities for incorporation.

The Appointments Committee also carries out suitability reevaluations when it becomes aware, either on its own initiative or as a result of the notification made by the directors themselves, of facts that could undermine the commercial and professional repute of any of the members of the Board of Directors. In 2022, the Committee specifically addressed the partial reassessment
of the suitability of a member of the Board of Directors, concluding that the mere summons to testify as a person under investigation in preliminary proceedings does not affect the suitability required for the performance of his position in the Bank, that he continues to meet the suitability requirements necessary for the performance of the position and that the credit and reputation of the Bank has not been damaged at any time.

(d) Activities performed to fulfill the duty of ensuring that the directors comply with the regime of incompatibilities and limitations required, with 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.

During this period, 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 Banco Group and their re-election as directors in companies representing the Bank or which belong to its Group. In all cases it was concluded that the directors continued to be suitable and had sufficient time available in which to perform their duties. Neither their individual suitability nor the collective suitability of the Board was affected. It was also concluded that they continued to comply with the limitations on the number of positions and that no situations of conflicts of interest would arise.

(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 2021 to the Board of Directors.
• For the 2022 evaluation, the Nominating Committee had an independent external consultant to assist the Committee in carrying out the evaluation of the Board's performance, in accordance with Recommendation 36 of the Code of Good Governance
of listed companies and Article 35 of the Board Regulations, given that the last year in which the Bank had an external consultant was for the 2019 evaluation.

(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 policy for the selection of directors.

At the beginning of 2022, the Committee submitted the corresponding annual report on the application of the Director Selection and Appointment Policy and the 2021 Diversity Policy to the Board of Directors, taking part in the design of a Training Plan for the members of the Board of Directors for 2022. Regarding the Committee's activity, it included the following subjects: General framework of bank criminal liability, ESG and Sustainable Finance and Digital financial competencies.

In early 2023, the Appointments Committee Company prepared the report on the application of these policies corresponding to 2022 along with a report on the application of the Suitability Policy, concluding that the individual and collective suitability assessment processes carried out during the fiscal year have been developed in accordance with the criteria, principles and systems established therein.

(g) Activities performed to fulfill duties related to the target representation for the underrepresented gender on the Board of Directors:

The Committee's actions related to this function are described in sections C.1.5 and C.1.6 of this report.

(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 Collective who are not considered members of the Board of Directors, in 2022, the Committee issued the corresponding favorable reports on the members of the Subject Collective proposed as candidates to occupy positions of responsibility in Unicaja Banco and in the administrative body of Group companies or investees, in accordance with the procedures set out in the Suitability Assessment Policy.

At the time of the announcement of the Ordinary General Meeting in 2023, the Company plans to publish on the corporate website the Annual Operating Report of the Appointments Committee, which sets out in more detail the operation and activities carried out by this Committee in 2022.

C.2.1 Remuneration Committee

(3) Actions of the Risk Committee in 2022:

(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 the reasoned proposal of the Informative Supplement to the Directors' Remuneration Policy for the three-year period from 2021 to 2023 to the Board of Directors. The Board, in turn, approved its submission to the General Shareholders' Meeting held in March 2022.

The Committee was informed of the annual evaluation of the application of the Remuneration Policy associated with risk management and submitted the 2021 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 2022, 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.

(c) Actions carried out in connection with incentive systems:

With respect to 2022, the Compensation 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, submitting the aforementioned proposals to the Board of Directors for approval.

(d) Other actions:
- The Committee approved its 2022 Action Plan, which included the main actions to be undertaken during the year.

- It reported favorably on the terms and conditions of the proposed directors' and officers' liability policy.

The Company plans to publish the Annual Report on the Operation of the Remuneration Committee on the corporate website at the time of the announcement of the Ordinary General Meeting of 2023, which sets out in more detail the operation and activities carried out by this Committee in 2022.

C.2.1 Risk Committee

(3) Actions of the Risk Committee in 2022:

(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, non-performing loans and retail mortgage and fixed-income portfolios. Structural risks, technological risks (jointly with the Technology and Innovation Committee), the activity of the Validation Department and the monitoring of the IRB Project and matters related to resolvability have also been monitored together with the Audit and Regulatory 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) 2021 and the Annual Report on the Internal Liquidity Adequacy Assessment Process (ILAAP).

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 accepted the 2021 Prudentially Relevant Information, following up on the process of preparing the Bank's Recovery Plan and updating the 2022-2023 Multi-Year Resolvability Work Program. It also agreed to report favorably on 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 on and submitted the update to the Pricing Policy to the Board of Directors for its approval. This report includes the pricing framework for the granting of customer operations. It also reported favorably on the
Governance of Products and Services and the update of the Customer Credit Risk Policy, as well as on the Policy for the integration of sustainability factors in credit risk management and the proposal for the identification and definition of the Non-Financial Risk perimeter.

(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 2022

(e) Other actions:

At its first meeting in 2022, the Committee approved the Committee's 2022 Action Plan, which it followed up on at the end of the first half of the year. It reported favorably on the proposal for the appointment of the external control body on guaranteed bonds provided for in Royal Decree-Law 24/2021, accepted the Externalization Governance Section's annual activity and follow-up report and was informed of the inspection and communication actions in risk matters undertaken by the European Central Bank in 2022.

The Committee reported favorably on the proposed Policy for the issuance, management and monitoring of covered bonds, drawn up in compliance with Royal Decree Law 24/2021.

At the time of the announcement of the 2023 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 2022.

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.

Article 20 of the Board Regulations also provides that directors and related persons 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) make use of 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 position, except for actions taken out of mere courtesy.

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 shall be addressed to the Chairman/woman of the Audit and Regulatory Compliance Committee and submitted to the Secretary of the Corporate Governance and Governing Bodies, who in turn will send a copy of the communication received to all of the members of the Audit and Regulatory Compliance Committee for appropriate processing.

Designated Persons must 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 Regulatory 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 any 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

• The Steering Committee
Among its functions, the following related to the Risk Appetite Framework (RAF) stand out:
- Where appropriate, validating and submitting the proposals for documents related to the Company's strategic planning, including the RAF to the Governing Bodies.
- Conveying the Risk Appetite Framework's main criteria to the rest of the Bank, whether they be the initial criteria or their subsequent adaptations, 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 Entity's internal Committees, which will in turn inform the relevant units, where necessary.

E.3

- Operational risk
Operational risk is defined as the risk of loss due to the inadequacy or failure of internal procedures, people and systems or due to external events, including legal risk.
Operational risk includes technology risk, which is 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, pertaining to customers and employees or owned by the organization), as well as non-compliance with rules relating to information security.
Fiscal risk is included, which is defined as the possibility of not complying with the objectives defined in Unicaja Banco's Tax Strategy, caused by internal or external factors, with two possible effects that could be detrimental to the Bank, to shareholders or other stakeholders: (a) a shortfall of tax income over the figure derived from an adequate interpretation of the Standard, which generates costs in terms of penalties, surcharges and interest for late payment, as well as possible reputational impacts and (b) an excess of tax income that is detrimental to the Company's equity, resulting in higher taxation than should be appropriate, in accordance with current regulations.

- 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.

- 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.

- Risk related to environmental, social and governance factors.
Environmental, social and governance (ESG) factors may have a relevant impact on the Company's financial or solvency development. The scope of these factors is extrapolated to those associated with the marketing of financial products and their exposure to the public, as well as to the Company's own exposure.
The proper management of ESG factors by the Company is, from a risk perspective, conditioned by the economic activity and the classification of its assets (such as the sector and geographical location of its counterparties or issues of financial instruments invested) and liabilities (including issues of financial instruments or investment portfolio).
ESG factors can affect the Company's financial performance by manifesting themselves in prudential financial or non-financial risks, such as credit, market, operational, liquidity and interest risk, or reputational or liability risk, respectively. Therefore, while ESG factors can have positive or negative impacts, the associated risk is defined from a prudential perspective in the context of supervisory review as the negative materialization (on the Company or on its counterparties) of ESG elements.
Climate-related and environmental risk (ESG Environmental factor) is generated by the Company's exposure to counterparties that may 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, at the same time, 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:
o "Severe", where it arises from extreme events, such as droughts, floods and storms.
o "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.
- Transition risk refers to the Company's financial losses that may arise directly or indirectly from the process of adjusting to a reduced carbon footprint and more environmentally sustainable economy. This circumstance can 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 existing risk factors, in particular credit risk, operational risk, market risk and liquidity risk, as well as the risks outside Pillar 1, such as migration risk, credit spread risk in the investment portfolio, real estate risk and the strategic risk.

- Corruption risk

Corruption risk, understood within the scope of Royal Decree 18/2017, is covered through the Program for the Prevention of Criminal Risk and Reaction to Non-Compliance, approved by the Board of Directors in 2019 and updated in 2022, among other means.

E.6

On the other hand, the Unicaja Banco 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.
The granting of credit operations shall be subject to a decentralized approval process based on the joint powers of the following decision-making bodies, depending on their beneficiaries, nature, amount, term, guarantees and characteristics:
- 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
Credit risk control functions and methodologies are applied during both the credit transaction approval phase and the credit transaction follow-up and recovery phases. Follow-up consists of monitoring assessment 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, 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, it 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).

- 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.

To ensure the adequate management of market risk, the Structural and Non-Financial Risks Area, which reports to the Global Risk Control Department, 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 Banco Group's operations in capital markets and that serve as a means of diversification in order to avoid excessively concentrated exposures to market risk.

The Unicaja Banco Group performs measurement and control through the establishment of a structure of quantitative limits, as well as a system of attributions in the operation of financial markets. The Group has detailed information on the various sub-risks
and has assigned limits in its Risk Appetite Framework that allow for adequate monitoring and mitigation if necessary.

Ultimate responsibility for risk identification and control lies with the Governing Bodies of the Unicaja Banco Group, meaning that Senior 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 Company 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. In the analysis, measurement and control of interest rate risk assumed by the Group, it therefore uses sensitivity measurement and analysis techniques of a wide range of scenarios that could significantly affect it and allow it to capture the various sources of risk. Based on the results of the structural interest rate risk exposure presented by the Unicaja Banco Group at each analysis date, a series of mitigating actions are implemented until it is brought back to the acceptable levels defined by the Company's risk profile, if necessary.

The Board of Directors approves the Bank's overall risk management strategy, laying 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 those that are market related.

The Unicaja Banco Group has set limits to liquidity risk to control its exposure to it and to maintain its exposure within authorized levels. In general terms, liquidity is considered adequate if the potentially liquid assets and financing capacity are greater than the needs derived from the business and from refinancing in 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 structural liquidity risk exposures. Furthermore, in its liability management, it diversifies its funding sources, ensuring that they are diversified by markets, maturities, and products, in order to avoid difficulties in particular moments of crisis or 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.

- Property 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 Company for 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. The Bank also has a decentralized governance structure that ensures this risk is properly managed and controlled through a framework of attributions.

- Operational risk

Unicaja Banco assumes the following types of operational risk, in accordance with Regulation 575/2013 (CRR), in order to maintain a uniform and parameterized management of risk, in line with the standards set out in the New Basel Capital Accord (Basel II):
- 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 at Unicaja Banco that provides for an expanded taxonomy that addresses new emerging or potential risks, incorporating a greater number of risk typologies as follows: people (human resources), internal fraud, external fraud, conduct, transactional processes, technology, security of physical assets, information security (including cybersecurity), business continuity, regulatory compliance, financial crime, legal, suppliers/third parties, financial and fiscal reporting, data management and modeling.
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. Likewise, it has a Board of Directors-approved Operational Risk Framework.
The Group undertakes operational risk management that not only covers the recognition of loss-generating events and their correct accounting, but also promotes the control and active management element with the purposes of minimizing and reducing 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. 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 benchmark for the quantification of operational risk in terms of capital, with the aim of improving its operational risk management, in line with the Group's risk culture.
In the tax area, Unicaja Banco's Tax Strategy 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 Financial and Tax 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 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 fiscal risks.
With the periodicity regulated in the Tax Strategy, these implemented functions and the controls are reported to the Global Risk Control Department (CRO) as a second line of defense.
The Internal Audit Department annually reviews the monitoring of the Tax Strategy as a third line of defense, with the Audit and Regulatory 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 the Company's highest levels of governance and management.
This constant effort to maintain and reinforce its good image is rooted in its global culture and, among other specific manifestations, is embodied in:
- The Bank's strategic objectives.
- The Code of Conduct, 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 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 specifically includes training related to ethical aspects, as determined 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
For the proper management of ESG risk (which encompasses climate-related and environmental risk), the Company has begun a series of initiatives, including an Action Plan on Sustainable Finance, approved in June 2020 and reviewed in April and November 2021, designed to measure in depth the impact of these risks on its financial structure and to enable it to act efficiently in this area in the medium and long term.

The Bank has also availed itself of a structure for promoting sustainability, which currently comprises the ESG Business Unit and the Sustainability and Corporate Social Responsibility (CSR) Unit. In addition to these two units, the Sustainability and CSR Committee brings together other Bank units with ESG-factor management powers.

It should be noted that in 2022, the Sustainability Committee was established as a support committee of the Board of Directors, whose role is as follows:

i) Ensure that the Company's practices related to sustainability are in line with the strategy, the policies fixed and the commitments acquired.

ii) To give notification of the sustainability policies on to be submitted to the Board of Directors for approval, in order to promote the inclusion of corporate culture and to fulfill the mission of promoting social interest, taking into account the different stakeholders.

iii) Ensure the integrity of the content of sustainability reports, as well as compliance with applicable regulations and international reference standards. With respect to the non-financial reporting contained in the annual management report, assess its content prior to the review and report thereof by the Audit and Regulatory Compliance Committee, for subsequent drafting by the Board of Directors.

iv) The monitoring of the processes of identification, evaluation, control and risk management in the field of sustainability.

v) Evaluate the periodic sustainability reports submitted by the relevant areas of the Company.

vi) To 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) To 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) To make proposals to the Board of Directors regarding sustainability.
The implementation of the aforementioned Sustainable Finance Action Plan was included in Axis 5 of the 2022-2024 Strategic Plan that was approved by the Bank in December 2021. The new challenge of sustainability, in all its facets, is assumed by Unicaja Banco as an opportunity for development and improvement in its daily management, for which the Bank will work on a renewed offer of products and services, on the reduction of its carbon footprint and, at the same time, promote the culture of sustainability, identification and management of climate and environmental risk, which denotes a holistic approach to the management of these risks.

The 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.

Unicaja Banco considers that the appropriate management of ESG risk is part of a global work program, which analyzes the financial, marketing and good governance impacts, in order to position itself as a Company committed to sustainability and its derived impacts.

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).

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. This agreement has been renewed until May 2022.

Madrid COP25: collective agreement on climate action

On the occasion of the United Nations Climate Change Conference (COP25), held in Madrid in December 2019, Unicaja Banco and other Spanish financial institutions signed a collective climate action agreement, whereby, among other pledges, it undertakes to reduce the carbon footprint of its credit portfolios within a given timeframe, in a manner that can be measured according to internationally approved criteria and in line with the objectives set out in the Paris Agreement.

Code of Best Practices for the viable restructuring of debts secured by mortgages on primary residences

The Company is bound by this Code established through Royal Decree-Law 6/2012 of March 9 2012, on urgent measures for the protection of mortgagors without resources and its subsequent amendments introduced through Law 1/2013 of May 14, 2013, by Royal Decree-Law 1/2015 of February 27, 2015, by Royal Decree-Law of March 17, 2017, by 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 is also bound by this Code, introduced through 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.
It amends Royal Decree-Law 6/2012 of March 9, 2012 on urgent measures for the protection of mortgagors without resources, adopting other structural measures for the improvement of the mortgage loan market.

Social Housing Fund

In January 2013, Unicaja Banco, together with other public and private entities, 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, 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 (Plan 2022-2025), 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 backed by Unicaja Banco and Fundación Unicaja, created in 2005 and with public activity since 2007, signed up to the "Code of good practices for initiatives in financial education", developed by the institutions driving the National Financial Education Plan.

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"). For municipalities with more than 500 inhabitants without an access point to financial services, this roadmap outlines a commitment to ensure at least one access point (bank office, ATM, mobile offices, financial agents) while for those with less than 500 inhabitants, the offer of basic banking services, guaranteeing access to cash through cash back or cash in shop formulas, or the use of the postal service's *Correos Cash* initiative.

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:

2/23/2023

State whether there have been directors that have voted against or abstained from the approval of this Report.

[ ] Yes
[√] No