

## STATEMENT OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL REPORT

### STATEMENT OF RESPONSIBILITY

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

Málaga, on February 29, 2024

---

Manuel Azuaga Moreno  
Non-executive chairman

---

Isidro Rubiales Gil  
CEO

---

Miguel González Moreno  
Vice-chairman

---

Natalia Sánchez Romero  
Board secretary

---

Rocío Fernández Funcia  
Coordinating Director

---

María Luisa Arjonilla López  
Board member

---

Antonio Carrascosa Morales  
Board member

---

Rafael Domínguez de la Maza  
Board member

---

Inés Guzmán Arrue  
Board member

---

Juan Antonio Izaguirre Ventosa  
Board member

## STATEMENT OF RESPONSIBILITY FOR THE ANNUAL FINANCIAL REPORT

---

Carolina Martínez Caro  
Board member

---

José Ramón Sánchez Serrano  
Board member

---

Nuria Aliño Pérez  
Board member

---

Felipe Fernández Fernández  
Board member

# Financial statements and management report

Individual information

Unicaja

2023

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

ASSETS	Note	2023	2022
<b>CASH, CASH BALANCES WITH CENTRAL BANKS, AND OTHER DEMAND DEPOSITS</b>	6	<b>8,039,191</b>	<b>4,660,517</b>
<b>FINANCIAL ASSETS HELD FOR TRADING</b>	7.1	<b>781,385</b>	<b>32,771</b>
Derivatives		32,313	32,771
Equity instruments		-	-
Debt securities		749,072	-
Loans and advances		-	-
Central banks		-	-
Credit institutions		-	-
Customers		-	-
<i>Pro memoria: lent or given as collateral with the right to sell or pledge</i>		84,569	-
<b>NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE THROUGH PROFIT OR LOSS</b>	7.2	<b>108,562</b>	<b>146,549</b>
Equity instruments		41	41
Debt securities		35,265	33,522
Loans and advances		73,256	112,986
Central banks		-	-
Credit institutions		-	-
Customers		73,256	112,986
<i>Pro memoria: lent or given as collateral with the right to sell or pledge</i>		-	485
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH INCOME</b>		<b>-</b>	<b>-</b>
Debt securities		-	-
Loans and advances		-	-
Central banks		-	-
Credit institutions		-	-
Customers		-	-
<i>Pro memoria: lent or given as collateral with the right to sell or pledge</i>		-	-
<b>FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME</b>	8	<b>1,060,210</b>	<b>485,657</b>
Equity instruments		331,185	292,613
Debt securities		729,025	193,044
Loans and advances		-	-
Central banks		-	-
Credit institutions		-	-
Customers		-	-
<i>Pro memoria: lent or given as collateral with the right to sell or pledge</i>		175,527	31,030
<b>FINANCIAL ASSETS AT AMORTIZED COST</b>	9	<b>77,570,450</b>	<b>83,585,076</b>
Debt securities		25,098,802	26,867,077
Loans and advances		52,471,648	56,717,999
Central banks		-	-
Credit institutions		2,290,553	930,505
Customers		50,181,095	55,787,494
<i>Pro memoria: lent or given as collateral with the right to sell or pledge</i>		12,762,395	10,774,603
<b>DERIVATIVES - HEDGE ACCOUNTING</b>	10	<b>1,222,395</b>	<b>1,812,887</b>
<b>CHANGES IN FAIR VALUE OF HEDGED ITEMS OF A PORTFOLIO WITH HEDGED INTEREST RATE RISK</b>	10	<b>(63,020)</b>	<b>(237,836)</b>
<b>INVESTMENT IN JOINT VENTURES AND ASSOCIATES</b>	11	<b>2,802,412</b>	<b>1,722,996</b>
Subsidiaries		2,052,602	970,259
Joint ventures		13,045	50,276
Associates		736,765	702,461

(continued on next page)



## UNICAJA

2023 financial statements

December 31, 2023



UNICAJA FINANCIAL STATEMENTS

ASSETS	Note	2023	2022
<b>TANGIBLE ASSETS</b>	12.1	<b>1,511,696</b>	<b>1,602,221</b>
Tangible fixed assets		1,159,878	1,220,476
Own use		1,159,878	1,220,476
Loaned under operating lease		-	-
Investment property		351,818	381,745
<i>Pro memoria: acquired under a finance lease</i>		31,714	51,290
<b>INTANGIBLE ASSETS</b>	12.2	<b>55,108</b>	<b>37,418</b>
Goodwill		-	-
Other intangible assets		55,108	37,418
<b>TAX ASSETS</b>	19	<b>4,361,060</b>	<b>4,876,970</b>
Current tax assets		154,157	443,394
Deferred tax assets		4,206,903	4,433,576
<b>OTHER ASSETS</b>	13.2	<b>232,189</b>	<b>576,453</b>
Insurance contracts linked to pensions	34	21,509	23,167
Inventories		-	-
Other assets		210,680	553,286
<b>NON-CURRENT ASSETS AND DISPOSAL GROUPS OF ITEMS CLASSIFIED AS HELD FOR SALE</b>	13.1	<b>91,195</b>	<b>179,210</b>
<b>TOTAL ASSETS</b>		<b>97,772,833</b>	<b>99,480,889</b>

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

The Notes 1 to 42 described in the Annual Report and the Annexes I, II, III and IV form an integral part of the balance sheet of December 31, 2023.

## UNICAJA

2023 financial statements

December 31, 2023



UNICAJA FINANCIAL STATEMENTS

LIABILITIES	Note	2023	2022
<b>FINANCIAL LIABILITIES HELD FOR TRADING</b>	<b>7</b>	<b>444,181</b>	<b>37,919</b>
Derivatives		32,345	37,919
Short positions		411,836	-
Deposits		-	-
Central banks		-	-
Credit institutions		-	-
Customers		-	-
Debt securities issued		-	-
Other financial liabilities		-	-
<b>FINANCIAL LIABILITIES VALUED AT FAIR VALUE WITH CHANGES IN INCOME</b>		<b>-</b>	<b>-</b>
Deposits		-	-
Central banks		-	-
Credit institutions		-	-
Customers		-	-
Debt securities issued		-	-
Other financial liabilities		-	-
<i>Pro memoria: subordinate liabilities</i>		-	-
<b>FINANCIAL LIABILITIES AT AMORTIZED COST</b>	<b>14</b>	<b>87,328,359</b>	<b>89,594,738</b>
Deposits		81,056,359	83,877,864
Central banks		953,971	5,320,889
Credit institutions		5,805,055	3,448,807
Customers		74,297,333	75,108,168
Debt securities issued		4,241,898	3,329,354
Other financial liabilities		2,030,102	2,387,520
<i>Pro memoria: subordinate liabilities</i>		571,672	547,951
<b>DERIVATIVES - HEDGE ACCOUNTING</b>	<b>10</b>	<b>1,148,038</b>	<b>1,081,824</b>
<b>CHANGES IN FAIR VALUE OF HEDGED ITEMS OF A PORTFOLIO WITH HEDGED INTEREST RATE RISK</b>		<b>-</b>	<b>-</b>
<b>PROVISIONS</b>	<b>15</b>	<b>940,752</b>	<b>1,071,953</b>
Pensions and other benefit obligations defined as post-employment		91,258	127,539
Other long-term employee benefits		91,568	132,696
Outstanding tax litigation and procedural matters		-	-
Commitments and guarantees granted		116,978	126,128
Remaining provisions		640,948	685,590
<b>TAX LIABILITIES</b>	<b>19</b>	<b>358,809</b>	<b>349,400</b>
Current tax liabilities		29,684	28,818
Deferred tax liabilities		329,125	320,582
<b>SHARE CAPITAL REPAYABLE ON DEMAND</b>		<b>-</b>	<b>-</b>
<b>OTHER LIABILITIES</b>	<b>16</b>	<b>549,911</b>	<b>601,106</b>
Of which: welfare fund (only savings banks and credit cooperatives)		-	-
<b>LIABILITIES INCLUDED IN DISPOSABLE GROUPS OF ITEMS CLASSIFIED AS HELD FOR SALE</b>		<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>90,770,050</b>	<b>92,736,940</b>

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

The Notes 1 to 42 described in the Annual Report and the Annexes I, II, III and IV form an integral part of the balance sheet of December 31, 2023.

## UNICAJA

2023 financial statements

December 31, 2023



UNICAJA FINANCIAL STATEMENTS

EQUITY	Note	2023	2022
<b>OWN FUNDS</b>	<b>18</b>	<b>6,966,696</b>	<b>6,863,031</b>
SHARE CAPITAL		663,708	663,708
Paid-up capital		663,708	663,708
Non paid-up capital required		-	-
<i>Pro memoria: unclaimed capital</i>		-	-
SHARE PREMIUM		1,322,995	1,322,995
EQUITY INSTRUMENTS ISSUED OTHER THAN SHARE CAPITAL		547,360	547,385
Net equity component of compound financial instruments		547,360	547,385
Other equity instruments issued		-	-
OTHER NET EQUITY ITEMS		-	-
ACCUMULATED EARNINGS		3,887,757	3,832,350
REVALUATION RESERVES		-	-
OTHER RESERVES		274,996	261,682
(-) OWN SHARES		(2,682)	(148)
PROFIT OR LOSS FOR THE YEAR	3	272,562	235,059
(-) INTERIM DIVIDENDS		-	-
<b>OTHER CUMULATIVE COMPREHENSIVE INCOME</b>	<b>17</b>	<b>36,087</b>	<b>(119,082)</b>
ELEMENTS THAT WILL NOT BE RECLASSIFIED AS INCOME		39,171	(18,694)
Actuarial gains or (-) losses on defined benefit pension plans		(4,140)	(1,684)
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	43,311	(17,010)
Inefficiency of fair value hedges of equity instruments at fair value through other comprehensive income		-	-
Changes in fair value of equity instruments at fair value through other comprehensive income (hedged item)		-	-
Changes in fair value of equity instruments at fair value through other comprehensive income (hedge instrument)		-	-
Changes in fair value of financial liabilities at fair value with changes in income attributable to changes in credit risk		-	-
ITEMS THAT CAN BE RECLASSIFIED AS INCOME		(3,084)	(100,388)
Hedges of net investments in foreign transactions (efficient part)		-	-
Conversion of foreign currency		24	(55)
Hedging derivatives. Cash flow hedging reserve (effective portion)		(10,491)	(98,702)
Changes in fair value of debt instruments at fair value through other comprehensive income	8.2	7,383	(1,631)
Hedging instruments (non-designated elements)		-	-
Non-current assets and disposable groups of items classified as held for sale		-	-
<b>TOTAL NET EQUITY</b>		<b>7,002,783</b>	<b>6,743,949</b>
<b>TOTAL NET WORTH AND LIABILITIES</b>		<b>97,772,833</b>	<b>99,480,889</b>
<b>PRO MEMORIA: OFF-BALANCE SHEET EXPOSURES</b>			
COMMITMENTS FOR LOANS GRANTED	26.3	4,632,663	4,521,265
FINANCIAL GUARANTEES GRANTED	26.1	74,392	67,888
OTHER COMMITMENTS GRANTED	26.1	2,806,683	4,753,333

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

The Notes 1 to 42 described in the Annual Report and the Annexes I, II, III and IV form an integral part of the balance sheet of December 31, 2023.

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

	Note	(debits) credits 2023	2022
INTEREST INCOME	27	2,349,965	1,260,632
Financial assets at fair value through other comprehensive income		16,636	2,539
Financial assets at amortized cost		2,179,256	1,861,053
Others		154,073	(602,960)
INTEREST EXPENSE	28	(994,321)	(201,503)
EXPENSES FOR SHARE CAPITAL REPAYABLE ON DEMAND		-	-
<b>NET INTEREST MARGIN</b>		<b>1,355,644</b>	<b>1,059,129</b>
DIVIDEND INCOME	29	112,344	92,779
FEE REVENUE	30	527,769	519,176
FEE EXPENSES	31	(45,475)	(50,771)
NET GAINS OR LOSSES FOR DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES NOT MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS	32	4,804	36,292
NET GAINS OR LOSSES ON FINANCIAL ASSETS AND LIABILITIES HELD FOR TRADING	32	6,970	14,680
NET GAINS OR (LOSSES) FROM NON-TRADING FINANCIAL ASSETS MANDATORILY AT FAIR VALUE WITH CHANGES IN INCOME	32	4,525	(9,216)
NET GAINS OR LOSSES ON FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH INCOME	32	-	-
NET GAINS OR LOSSES RESULTING FROM HEDGE ACCOUNTING	32	(1,876)	5,512
NET EXCHANGE DIFFERENCES (PROFIT OR LOSS)		4,865	9,546
OTHER OPERATING INCOME	33	33,021	38,229
OTHER OPERATING EXPENSES	33	(295,512)	(178,306)
<b>GROSS MARGIN</b>		<b>1,707,079</b>	<b>1,537,050</b>
ADMINISTRATIVE EXPENSES		(726,916)	(737,042)
Personnel expenses	34	(446,740)	(472,036)
Other administration expenses	35	(280,176)	(265,006)
AMORTIZATION	12	(79,930)	(78,759)
(PROVISIONS OR REVERSAL OF PROVISIONS)	15	(118,311)	(94,283)
(IMPAIRMENT OF VALUE OR REVERSAL OF IMPAIRMENT OF FINANCIAL ASSETS NOT VALUED AT FAIR VALUE THROUGH INCOME AND NET GAINS OR LOSSES DUE TO CHANGES)		(113,134)	(210,426)
Financial assets at fair value through other comprehensive income		-	-
Financial assets at amortized cost		(113,134)	(210,426)
<b>PROFIT OR LOSS FROM OPERATING ACTIVITY</b>		<b>668,788</b>	<b>416,540</b>
IMPAIRMENT OR REVERSAL OF INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES, OR ASSOCIATES	36	(184,172)	(109,240)
IMPAIRMENT OF VALUE OR REVERSAL OF NON-FINANCIAL ASSETS	36	(4,548)	12,832
Tangible assets		(716)	435
Intangible assets		-	-
Others		(3,832)	12,397
NET GAINS OR LOSSES ON DERECOGNITION OF NON-FINANCIAL ASSETS AND HOLDINGS	37	3,566	7,704
NEGATIVE GOODWILL RECOGNIZED IN PROFIT OR LOSS		-	-
GAINS OR LOSSES FROM NON-CURRENT ASSETS AND DISPOSABLE GROUPS OF ITEMS CLASSIFIED AS HELD FOR SALE THAT ARE INADMISSIBLE AS DISCONTINUED OPERATIONS	38	(21,833)	7,057
<b>GAINS OR LOSSES BEFORE TAX FROM CONTINUING OPERATIONS</b>		<b>461,801</b>	<b>334,893</b>
EXPENSE OR INCOME FROM TAX ON GAINS FROM CONTINUING OPERATIONS		(189,239)	(99,834)
<b>GAINS OR LOSSES AFTER TAX FROM CONTINUING OPERATIONS</b>		<b>272,562</b>	<b>235,059</b>
GAINS OR LOSSES AFTER TAX FROM DISCONTINUED OPERATIONS		-	-
<b>PROFIT OR LOSS FOR THE YEAR</b>		<b>272,562</b>	<b>235,059</b>
<b>EARNINGS PER SHARE</b>			
Basic earnings per share (euros)		0.1	0.086
Diluted earnings per share (euros)		0.1	0.086

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

The Notes 1 to 42 described in the Annual Report and the Annexes I, II, III and IV form an integral part of the income statement at December 31, 2023.

**STATEMENT OF RECOGNIZED INCOME AND EXPENSE FOR THE  
FISCAL YEARS ENDED December 31, 2023 and 2022**  
(Thousands of euros)

	Note	Year 2023	2022
<b>PROFIT OR LOSS FOR THE YEAR</b>		<b>272,562</b>	<b>235,059</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>155,169</b>	<b>89,597</b>
<b>Elements that will not be reclassified as income</b>		<b>57,865</b>	<b>(114,290)</b>
Actuarial gains (losses) on defined benefit pension plans	34	(3,509)	(15,575)
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		57,206	(105,755)
Net gains or (-) losses from hedge accounting of equity instruments at fair value through other comprehensive income		-	-
Changes in fair value of equity instruments at fair value through other comprehensive income (hedged item)		-	-
Changes in fair value of equity instruments at fair value through other comprehensive income (hedging instrument)		-	-
Changes in fair value of financial liabilities at fair value with changes in income attributable to changes in credit risk		-	-
Income tax related to items that will not be reclassified to income	19	4,168	7,040
<b>Items that can be reclassified as income</b>		<b>97,304</b>	<b>203,887</b>
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	113	-
Value gains or (-) losses entered under net equity		113	-
Transferred to profit or loss		-	-
Other reclassifications		-	-
Cash flow hedges (effective portion)	10	126,015	294,047
Value gains or (-) losses entered under net equity		4,875	(128,532)
Transferred to profit or loss		121,140	422,579
Transferred to the original book value of the hedged items		-	-
Other reclassifications		-	-
Hedging instruments (non-designated elements)		-	-
Gains or (-) losses as a result of currency exchange entered under equity		-	-
Transferred to profit or loss		-	-
Other reclassifications		-	-
Debt instruments at fair value through other comprehensive income		12,877	(2,780)
Value gains or (-) losses entered under net equity		12,877	(2,780)
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	(41,701)	(87,380)
<b>TOTAL OVERALL PROFIT OR LOSS FOR THE YEAR</b>		<b>427,731</b>	<b>324,656</b>

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

The Notes 1 to 42 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, 2023.

**STATEMENTS OF CHANGES IN NET EQUITY FOR THE  
FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022**  
(Thousands of euros)

	Share capital	Share premium	Equity instruments issued other than share capital	Other net equity items	Accumulated earnings	Revaluation reserves	Other reserves	Own shares	Profit or loss for the year	Interim dividends	Other cumulative comprehensive income	Total
Opening 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
Effects of error correction	-	-	-	-	-	-	-	-	-	-	-	-
Effects of changes to accounting policies	-	-	-	-	-	-	-	-	-	-	-	-
Opening balance at 1/1/2023	663,708	1,322,995	547,385	-	3,832,350	-	261,682	(148)	235,059	-	(119,082)	6,743,949
Total overall profit or loss for the year	-	-	-	-	-	-	-	-	272,562	-	155,169	427,731
Other changes in net equity	-	-	(25)	-	55,407	-	13,314	(2,534)	(235,059)	-	-	(168,897)
Issue of common shares	-	-	-	-	-	-	-	-	-	-	-	-
Issue of preferred shares	-	-	-	-	-	-	-	-	-	-	-	-
Issue of other equity instruments	-	-	-	-	-	-	-	-	-	-	-	-
Exercising or expiry of other equity instruments issued	-	-	-	-	-	-	-	-	-	-	-	-
Conversion of debt into net equity	-	-	-	-	-	-	-	-	-	-	-	-
Share capital decrease	-	-	-	-	-	-	-	-	-	-	-	-
Dividends (or remuneration of shareholders) (Notes 3 and 18.2)	-	-	-	-	(159,529)	-	-	-	-	-	-	(159,529)
Purchase of own shares (Note 18.3)	-	-	-	-	-	-	-	(9,057)	-	-	-	(9,057)
Sale or cancellation of own shares (Note 18.3)	-	-	-	-	(124)	-	-	6,523	-	-	-	6,399
Reclassification of financial instruments from net equity to liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of financial instruments from liabilities to net equity	-	-	-	-	-	-	-	-	-	-	-	-
Transfers between components of net equity (Note 3)	-	-	-	-	235,059	-	-	-	(235,059)	-	-	-
Increase (decrease) in equity resulting from business combinations	-	-	-	-	-	-	-	-	-	-	-	-
Stock-based payments	-	-	-	-	-	-	-	-	-	-	-	-
Other increases (decreases) in net equity	-	-	(25)	-	(19,999)	-	13,314	-	-	-	-	(6,710)
Closing balance as at 12/31/2023	663,708	1,322,995	547,360	-	3,887,757	-	274,996	(2,682)	272,562	-	36,087	7,002,783

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

The Notes 1 to 42 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, 2023.

**STATEMENTS OF CHANGES IN NET EQUITY FOR THE  
FISCAL YEARS ENDED DECEMBER 31, 2023 AND 2022**  
(Thousands of euros)

	Share capital	Share premium	Equity instruments issued other than share capital	Other net equity items	Accumulated earnings	Revaluation reserves	Other reserves	Own shares	Profit or loss for the year	Interim dividends	Other cumulative comprehensive 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 own shares (Note 18.3)	-	-	-	-	-	-	-	(15)	-	-	-	(15)
Sale or cancellation of own shares (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 (decrease) in equity resulting from business combinations	-	-	-	-	-	-	-	-	-	-	-	-
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 42 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, 2023.

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

	Note	Year	
		2023	2022
<b>A) CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>4,414,249</b>	<b>(16,845,022)</b>
Profit or (loss) for the year		272,562	235,059
Adjustments to obtain the cash flows from operating activities		652,927	629,981
Amortization	2.14 and 12	79,930	78,759
Other adjustments	2.23	572,997	551,222
Net increase/decrease in operating assets		5,475,803	(457,971)
Financial assets held for trading	7	(748,614)	(17,257)
Non-trading financial assets mandatorily at fair value through profit or loss	7.2	37,987	81,678
Financial assets at fair value through income		-	-
Financial assets at fair value through other comprehensive income	8	(574,552)	80,441
Financial assets at amortized cost	9	5,999,539	229,350
Other operating assets		761,443	(832,183)
Net increase/decrease of operating liabilities		(2,307,351)	(17,228,244)
Financial liabilities held for trading	7.2	406,262	22,564
Financial liabilities valued at fair value with changes in income		-	-
Financial liabilities at amortized cost	14	(2,597,433)	(17,106,489)
Other operating liabilities		(116,180)	(144,319)
Tax on gains collections/payments		320,308	(23,847)
<b>B) CASH FLOWS FROM INVESTMENT ACTIVITIES</b>		<b>(1,204,541)</b>	<b>(157,657)</b>
Payments		(1,350,323)	(640,969)
Tangible assets	12.1	(40,918)	(62,847)
Intangible assets	12.2	(42,965)	(19,234)
Investments in subsidiaries, joint ventures and associates	11	(1,266,440)	(558,888)
Subsidiaries and other business units		-	-
Non-current assets and liabilities classified as held for sale	13	-	-
Other payments related to investment activities		-	-
Collections		145,782	483,312
Tangible assets	12.1	80,654	94,655
Intangible assets	12.2	5,635	1,485
Investments in subsidiaries, joint ventures and associates	11	3,123	289,116
Subsidiaries and other business units		-	-
Non-current assets and liabilities classified as held for sale	13	56,370	98,056
Other charges related to investment activities		-	-

(continued on next page)

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

The Notes 1 to 42 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, 2023



## UNICAJA

2023 financial statements

December 31, 2023



UNICAJA FINANCIAL STATEMENTS

	Note	Year	
		2023	2022
<b>C) CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>168,966</b>	<b>367,297</b>
<b>Payments</b>		<b>(636,610)</b>	<b>(432,206)</b>
Dividends	3	(128,576)	(67,338)
Subordinated liabilities	13.5	(18,000)	(333,899)
Amortization of equity instruments		(25)	-
Acquisition of equity instruments		(9,056)	(16)
Other payments related to financing activities		(480,953)	(30,953)
<b>Collections</b>		<b>805,576</b>	<b>799,503</b>
Subordinated liabilities	13.5	-	297,588
Issuance of equity instruments		-	-
Disposal of equity instruments		6,523	3,226
Other collections related to financing activities		799,053	498,689
<b>D) EFFECT OF EXCHANGE RATE VARIATIONS</b>		<b>-</b>	<b>-</b>
<b>E) NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT (A + B + C + D)</b>		<b>3,378,674</b>	<b>(16,635,382)</b>
<b>F) CASH AND EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>4,660,517</b>	<b>21,295,899</b>
<b>G) CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>		<b>8,039,191</b>	<b>4,660,517</b>
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD</b>			
Cash	2.23	513,256	494,042
Balances of cash equivalents with Central Banks	2.23	7,340,635	4,072,779
Other financial assets	2.23	185,300	93,696
Minus: Bank overdrafts repayable on demand		-	-
<b>TOTAL CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD</b>	<b>2.23</b>	<b>8,039,191</b>	<b>4,660,517</b>

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

The Notes 1 to 42 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, 2023

**UNICAJA BANCO, S.A.****ANNUAL REPORT FOR THE FISCAL YEAR ENDED December 31, 2023.**

(Expressed in thousands of euros)

**Contents**

1. Nature of the Bank, basis of presentation of the financial statements and other information.....	6
1.1. ....	6
1.2. ....	7
1.3. Membership of a company group .....	7
1.4. Responsibility for information and estimations made .....	8
1.5. Changes in accounting criteria, errors and comparability of information .....	9
1.5.1. Changes in accounting policies and errors.....	9
1.5.2. Comparison of information .....	9
1.6. Investments in the share capital of credit institutions.....	9
1.7. Agency agreements.....	9
1.8. ....	10
1.9. Minimum requirements.....	13
1.9.1. Minimum equity ratio.....	13
1.9.2. Minimum reserve ratio .....	16
1.10. Deposit Guarantee Fund .....	17
1.11. ....	18
1.12. Information by business segment.....	18
1.13. Temporary levy on banks.....	19
1.14. Post-year-end events .....	19
2. Accounting principles and policies - measurement criteria applied .....	20
2.1. Investments in subsidiaries, joint ventures and associates .....	20
2.1.1. Subsidiaries.....	20
2.1.2. Joint ventures (jointly controlled entities).....	21
2.1.3. Associates .....	21
2.2. Financial instruments.....	22
2.2.1. Classification of financial assets.....	23
2.2.2. Classification of financial liabilities .....	25
2.2.3. Initial valuation of financial instruments.....	25
2.2.4. Subsequent valuation of financial instruments.....	25
2.2.5. Fair value and amortized cost of financial instruments .....	27
2.2.6. Reclassifications of financial instruments .....	28
2.2.7. Derecognition of financial instruments .....	29
2.3. Hedge accounting and mitigation of risk.....	29
2.4. Foreign currency transactions.....	31
2.4.1. Functional currency.....	31
2.4.2. Criteria for the conversion of balances in foreign currencies .....	31
2.4.3. Exchange rates applied .....	31
2.4.4. Recognition of exchange differences.....	32
2.5. Recognition of income and expenses .....	32

2.5.1. Interest income, interest expense, dividends and similar items.....	32
2.5.2. Commissions, fees and similar items .....	33
2.5.3. Non-financial income and expense.....	33
2.5.4. Contributions to the Deposit Guarantee Fund for Credit Institutions (FGDEC) and the Single Resolution Fund (FUR).....	33
2.5.5. Temporary levy on banks .....	33
2.6. Offsetting .....	33
2.7. Impairment of value of financial assets.....	34
2.8. Financial guarantees and provisions established thereon .....	43
2.9. Accounting of lease transactions .....	44
2.9.1. When the Bank acts as lessor .....	44
2.9.2. When the Bank acts as lessee .....	44
2.10. Commitments to employees.....	47
2.10.1. Post-employment commitments.....	47
2.10.1.1. Criteria used for post-employment remuneration.....	53
2.10.1.2. Defined post-employment benefit obligations.....	54
2.10.2. Other long-term remuneration .....	56
2.10.3. Termination benefits.....	56
2.10.4. Voluntary severance plans.....	56
2.10.5. Other employee termination plans.....	57
2.10.6. Death and disability.....	57
2.10.7. Seniority awards.....	57
2.11. Income tax.....	57
2.12. Tangible assets.....	59
2.12.1. Tangible fixed assets for own use .....	59
2.12.2. Investment property .....	60
2.12.3. Tangible assets - Leased under operating leases .....	60
2.13. Recoverable amount of tangible assets .....	60
2.14. Intangible assets .....	61
2.15. Provisions and contingent liabilities .....	62
2.16. Transfers of financial assets.....	63
2.17. Non-current assets and liabilities included in disposal groups of items that have been classified as held for sale .....	64
2.18. Business combinations .....	65
2.19. Net equity .....	66
2.20. Balances and transactions with related parties .....	68
2.21. Statement of recognized income and expenses .....	68
2.22. Total statement of changes to net equity .....	69
2.23. Cash flow statement.....	70
2.24. Earnings per share .....	71
3. Distribution of the Bank's results .....	72
4. Earnings per share and dividends paid .....	73
5. Remuneration of the Board of Directors and senior management .....	75
5.1. Remuneration of the Board of Directors .....	75
5.2. Remuneration of Senior Management.....	75
5.3. Other operations carried out with the members of the Board of Directors and with Senior Management.....	76

5.4. Post-employment benefits of former members of the Bank's Board of Directors and Senior Management.....	76
6. Cash, cash balances with central banks and other demand deposits .....	77
7. Financial assets and liabilities at fair value through profit or loss .....	78
7.1. Financial assets and liabilities held for trading .....	78
7.1.1. Balance breakdown and maximum credit risk - receivables .....	78
7.1.2. Balance breakdown - payables .....	79
7.1.3. Financial derivatives held for trading.....	80
7.2. Non-trading financial assets mandatorily at fair value with changes in income.....	81
8. Financial assets at fair value through other comprehensive income .....	82
8.1. Composition of balance and maximum credit risk.....	82
8.2. Accumulated other comprehensive income - Items that can be reclassified as income - changes in the fair value of debt instruments valued at fair value with changes in other comprehensive income.....	84
8.3. Accumulated other comprehensive income - Items that may not be reclassified to income - Financial assets at fair value through other comprehensive income.....	84
9. Financial assets at amortized cost.....	85
9.1. Composition of balance and maximum credit risk.....	85
9.2. Loans and advances .....	86
9.3. Debt securities.....	88
9.4. Refinancing and restructuring operations.....	89
9.5. Financing operations with ICO Covid-19 guarantee .....	94
9.6. Past due and impaired assets.....	96
9.7. Credit risk hedging .....	98
10. Derivatives - Hedge accounting (accounts receivable and accounts payable) .....	100
11. Investments in subsidiaries, joint ventures and associates .....	109
11.1. Group entities .....	109
11.2. Jointly controlled entities.....	109
11.3. Associates .....	109
11.4. Notifications on acquisition and disposal of equity investments.....	109
11.5. Movement of investments in subsidiaries, joint ventures and associated companies .....	112
12. Tangible and intangible assets.....	114
12.1. Tangible assets.....	114
12.1.1. Tangible assets for own use .....	116
12.1.2. Investment property .....	117
12.1.3. Valuation adjustments due to impairment of tangible assets.....	118
12.1.4. Leasehold rights of use .....	119
12.2. Intangible assets .....	121
13. Non-current assets and disposable groups of items classified as held for sale and other assets .....	122
13.1. Non-current assets and disposal groups of items classified as held for sale.....	122
13.2. Other assets .....	126
14. Financial liabilities at amortized cost .....	127
14.1. Deposits from central banks.....	127
14.2. Deposits from credit institutions.....	129
14.3. Customer deposits.....	129
14.4. Debt securities issued .....	131

14.5. Other financial liabilities .....	137
15. Provisions .....	138
16. Other liabilities .....	145
17. Other cumulative comprehensive income .....	146
18. Own funds .....	147
18.1. Capital and share premium .....	147
18.2. Equity instruments issued other than share capital .....	147
18.3. Own shares .....	150
19. Tax situation .....	151
19.1. ....	151
19.2. Years open for review by the tax authorities .....	151
19.3. Reconciliation of accounting profit/(loss) to tax profit/(tax loss) .....	152
19.4. Temporary differences .....	153
19.5. Other relevant tax issues .....	156
19.6. ....	157
19.7. Information on the procedure for recovery of State Aid from the "Tax Lease" of Ship Financing by the European Commission .....	157
20. Financial instrument liquidity risk .....	159
21. Fair value .....	164
21.1. Valuation methods used .....	165
21.2. Fair value of financial assets and liabilities recorded at fair value .....	167
21.3. Fair value of financial assets and liabilities at amortized cost .....	170
21.4. Fair value of tangible assets .....	170
22. Credit risk exposure .....	171
23. Interest rate risk exposure .....	183
24. Exposure to other market risks .....	185
24.1. Market risk .....	185
24.2. Price risk of equity instruments .....	186
24.3. ....	187
25. Directors' duties of loyalty .....	188
26. Other significant information .....	189
26.1. Financial guarantees and other commitments granted .....	189
26.2. Assets assigned and received as collateral .....	190
26.3. Drawable by third parties .....	190
26.4. Third-party resources managed and marketed by the Bank and securities depository .....	191
26.5. Reclassifications of financial instruments .....	191
26.6. Asset securitization .....	192
26.7. Compensation agreements and guarantees .....	193
27. Interest income .....	194
28. Interest expense .....	195
29. Dividend income .....	196
30. Fee revenue .....	197
31. Fee expenses .....	198
32. Gains and losses on financial transactions .....	199
33. Other operating income and expenses .....	200
34. Personnel expenses .....	201
34.1. Post-employment commitments .....	202
34.1.1. General information on post-employment commitments .....	203

34.1.2. Information on defined contribution post-employment benefit obligations .....	204
34.1.3. Information on defined benefit post-employment benefit plans .....	204
34.2. Death and disability .....	224
34.3. Seniority awards.....	224
34.4. Agreed Compensated Leaves of Absence (EPC) .....	224
34.5. Assumptions used in other long-term commitments .....	225
35. Other administration expenses.....	226
36. Impairment in value or reversal of impairment in value of investments in joint ventures or associates and non-financial assets .....	227
37. Gains or losses when derecognizing non-financial assets and participations in accounts.....	228
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 .....	229
39. Related parties.....	230
40. Transparency of information regarding financing for construction, real estate development, financing for home purchases and assets acquired in payment of debts .....	232
40.1. Qualitative information .....	232
40.2. Quantitative information .....	233
41. Information on payment deferrals made to suppliers Third additional provision - duty of information of Law 15/2010, of July 5 .....	237
42. Customer Service .....	238

## **1. Nature of the Bank, basis of presentation of the financial statements and other information**

### **1.1. Nature of the Bank**

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

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

Unicaja has been a listed company since June 30, 2017, the date on which the Company's shares were admitted to trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges and included in the Stock Exchange Interconnection System (S.I.B.E. or Continuous Market). Since December 27, 2022, it has been included in the IBEX 35 index, with a proven track record of solvency and financial soundness.

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

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

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

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

The Bank's financial statements for fiscal year 2023 were prepared by the Board of Directors on February 29, 2024 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.

As at December 31, 2023, the Bank is the parent company of a group of subsidiaries engaged in various activities and which make up the Unicaja Group.

### **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 Bank of Spain Circular 4/2017, of November 27, 2017 and subsequent amendments, and with the Commercial Code, Capital Companies Act, approved by Royal Legislative Decree 1/2010, of July 2, 2010 and other applicable Spanish legislation, that give a true and fair view of the Bank's equity and financial position as at December 31, 2023, 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.

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

### 1.3. Membership to a company group

As indicated in Note 1.1, as at December 31, 2023, the Bank was the parent entity of a group of subsidiaries engaged in various activities and which make up the Unicaja Group.

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

The latest consolidated financial statements of the Unicaja Group that have been prepared are those for the fiscal year ended December 31, 2022, and have been filed with the Commercial Registry of Málaga.

The effect of consolidation on the accompanying balance sheet as at December 31, 2023 and 2022, income statement, statement of changes in equity, and statement of cash flows for 2023 and 2022 is summarized below:

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

(\*) Consolidated comparative figures restated due to the application of IFRS 17.

### 1.4. Responsibility for information and estimations 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 financial statements, 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 34).



- 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 40).

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

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

### 1.5.1. Changes in accounting policies and errors

The regulatory changes that occurred during the 2023 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 2022 that was published in the previous year's financial statements.

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

### 1.5.2. Comparison of information

The information contained in these financial statements for the 2022 fiscal year is shown solely and exclusively for comparative purposes with the information relative to the 2023 fiscal year and therefore does not constitute the Bank's financial statements for the 2022 fiscal year.

## 1.6. Investments in the share capital of credit institutions

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

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

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

## 1.7. Agency agreements

Annex I of the annual report includes a list of Bank agents at December 31, 2023, that meet the requirements established in Article 21 of Royal Decree 84/2015, of February 13, 2015 implementing Law 10/2014, of June 26, 2015 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

Unicaja's global operations are governed by laws relating to the protection of the environment (environmental laws). The Bank considers that it substantially complies with these laws and maintains procedures designed to ensure and promote their compliance.

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

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

Climate change is one of the greatest challenges facing society. Different scientific circles have expressed the need to achieve a substantial and sustained reduction in Greenhouse Gas Emissions over time as the only way of limiting the impact of climate change.

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

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

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

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

With regard to climate change, mitigation commitments are adopted, with the establishment of targets for the reduction of Greenhouse Gas emissions, which require the definition and implementation of actions aimed at the complete measurement and reduction of the carbon footprint of its corporate activity and the granting of financing.

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

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

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

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

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

1. Identification of climate and environmental risks: First, an exhaustive identification of the climate and environmental risks relevant to the Bank is carried out. This includes both physical risks (such as extreme weather events and changes in weather patterns) and transitional risks (regulatory, technological, market and reputational changes associated with the transition to a low-carbon economy).
2. Materiality analysis: The next step is to determine the materiality of these risks, i.e. to assess the extent to which they may significantly affect the Bank. This materiality analysis involves not only considering the potential impact of the risks themselves, but also how they may influence or exacerbate traditional risks.
3. Integration with traditional risks: Once identified and assessed in terms of their materiality, these climate and environmental risks are integrated into the Bank's overall risk management framework. This involves adjusting existing risk models to include these new factors, as well as developing new models and approaches where necessary.
4. Modeling and scenarios: For effective quantification, models and scenario analysis are used. This includes the use of climate risk models to project possible future impacts under different scenarios (such as global warming scenarios). These models help to understand how different climate risk trajectories could impact the entity's traditional risks.
5. Continuous updating and follow-up: Given that both climate issues and the regulatory and market environment are constantly evolving, the quantification of these risks requires a process of continuous review and updating. This ensures that Unicaja maintains an up-to-date and relevant understanding of its exposure to these risks and their potential impact.

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

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

On the other hand, with the reorganization of functions that took place in fiscal year 2023, two Directorates have been created with functions and responsibilities in the area of climate and environmental risk management.

- ESG Strategy Department (part of the CEO's Office and Strategy Department): responsible for promoting and coordinating the implementation of an ethical, environmental and socially responsible management model integrated into the Bank's strategy and processes, in accordance with applicable regulations, regulators' and supervisors' guidelines and market trends.
- ESG Management (belonging to the Credit Risk and ESG Department): its main functions are to design the necessary actions to respond to the expectations of stakeholders on sustainability, identify and promote the materialization of new business opportunities arising both from accompanying customers in the investments required for the transition to a more sustainable model and from the development of ecosystems and a catalog of sustainable products, as well as ensure the integration of ESG risks in business management through their identification, measurement, management and monitoring and define, propose and implement policies, strategies and metrics in the area of credit risk, as well as the delegated powers and authorities.

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

## 1.9. Minimum requirements

### 1.9.1. Minimum 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, 2016 on 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. 575/2013 lays down consistent standards to be met by entities regarding: 1) equity requirements as to credit risk, market risk, operating risk and settlement risk elements; 2) requirements aimed at limiting major risks; 3) liquidity risk coverage regarding fully quantifiable, consistent and standardized items, once developed by virtue of a Commission delegated action; 4) setting of the leverage ratio; and 5) information and public disclosure requirements.

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

Additionally, the regime under Directive 2014/59/EU (BRRD) and Regulation 86/2014/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 2023 are as follows:

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

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

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

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

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

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

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

Thousands of euros	2023	2022
Computable Common Equity Tier 1 Capital (a)	4,469,989	4,658,865
Computable Additional Tier 1 Capital (b)	547,360	547,385
Computable Tier 2 Capital (c)	600,000	611,760
Risks (d)	29,840,728	34,133,035
Common Equity Tier 1 Capital Ratio (CET 1) (A) = (a)/(d)	14.98%	13.65%
Additional Tier 1 Capital Ratio (AT 1) (B) = (b)/(d)	1.83%	1.6%
Tier 1 Capital Ratio (Tier 1) (A)+ (B)	16.81%	15.2%
Tier 2 Capital Ratio (Tier 2) (C)=(c)/(d)	2.01%	1.79%
<b>Total capital Ratio (A) + (B) + (C)</b>	<b>18.82%</b>	<b>17.05%</b>

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

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

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

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

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

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

#### 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 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 Bank's general business strategies and policies and set the general guidelines for risk management and control in the entity.
- General internal control environment.
- Segregation of functions, with the entity's risk measurement and control process being completely independent of the risk-taking function.
- Prudent management of credit risk exposure, in particular by avoiding projects of uncertain viability and limiting the amount of investment based on sufficient collateral parameters.
- Selection of appropriate methodologies for measuring the risks incurred.

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'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 2023 and 2022, the Bank complied with the minimum required for this ratio in line with the applicable Spanish regulations.

### 1.10. Deposit Guarantee Fund

Unicaja is integrated into the Credit Institution Deposit Guarantee Fund. The ordinary annual contribution to be made by the entities in this fund, established by Royal Decree-Law 16/2011, of October 14, 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 is 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 2023 and 2022, the expense incurred for ordinary and additional contributions and overruns made to this organization amounted to 88,275,000 euros and 87,665,000 euros respectively, which has been recorded under "Other operating expenses" in the income statement (Note 33).

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

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

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

For fiscal year 2023, the 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‰ of the calculation basis of the contributions to this compartment defined in Article 3.2.a) of Royal Decree 2606/1996, as of December 31, 2022, with the contribution of each entity calculated on the basis of the amount of guaranteed deposits and its risk profile.
- Annual contribution to the FGDEC's Securities Guarantee Compartment equal to 2‰ of the calculation basis, made up of 5% of the amount of the guaranteed securities as stated in Article 3.2.b) of Royal Decree 2606/1996, as of December 31, 2023.

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

### 1.11. Contributions to the Single Resolution Fund

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

The main objective of the SRM is to ensure that bank failures in the European banking union are managed efficiently, with minimum costs for the taxpayer and the real economy. The scope of action of the SRM is identical to that of the Single Supervisory Mechanism (SSM), a central authority in other words. 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 SR" 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. 86/2014 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.

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

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

The expense recorded under "Other operating expenses" in the income statement at December 31, 2023 and 2022 for the contributions made to the Single Resolution Fund amounted to 42,619,000 euros and 24,149,000 euros respectively (Note 33).

### 1.12. Information by business segment

The Bank'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. 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.

This new temporary bank levy has the nature of an "encumbrance" from the accounting point of view, in accordance with the financial reporting framework applicable to the Bank, and is recorded in full as of January 1, since this is the time at which the obligation arises.

The "Other operating expenses" heading in the income statement as at December 31, 2023 includes an amount of 63,844,000 euros for the temporary levy on credit institutions corresponding to 2023 (Note 33).

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

### 1.14. Post-year-end events

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

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

In the period from year-end on December 31, 2023, 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 - measurement criteria applied

The following accounting principles and policies and valuation criteria were applied in preparing the annual financial statements for 2023 and 2022:

### 2.1. Investments in subsidiaries, joint ventures and associates

#### 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 Bank control.

At December 31, 2023 and 2022, 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 details in Annex 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, pursuant to Bank of Spain Circular 4/2017, of November 27, 2017, 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, 2023 and 2022, Unicaja 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 2023 and 2022.

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, pursuant to Bank of Spain Circular 4/2017, of November 27, 2017, 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 2023 and 2022.

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 will be taken into account.
- b) Representation on the Board of Directors or equivalent management body of the investee.
- c) Involvement in the policy establishing processes.
- d) Transactions of relative importance between the investor and the investee.
- e) Exchange of management personnel; or provision of essential technical information.
- f) Right of veto over significant decisions.
- g) Debt security, extension of credit, holding warrants, debt obligation and other securities.

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, pursuant to Bank of Spain Circular 4/2017, of November 27, 2017, 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 associates that have taken place during fiscal years 2023 and 2022.

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

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

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 not 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 this accounting policy, the Group defines the fair value of the financial asset at initial recognition as principal. This amount may change during the life of the financial asset, for example, if there is amortization of principal.

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

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



- Credit risk: can be defined as the loss that would result from the possible non-payment or loss of solvency of a debtor, i.e., the probability that, when the collection right is due, it will not be met.
- Other basic risks and costs: incorporates risks such as liquidity or administration costs.
- Profit margin: the additional margin charged by the creditor for a credit operation.

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

To complete the analysis and reach the final conclusion, Unicaja 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.

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.

Note 21 details the fair value of assets and liabilities as of December 31, 2023 and 2022, as well as the valuation techniques used to estimate such fair value

### 2.2.6. Reclassifications of financial instruments

Exclusively when the 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 will be recognized and derecognized according to the trade date or settlement date. Unicaja has opted to carry out such registration on the settlement date.

### 2.3. Hedge accounting and mitigation of risk

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

#### 2.4.2. Criteria for the conversion of balances in foreign currencies

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. Exchange rates applied

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

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

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

During the financial year 2023, the net amount of exchange differences that have been charged in the consolidated statement of recognized income and expenses as "Foreign currency translation" amounts to 113,000 euros (net), while during the financial year 2022 there was no impact.



## 2.5. Recognition of income and expenses

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

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

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 expense

They are recognized in accounting according to the accrual criterion.

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

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

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 financial statements in line with 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 (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, in the context of the business combination resulting from the merger by absorption of Liberbank, S.A. (as the absorbed entity) by Unicaja (as the absorbing entity), Unicaja 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 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 own funds as a result of losses in the last financial year or negative net equity.
- Continued losses or material decline, or significantly inadequate economic-financial structure.
- Generalized delay of payments or insufficient cash flows.
- Credit rating by a specialized company showing that the borrower is in default or close to default.
- Overdue commitments to public agencies or employees.
- Balances claimed or that it has been decided to claim their reimbursement judicially.
- Creditors in insolvency proceedings.

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

*Significant increase in credit risk*

To determine the significant increase in risk, the 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 at December 31, 2023, 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. Unicaja applies two criteria to measure the significant increase in risk: the first establishes a relative threshold of 200% for all portfolios, while the second consists of a relative threshold that depends on the type of portfolio (established on the basis of historical information on portfolio performance). In accordance with the Unicaja Group's policies, it is sufficient for one of the criteria to be met for the exposure to be considered to have experienced a significant increase in risk, provided that the 12-month PD is greater than 0.5% (backstop).
- **Accredited Triggers:** A set of indicators at the accredited level for both individuals and legal entities that adjusts its classification based on the combination of one or more main and complementary indicators and 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 of default is for a sum greater than 500 euros.
- **Expert analysis trigger:** Indicator activated according to the analyses performed by Unicaja's Credit Risk Monitoring Department on certain borrowers, portfolios and groups based on expert criteria and mainly in response to temporary situations of weakness that may arise.

*Low credit risk*

Pursuant to 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 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 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 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 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 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 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 Group are as follows: (i) development and land, (ii) civil works, (iii) other specialized financing, and (iv) large companies.

Unicaja 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 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 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.

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

%	2023	2024	2025
Real GDP (% year-on-year change, annual average)	2.5%	1.9%	2.2%
Unemployment rate (% , annual average, EPA)	1%	12.74%	12.19%
CPI (% , annual average)	3.76%	3.6%	2.85%
Housing prices (% year-on-year change, end of period)	2.5%	0.2%	-0.8%
3-month Euribor (%)	2.86%	3.57%	3.25%
Spanish 10-year bond yields (%)	3.31%	3.45%	3.57%

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

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



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

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

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

Based on the results obtained by estimating Bayesian vector autoregressive (BVAR) models, aligned with those used by the European Central Bank (ECB), the European Systemic Risk Board (ESRB) and the Bank of Spain, the values of the selected variables are projected, using a dynamic stochastic model, applying Bootstrap with replacement with 10,000 iterations and a confidence level of 80%, where the mean value corresponds to the base scenario (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'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. The central tendency thus 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 has opted to apply an adjustment to the results of its internal models for the collective estimation of credit risk coverages, to reflect the potential credit deterioration that could result from the situation described above.

The adjustments consisted of the following:

- The year-on-year rate of change of the Harmonized Index of Consumer Prices (HICP) is no longer considered in the base models in order to avoid the correlation between periods of high inflation and economic growth.
- This rate was used to determine this subsequent adjustment to the models, performing 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) on the available historical database. The aim is to make the portfolio's PD parameter sensitive to inflation through these correlations.

As of December 31, 2023, the adjustment subsequent to the expected loss estimate of the models amounts to 101.1 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 2023. In this sense, the impacts derived from physical risk or transition risk (with very long-term decarbonization paths) would already be reflected in the macroeconomic expectations used and, in the event of any significant risk derived from climate change in the short term, it would also be reflected at an idiosyncratic level through the financial information of borrowers with individually significant exposures. Unicaja 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 of lease 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 substantially transfers 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 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, following the entry into force of Bank of Spain Circular 2/2018 and 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, an occupational pension plan was formalized which was externalized in Unifondo Pensiones V Pension Fund as part of the pension commitments accrued with the personnel. The remaining pension commitments included in the internal funds at December 31, 2001 were insured by policies during 2004 and 2005 (Note 34).

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

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

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

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

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

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

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

*Commitments from Caja de Ahorros de Asturias (Cajastur):*

- On August 24, 1989, the Board of Directors of Caja de Ahorros de Asturias resolved to apply Pension Plan Act 8/1987, of June 8, and integrate its pension fund into an external one.
- For that purpose, in 1990, a pension plan was created called Caja de Ahorros de Asturias Employees' Pension Plan, PECAJASTUR, where Caja de Ahorros de Asturias was the sponsor. This pension plan joined the Fondo de Pensiones de Empleados de la Caja de Ahorros de Asturias (FPCAJASTUR). The plan was underwritten by Caser Ahorrovida, Compañía de Seguros y Reaseguros, S.A.
- The PECAJASTUR Plan had three subplans. Employees who joined before May 30, 1986, belonged to Subplan I and those who joined after May 29, 1986 belonged to Subplan II. Employees who had freely decided to belong to Subplan I or II before December 16, 2011, also belonged to Subplan III.
- Subplan II, for the retirement contingency, and Subplan III are defined contribution. Subplan I was defined benefit and Subplan II, for the other contingencies, is defined benefit.
- On September 16, 2013, Liberbank, S.A. and the 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.
- This 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.

Regarding the assumptions used in the accounting quantification of Unicaja'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 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). Additionally, it affects the "loyalty award" commitment and the "early retirees group 13" group.

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

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

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

Considering that both the commitments related to pension growth are linked 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 2023 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.

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

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

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

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

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

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

Plan 1 España Duero	2023	2022
Salary growth	0% (*)	0% (*)
Growth in Social Security coverage (Contribution bases)	0% (*)	0% (*)
Pension review rate	1.5% (**)	2.0%
Mortality tables	PERMF 2020 1st Order	PERMF 2020 1st Order

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

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

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

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

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

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

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

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

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

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



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

- The employees originally from 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 0.3%.

#### *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, 2023 and 2022, there were 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.

Pursuant to the 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 "Other accumulated global income" section in "Own funds" 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 14 of section B.3) of Rule 35 of Bank of Spain Circular 4/2017. At the end of the fiscal years 2023 and 2022, for the insured commitments in insurance policies, the fair value of the assets and obligations has been calculated by applying a discount rate based on the average duration of the commitments.
- **For uninsured commitments:** The market reference rate used is that corresponding to highly rated corporate bond and debenture issues, taking as a reference the IBOXX AA Corporate curve (i.e. that corresponding to highly rated corporate bonds in the eurozone) as of December 31, 2023 and 2022.

### 2.10.1.2. Defined post-employment benefit obligations

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

#### Plan 1 Unicaja

- Defined post-employment remuneration benefits externalized through a pension plan of the employment system called "Joint Promotion Pension Plan for the employees of Unicaja Banco S.A. and Fundación Bancaria Unicaja", including both active personnel and beneficiary personnel who are already receiving the post-employment benefit. The Plan has taken out insurance policies for all defined benefit commitments, passing the financial and actuarial risk to the insurer. The insurance company for these policies is Unicorp Vida, Compañía de Seguros y Reaseguros, S.A.
- Defined post-employment remuneration benefits externalized through an insurance policy suitable for the externalization of commitments according to Royal Decree 1588/1999, to the extent that the legal limits on contributions to pension plans do not allow their financing within the Pension Plan itself. The insurance company for this policy is Unicorp Vida, Compañía de Seguros y Reaseguros, S.A.

#### Plan 2 Unicaja

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

#### Plan 1 EspañaDuero

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

- 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 Unión del 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 Unión del 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 del 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 company are CASER and MEDVIDA.

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

#### Caja de Ahorros de Asturias Employees' Pension Plan

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

#### Caja de Ahorros de Extremadura Employees' Pension Plan

- a) Defined post-employment remuneration benefits externalized through a pension plan of the employment system called "Caja de Ahorros de Extremadura Employees' Pension Plan". All of these salaries correspond to beneficiary personnel who are already receiving post-employment benefits. The Plan has taken out insurance policies for all defined benefit commitments, passing the financial and actuarial risk to the insurer. The insurance company is MEDVIDA.
- b) Defined post-employment remuneration benefits externalized through apt insurance policies for the externalization of commitments according to Royal Decree 1588/1999. These are two policies whose insurance company is CASER.

#### Caja Cantabria Employees' Pension Plan

- a) Defined post-employment remuneration benefits externalized through a pension plan of the employment system called "Caja Cantabria Employees' Pension Plan". All of these salaries correspond to beneficiary personnel who are already receiving post-employment benefits. The Plan has taken out an insurance policy for all of the defined benefit commitments, passing the financial and actuarial risk to the insurer. The insurance company is CASER.
- b) Defined post remuneration benefits externalized through insurance policies for the externalization of commitments according to Royal Decree 1588/1999. These are two policies whose insurance company is CASER.

### Caja de Ahorros de Castilla-La Mancha Employment Pension Plan

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

### 2.10.2. Other long-term remuneration

During fiscal years 2023 and 2022, the Bank 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 rescission 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

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

On December 17, 2018, Unicaja reached an agreement with the majority of the 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 launched a new voluntary early retirement plan, which is open to employees who reach the age of 58 years or older on December 31, 2023, and are not covered by any of the current severance plans.

### 2.10.5. 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 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 financial year 2021 (Note 15). At December 31, 2023 and 2022, the amount of the provision is 221 million euros and 280 million euros respectively (Note 15).

### 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 2.10.1) 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

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

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

## 2.11. Income tax

The Bank is taxed under the special 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.

For its part, the Bank only records deferred tax assets arising from deductible temporary differences, credits for deductions or allowances or the existence of tax loss carryforwards if it is considered probable that it will have sufficient taxable profits in the future against which to offset them; or they are guaranteed in accordance with the provisions of Royal Decree Law 14/2013, of November 20, 2013, on urgent measures for the adaptation of Spanish law to European Union regulations on the supervision and solvency of financial institutions, as detailed below.

On November 30, 2013, Royal Decree-Law 14/2013, of November 29, on urgent measures for the adaptation of Spanish law to European Union regulations on the supervision and solvency of financial institutions was published in the Official State Gazette, which, among other aspects, introduced amendments to the revised text of the Corporate Income Tax Law approved by Royal Legislative Decree 4/2004, of March 5, establishing, for tax periods beginning on or after January 1, 2011, a new treatment relating to the inclusion in the tax bases, with certain limits, for tax periods beginning in or after 2014, certain temporary differences arising from provisions for impairment of loans or other assets deriving from possible insolvencies of debtors not related to the taxpayer and those corresponding to provisions for contributions to social welfare systems and, where applicable, pre-retirement, it also establishes the possibility, in addition, that these temporary differences may be exchanged for government debt securities and deferred tax assets once the period for offsetting tax loss carryforwards established in the applicable regulations has elapsed.

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



## 2.12. 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.

Tangible fixed assets for own use, excluding rights of use, are stated in the consolidated balance sheet at acquisition cost, consisting of the fair value of any consideration given plus all cash payments made or committed, less accumulated amortization and, if applicable, estimated impairment losses (carrying amount higher than recoverable amount). The acquisition cost of 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 from 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.

On each closing of accounts, the Bank analyses whether there are internal and external signs that the net value of the material assets exceeds their corresponding recoverable value (Note 2.13).

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. Investment property

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

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

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

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

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

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

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

## 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.

Pursuant to 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 20,434,000 euros and 16,270,000 euros respectively, in the years ended December 31, 2023 and 2022 (Note 12.2.1).

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 2.12.1).

## 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 Bank's control.

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 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 2023 and 2022, 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 recognized.
  - 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 will be identified, which will 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, will 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 will 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" section 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 and held by it is recorded, as a reduction of equity, under the "Own funds - Own shares" caption in the balance sheet. These own shares instruments are recorded at acquisition cost and gains and losses generated on disposal are credited or debited, as appropriate, to "Own funds - Other reserves - Other" in the balance sheet. Changes in the value of instruments classified as Own funds 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:

- 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;
- is an associated entity (as defined in Note 2.1.3);
- is a joint venture (as defined in Note 2.1.2);
- is key management personnel of the entity or its parent company;
- is a close relative of a person falling under (a) or (d);
- 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
- 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 expenses

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:

- Profit or loss for the year.
- The net amount of income and expenses recognized directly and temporarily during the year as "Accumulated other comprehensive income" in equity.
- The net amount of income and expenses recognized during the year directly and definitively recorded in equity as "Accumulated other comprehensive income", if any.
- 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. Total statement of changes to 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 statement

“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 2023 and 2022, the following expressions are used in the following senses:

- Cash flows: inflows and outflows of cash and cash equivalents, which are short-term, highly liquid investments that are subject to an insignificant risk of changes in value and, exclusively, since they form part of cash management, bank overdrafts repayable on demand, which reduce the amount of cash and cash equivalents.
- Operating activities: the typical activities of credit institutions, as well as other activities that cannot be classified as investment or financing. Interest paid on any financing received, even if considered as financing activities, is also considered as operating activities.
- Investment activities: activities that involve the acquisition, sale or disposal by other means of long-term assets and other investments that are not considered to be cash and cash equivalents.
- Financing activities: activities that cause changes to the size and composition of the net equity and liabilities that are not considered operating activities, such as subordinated liabilities.

Certain adjustments are included as part of the cash flows from operating activities in order to obtain the amount of such cash flows from the profit or loss for the year. As of December 31, 2023 and 2022, 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, 2023 and 2022 amounts to 513,256,000 euros and 494,042,000 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 as of December 31, 2023 and 2022, including valuation adjustments of 2,233,000 euros and 908,000 euros respectively, amounted to 7,340,635,000 euros and 4,072,779,000 euros respectively (Note 6).
- Demand balances held with credit institutions, other than balances held with Central Banks and except for mutual accounts. 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 185,300,000 euros and 93,696,000 euros at December 31, 2023 and 2022 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 2023 that its Board of Directors will submit for approval of the General Shareholders' Meeting, together with the already approved distribution for the fiscal year 2022, is as follows:

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

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

In accordance with Royal Legislative Decree 1/2010, of July 2, which approves the Consolidated Text of the Capital Companies Law, entities that obtain profits in a financial year must provide 10% of the profit for the year to the legal reserve. These allocations must be made until the legal reserve reaches at least 20% of the paid-up share capital. The legal reserve may be used to increase the capital stock in the part of its balance that exceeds 10% of the capital stock already increased. As long as it does not exceed 20% of the capital stock, the legal reserve may only be used to offset losses, provided that sufficient other reserves are not available for this purpose. In the proposed distribution of income for 2023 and 2022, 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 own 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 are presented below for the years ended December 31, 2023 and 2022:

	2023	2022
Net income for the year (in,000s of euros)	272,562	235,059
Adjustments: Remuneration of contingently convertible instruments (thousands of euros)	(6,850)	(6,850)
Adjusted income (in thousands of euros)	265,712	228,209
Of which: Income (loss) from continuing operations (in,000s of euros)	265,712	228,209
Of which: Income (loss) from discontinued operations (in,000s of euros)	-	-
Weighted average number of common shares outstanding minus the weighted average number of common shares outstanding for own shares (in,000s)	2,655,032	2,653,191
Basic earnings per share in continuing operations (in euros)	0.1	0.086
Basic earnings per share in discontinued operations (in euros)	-	-
<b>Basic earnings per share (in euros)</b>	<b>0.1</b>	<b>0.086</b>
	2023	2022
Net income for the year (in,000s of euros)	272,562	235,059
Adjustments: Remuneration of contingently convertible instruments (thousands of euros)	(6,850)	(6,850)
Adjusted income (in,000s of euros)	265,712	228,209
Of which: Income (loss) from continuing operations (in,000s of euros)	265,712	228,209
Of which: Income (loss) from discontinued operations (in,000s of euros)	-	-
Weighted average number of common shares outstanding reduced by own shares (in,000s)	2,655,032	2,653,191
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,000s)	2,655,032	2,653,191
Basic earnings per share in continuing operations (in euros)	0.1	0.086
Basic earnings per share in discontinued operations (in euros)	-	-
<b>Diluted earnings per share (in euros)</b>	<b>0.1</b>	<b>0.086</b>

As of December 31, 2023 and 2022, Unicaja 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 2023 and 2022 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, 2023, they would have an anti-dilutive effect, as earnings per share would increase to 0.101 per share in the event of conversion of PeCoCos into shares (at December 31, 2022, they would also have had a dilutive effect, as earnings per share would be reduced to 0.087 euros per share).

#### **Dividends paid and remuneration from other equity instruments**

Dividends paid by Unicaja during the years ended December 31, 2023 and 2022 are as follows:

<i>Thousands of euros</i>	<b>2023</b>			<b>2022</b>		
	<b>% of nominal</b>	<b>euros per share</b>	<b>Amount</b>	<b>% of nominal</b>	<b>euros per share</b>	<b>Amount</b>
Ordinary shares	19.4%	0.048	128,576	10.1%	0.025	67,338
Other shares (with no vote, redeemable,	-%	-	-	-%	-	-
<b>Total dividends paid</b>	<b>19.4%</b>	<b>0.048</b>	<b>128,576</b>	<b>10.1%</b>	<b>0.025</b>	<b>67,338</b>
Dividends charged to profit or loss	-	-	128,576	-	-	67,338
Dividends charged to reserves or issue premium	-	-	-	-	-	-
Dividends in kind	-	-	-	-	-	-

The above calculation has been made taking into account the number of shares existing at the date on which the distribution of income occurred, without taking into account convertible instruments with anti-dilutive and dilutive effect in 2023 and 2022 respectively.

Also, during 2023, discretionary distributions were agreed and paid on the Contingently Convertible Perpetual Bonds (PeCoCos) and Contingently Redeemable Preferred Participations issued by Unicaja, for a total amount of 6,850,000 euros (6,850,000 euros in 2022) (Note 18.2). During 2023, discretionary remuneration was paid in relation to the Contingently Redeemable Preferred Participations amounting to 24,375,000 euros (24,373,000 euros in 2022) (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 2023 and 2022, which correspond to the amounts accrued as attendance fees, as well as fixed remuneration solely for their status as Board Members.

<i>Thousands of euros</i>	2023	2022
Manuel Azuaga Moreno	104	60
Isidro Rubiales Gil	18	-
Juan Fraile Cantón	27	87
María Teresa Sáez Ponte	25	89
Ana Bolado Valle	-	13
Manuel Conthe Gutiérrez	-	10
Petra Mateos-Aparicio Morales	22	79
Manuel Muela Martín-Buitrago	22	76
María Luisa Arjonilla López	123	109
Jorge Delclaux Bravo	29	86
Felipe Fernández Fernández	74	75
María Garaña Corces	25	102
Manuel González Cid	-	19
Manuel Menéndez Menéndez	47	60
Ernesto Luis Tinajero Flores	-	53
David Vaamonde Juanatey	-	-
María Teresa Costa Campi	21	5
Rafael Domínguez de la Maza	84	27
Carolina Martínez Caro	124	39
Isidoro Unda Urzaiz	26	26
Nuria Aliño Pérez	19	-
Antonio Carrascosa Morales	29	-
Rocío Fernández Funcia	38	-
Miguel González Moreno	59	-
Inés Guzmán Arruez	26	-
Juan Antonio Izaguirre Ventosa	75	-
Natalia Sánchez Romero	60	-
José Ramón Sánchez Serrano	69	-

### 5.2. Remuneration of senior management

For the purpose of preparing the 2023 financial statements, Unicaja's Senior Management has been considered to include twenty-four people (twenty-one in 2022), including two Executive Board Members (two in 2022). The remuneration received by the members of this group in fiscal years 2023 and 2022 amounted to 5,307,000 euros and 5,390,000 euros respectively. 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 501,000 euros in 2023, with 547,000 euros having been charged in 2022, 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, 2023 and 2022 corresponding to transactions with the members of the Board of Directors and the Bank’s Senior Management indicated above, as well as the detail of the income and expenses recorded in the income statement for both periods for transactions carried out by these groups with the Bank, other than those included in Notes 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 2023 and 2022 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 at December 31, 2023 and 2022 is as follows:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Cash	513,256	494,042
Deposits at the Bank of Spain	7,338,402	4,071,871
Other demand deposits	185,300	93,696
Valuation adjustments - Accrued interest	2,233	908
	<b>8,039,191</b>	<b>4,660,517</b>

The interest accrued during the fiscal years 2023 and 2022 on these deposits at the Bank of Spain amounted to 195,896,000 euros and 32,641,000 euros respectively, and was recorded under "Interest income" of the income statement (Note 27).

## 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

The following is a breakdown of the financial assets included in this category at December 31, 2023 and 2022, classified by kind of counterpart and type of instrument:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
<b>By types of counterparts -</b>		
Credit institutions	59,214	31,505
Resident Public Administrations	472,799	-
Non-Resident Public Administrations	176,259	
Other resident sectors	10,387	1,266
Other non-resident sectors	62,726	
	<b>781,385</b>	<b>32,771</b>
<b>By instrument type -</b>		
Listed shares	-	-
Obligations and listed bonds	749,072	-
Derivatives not traded in organized markets	32,313	32,771
	<b>781,385</b>	<b>32,771</b>

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 2023 and 2022 on debt instruments classified in the financial assets portfolio held for trading amounted to 926,000 euros and 20,000 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 rest of the portfolios at fair value through income as of December 31, 2023 and 2022 was 3.33% and 3.05%, respectively.

The negative cash flow included in the statement of cash flows for the 2023 fiscal year for the debit balances of the portfolio of financial assets held for trading amounts to 748,614,000 euros (positive cash flow of 17,257,000 euros in the 2022 fiscal year).

### 7.1.2. Balance breakdown - payables

Below is a breakdown of the financial liabilities included in this category at December 31, 2023 and 2022, classified by kind of counterpart and type of instrument:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
<b>By types of counterparts -</b>		
Credit institutions	435,557	24,611
Other resident sectors	8,619	13,308
Other non-resident sectors	5	-
	<b>444,181</b>	<b>37,919</b>
<b>By type of instrument -</b>		
Derivatives traded in organized markets	-	-
Derivatives not traded in organized markets	32,345	37,919
Short positions in securities	411,836	-
	<b>444,181</b>	<b>37,919</b>

The positive cash flow included in the statement of cash flows for the 2023 fiscal year for the debit balances of the portfolio of financial assets held for trading amounts to 406,262,000 euros (positive cash flow of 22,564,000 euros in the 2022 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, 2023 and 2022:

	2023				2022			
	Receivables		Payables		Receivables		Payables	
	Fair value	Notional Amount	Fair value	Notional Amount	Fair value	Notional Amount	Fair value	Notional Amount
<b>Purchase and sale of unexpired foreign currency:</b>	<b>34</b>	<b>18,673</b>	<b>20</b>	<b>19,200</b>	<b>394</b>	<b>30,018</b>	<b>379</b>	<b>29,496</b>
Purchases of foreign currencies against euros	22	1,803	6	17,395	-	-	-	-
Sales of foreign currencies against euros	12	16,870	14	1,805	394	30,018	379	29,496
<b>Securities and interest rate futures:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>115,548</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Purchased	-	-	-	-	-	-	-	-
Sold	-	-	-	115,548	-	-	-	-
<b>Security options:</b>	<b>-</b>	<b>-</b>	<b>59</b>	<b>269,227</b>	<b>-</b>	<b>-</b>	<b>223</b>	<b>416,393</b>
Purchased	-	-	-	-	-	-	-	-
Issued	-	-	59	269,227	-	-	223	416,393
<b>Interest rate options:</b>	<b>1,634</b>	<b>46,699</b>	<b>1,671</b>	<b>71,695</b>	<b>2,557</b>	<b>34,507</b>	<b>2,628</b>	<b>78,853</b>
Purchases	1,634	46,699	-	-	2,557	34,507	-	9,084
Sales	-	-	1,671	71,695	-	-	2,628	69,769
<b>Other securities operations</b>	<b>-</b>	<b>-</b>	<b>1,640</b>	<b>194,081</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Financial swaps on securities	-	-	-	-	-	-	-	-
Term operations	-	-	1,640	194,081	-	-	-	-
<b>Currency options</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Purchased	-	-	-	-	-	-	-	-
Issued	-	-	-	-	-	-	-	-
<b>Other interest rate transactions</b>	<b>30,645</b>	<b>376,273</b>	<b>28,955</b>	<b>357,156</b>	<b>29,820</b>	<b>126,813</b>	<b>34,689</b>	<b>399,576</b>
Financial swaps on interest rates (IRS)	30,645	376,273	28,955	357,156	29,820	126,813	34,689	399,576
<b>Other products</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>32,313</b>	<b>441,645</b>	<b>32,345</b>	<b>1,026,907</b>	<b>32,771</b>	<b>191,338</b>	<b>37,919</b>	<b>924,318</b>

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. Non-trading financial assets mandatorily at fair value with changes in income

Below is a breakdown of the financial assets included in this category at December 31, 2023 and 2022, classified by kind of counterpart and type of instrument:

Thousands of euros	2023	2022
<b>By types of counterparts -</b>		
Credit institutions	33,224	31,418
Resident public administrations	-	-
Non-resident public administrations	-	-
Other resident sectors	65,418	106,226
Other non-resident sectors	2,041	41
(Impairment losses)	(435)	(507)
Other valuation adjustments	8,314	9,371
	<b>108,562</b>	<b>146,549</b>
<b>By type of instrument -</b>		
Loans and advances to customers	73,256	112,986
Loans to customers	65,377	104,122
Of which: doubtful	305	-
Other financial assets	-	-
(Impairment losses)	(435)	(507)
Other valuation adjustments	8,314	9,371
Debt securities:	35,265	33,522
Spanish public debt	-	-
Issued by financial institutions	33,224	31,418
Other fixed-income securities	2,041	2,104
(Impairment losses)	-	-
Other valuation adjustments	-	-
Equity instruments:	41	41
Shares of listed Spanish companies	-	-
Shares of unlisted Spanish companies	41	41
Other investments	-	-
	<b>108,562</b>	<b>146,549</b>

Interest accrued on debt securities classified in this financial asset portfolio in 2023 and 2022 amounted to 4,192,000 euros and 3,670,000 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 rest of the portfolios at fair value through income as of December 31, 2023 and 2022 was 3.33% and 3.05%, respectively.

The positive cash flow included in the statement of cash flows for the 2023 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 37,987,000 euros (positive cash flow of 81,678,000 euros in 2022).

Loans and advances in this portfolio include at December 31, 2023 balances categorized as special surveillance in the amount of 1,456,000 euros with an associated credit risk impairment of 305,000 euros. This category also includes balances classified as doubtful for an amount of 436,000 euros with an associated impairment of 130,000 euros.

## 8. Financial assets at fair value through other comprehensive income

### 8.1. Composition of balance and maximum credit risk

The following is a breakdown of the financial assets included in this category at December 31, 2023 and 2022, classified by kind of counterpart and type of instrument:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
<b>By types of counterparts -</b>		
Credit institutions	373,770	198,560
Resident Public Administrations	315,969	-
Non-Resident Public Administrations	10	9
Other resident sectors	305,084	254,503
Other non-resident sectors	45,131	32,585
(Impairment losses) (*)	-	-
Valuation adjustments	20,246	-
	<b>1,060,210</b>	<b>485,657</b>
<b>By type of instrument -</b>		
Debt securities:	729,025	193,044
Spanish public debt	295,880	-
<i>Treasury Bills</i>	-	-
<i>Government bonds</i>	295,880	-
Other Spanish public administrations	19,049	-
Foreign public debt	10	9
Issued by financial institutions	357,302	182,092
Other fixed-income securities	36,538	10,943
(Impairment losses) (*)	-	-
Valuation adjustments	20,246	-
Equity instruments:	331,185	292,613
Shares of listed Spanish companies	67,947	15,942
Shares of unlisted Spanish companies	254,644	255,030
Shares of listed foreign companies	-	-
Shares of unlisted foreign companies	-	-
Other investments	8,594	21,641
	<b>1,060,210</b>	<b>485,657</b>

(\*) This amount at December 31, 2023 and 2022 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 2023, 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:

- The acquisition of 3,069,054 shares of Silicius Real Estate SOCIMI S.A. for 47,968,000 euros, which were transferred from Midamarta S.L.U. to Unicaja Banco S.A.
- Acquisition of 2,959,500 shares Amundi Euro STOXX 50 Daily (- 1x) Inverse in the amount of 28,589,000 euros.
- Acquisition of 468,704 shares of Ishares STOXX Global Select Dividend 100 UCITS ETF for 13,510,000 euros.
- Acquisition of 91,269,098 shares of Dunas Valor Flexible FI for 9,998,000 euros.
- Acquisition of 206,000 shares of Deutsche Post AG for 8,331,000 euros.
- Disposal of 2,348,500 shares of Amundi EURO STOXX 50 Daily (-1x) Inverse amounting to 22,616,000 euros, which generated a loss of 370,000 euros.
- Disposal of 639,000 shares of Orange, S.A. amounting to 7,473,000 euros, which gave rise to a loss of 472,000 euros.

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

In addition, on June 27, 2022, Unicaja signed with Helvetia Schweizerische Versicherungsgesellschaft AG (hereinafter, Helvetia) a contract for the purchase and sale of shares of Caja de Seguros Reunidos, Compañía de Seguros y Reaseguros, S.A. (hereinafter, Caser) whereby Unicaja transferred 718,661 shares of Caser, equivalent to 9.99% of the capital of this company, for a price of 122,519,000 euros, equivalent to 170.48 euros per share. On the same date, June 27, 2022, the deed of elevation to public deed and execution of the purchase and sale agreement was executed. This sale transaction led to a reclassification of the heading “Other cumulative overall income” to “Reserves” in the amount of 44,937,000 euros (of which 7,345,000 euros represent an increase in equity for the Unicaja Group in financial year 2022), since it was an equity instrument classified in the portfolio of financial assets at fair value with changes in other comprehensive income. As a result, Unicaja’s stake in Caser at year-end 2022 amounted to 9.99%, down from 19.97% at year-end 2021.

In fiscal years 2023 and 2022, 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 2023 and 2022 on debt instruments classified in this portfolio amounted to 16,636,000 euros and 2,539,000 euros respectively, and is included under "Interest income" in the income statement (Note 27).

The average effective interest rate of debt instruments classified under this portfolio at December 31, 2023 and 2022 was 4.33% and 4.32%, respectively.

The positive cash flow included in the statement of cash flows for 2023 for financial assets classified in this portfolio amounts to 574,552,000 euros (positive cash flow of 80,441,000 euros in 2022).

## 8.2. Accumulated other comprehensive income - Items that can be reclassified as income - Changes in the fair value of debt instruments valued at fair value with changes in other comprehensive income

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 2023 and 2022, 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.

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
<b>Changes in fair value of debt instruments at fair value through other comprehensive income - Balance at the end of the previous year</b>	<b>(1,631)</b>	<b>315</b>
<b>Transfers to results</b>	-	-
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	-	-
<b>Fair value changes</b>	<b>12,877</b>	<b>(2,780)</b>
<b>Other changes</b>	-	-
<b>Income tax</b>	<b>(3,863)</b>	<b>834</b>
<b>Changes in fair value of debt instruments at fair value through other comprehensive income - Balance at the end of the current year</b>	<b>7,383</b>	<b>(1,631)</b>

## 8.3. Accumulated other comprehensive income - Items that may not be reclassified to income - Financial assets at fair value through other comprehensive income

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 2023 and 2022, based on the amounts recorded in the recognized income and expenditure statement, is presented below.

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
<b>Financial assets at fair value through other comprehensive income - Balance at the end of the previous year</b>	<b>(17,010)</b>	<b>86,378</b>
Fair value changes	57,206	(105,755)
Other changes	-	-
Income tax	3,115	2,367
<b>Financial assets at fair value through other comprehensive income - Balance at the end of the current year</b>	<b>43,311</b>	<b>(17,010)</b>



## 9. Financial assets at amortized cost

Below is a breakdown of the financial assets included in this category at December 31, 2023 and 2022, by nature of exposure:

<i>Thousands of euros</i>	2023	2022
Debt securities	25,098,802	26,867,077
Loans and advances	52,471,648	56,717,999
<i>Central banks</i>	-	-
<i>Credit institutions</i>	2,290,553	930,505
<i>Customers</i>	50,181,095	55,787,494
	<b>77,570,450</b>	<b>83,585,076</b>

### 9.1. Composition of balance and maximum credit risk

Below is a breakdown of the financial assets included in this category at December 31, 2023 and 2022, classified by kind of counterpart and type of instrument:

<i>Thousands of euros</i>	2023	2022
<b>By types of counterparts -</b>		
Credit institutions	3,256,133	2,156,862
Resident Public Administrations	20,760,952	23,051,913
Non-Resident Public Administrations	8,641,830	9,782,922
Other resident sectors	45,654,279	50,452,574
Other non-resident sectors	551,919	700,261
(Impairment losses)	(1,021,481)	(1,312,068)
Valuation adjustments	(273,182)	(1,247,388)
	<b>77,570,450</b>	<b>83,585,076</b>
<b>By type of instrument -</b>		
Credits and loans at variable interest rate	22,885,979	27,735,883
Credits and loans at a fixed interest rate	27,113,669	28,507,775
Debt securities	25,839,317	28,510,928
Temporary acquisitions of assets	1,483,340	300,000
Term deposits with credit institutions	70,581	29,847
Other deposits into credit institutions	-	-
Other financial assets	1,472,227	1,060,099
(Impairment losses)	(1,021,481)	(1,312,068)
Valuation adjustments	(273,182)	(1,247,388)
	<b>77,570,450</b>	<b>83,585,076</b>

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 2023 and 2022 on loans to customers amounted to 1,478,325,000 euros and 821,969,000 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 19,351,000 euros and 2,656,000 euros respectively, and are also included under the "Interest income" caption in the statement of income (Note 27).

The interest accrued during 2023 and 2022 on debt instruments classified in the financial assets at amortized cost portfolio amounted to 678,933,000 euros and 1,042,545,000 euros respectively, and is included under the heading of "Interest income" in the income statement (Note 27).

Interest accrued during 2023 on reverse repurchase agreements on assets classified in the financial asset at amortized cost portfolio amounted to 2,648,000 euros and is included under "Interest income" in the income statement. For the year 2022, no income was accrued in this sense (Note 27).

The average effective interest rate on debt instruments classified in this portfolio on December 31, 2023 and 2022 for loans to customers was 2.78% and 1.74%, respectively, and for deposits with credit institutions was 3.23% and 0.84%, respectively.

The positive cash flow included in the statement of cash flows for 2023 for financial assets at amortized cost classified under this heading amounts to 5,999,539,000 euros (positive cash flow of 229,350,000 euros in 2022).

## 9.2. Loans and advances

The breakdown by counterpart of the gross amount of loans and advances recorded at amortized cost at December 31, 2023 and 2022 is as follows:

<i>Thousands of euros</i>	2023	2022
Credit institutions	2,285,846	988,608
Resident Public Administrations	4,700,919	5,680,817
Non-Resident Public Administrations	100,000	100,000
Other resident sectors	45,433,721	50,222,474
Other non-resident sectors	505,308	641,706
	<b>53,025,794</b>	<b>57,633,605</b>

The detail by type of instrument of the gross amount of loans and advances, classified by credit risk level (stages) as of December 31, 2023 is as follows:

<i>Thousands of euros</i>	Stage 1	Stage 2	Stage 3	Total
Temporary acquisitions of assets	166,923	-	-	166,923
Term deposits with credit institutions	1,386,979	-	18	1,386,997
Credits and loans to customers	45,198,418	3,235,688	1,565,541	49,999,647
Other financial assets	1,445,399	996	25,832	1,472,227
<b>Balance as at December 31, 2023</b>	<b>48,197,719</b>	<b>3,236,684</b>	<b>1,591,391</b>	<b>53,025,794</b>

On the other hand, the breakdown by credit risk level in fiscal year 2022 was as follows:

<i>Thousands of euros</i>	Stage 1	Stage 2	Stage 3	Total
Temporary acquisitions of assets	-	-	-	-
Term deposits with credit institutions	423,589	-	72	423,661
Credits and loans to customers	51,600,743	3,669,499	1,939,702	57,209,944
<b>Balance as at December 31, 2022</b>	<b>52,024,332</b>	<b>3,669,499</b>	<b>1,939,774</b>	<b>57,633,605</b>

The movement during 2023 of loans and advances recorded at amortized cost classified by credit risk levels (excluding impairment losses and other valuation adjustments) is as follows:

<i>Thousands of euros</i>	Stage 1	Stage 2	Stage 3	Total
<b>Balance at beginning of year</b>	<b>52,024,332</b>	<b>3,669,499</b>	<b>1,939,774</b>	<b>57,633,605</b>
Transfers between stages:	(716,629)	362,837	353,792	-
At normal risk (stage 1)	635,121	(626,481)	(8,640)	-
To special surveillance (stage 2)	(1,119,722)	1,260,590	(140,868)	-
A doubtful (stage 3)	(232,028)	(271,272)	503,300	-
Additions of new financial assets	6,844,266	-	-	6,844,266
Write-downs of financial assets (excluding bad debts)	(9,954,250)	(795,652)	(380,956)	(11,130,858)
Reclassification to write-downs	-	-	(226,876)	(226,876)
Asset Foreclosures	-	-	(94,343)	(94,343)
Other changes	-	-	-	-
<b>Closing balance</b>	<b>48,197,719</b>	<b>3,236,684</b>	<b>1,591,391</b>	<b>53,025,794</b>

The movement during financial year 2022 was as follows:

<i>Thousands of euros</i>	Stage 1	Stage 2	Stage 3	POCI (*)	Total
<b>Balance at beginning of year</b>	<b>54,459,433</b>	<b>3,556,546</b>	<b>1,945,509</b>	<b>5,195</b>	<b>59,966,683</b>
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	(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	-	-	-	-	-
<b>Closing balance</b>	<b>52,024,332</b>	<b>3,669,499</b>	<b>1,939,774</b>	<b>-</b>	<b>57,633,605</b>

(\*) 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, 2023 and 2022 is as follows:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
<b>By types of counterparts -</b>		
Credit institutions	963,186	1,158,602
Resident public administrations	15,334,441	16,057,231
Non-resident public administrations	8,642,917	9,474,173
Other resident sectors	112,482	119,723
Other non-resident sectors	45,776	57,348
	<b>25,098,802</b>	<b>26,867,077</b>
<b>By type of instrument -</b>		
Spanish public debt	11,198,133	11,560,932
<i>Treasury Bills</i>	-	-
<i>Government bonds</i>	11,198,133	11,560,932
Other Spanish public administrations	4,136,308	4,496,299
Foreign public debt	8,642,917	9,474,173
Issued by financial institutions	963,186	1,158,602
Other fixed-income securities	158,258	177,071
	<b>25,098,802</b>	<b>26,867,077</b>

The breakdown of debt securities recorded under this caption at December 31, 2023 based on the credit rating of the issue and the level of credit risk (excluding valuation adjustments) is as follows:

<i>Thousands of euros</i>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>
Rating Aaa	613,624	-	-
Rating Aa1-Aa3	834,761	-	-
Rating A1-A3	15,367,680	-	-
Rating Baa1-Baa3	8,217,240	-	-
Rating Ba1-Ba3 (*)	65,497	-	-
Rating B1-C	-	-	-
No credit rating	-	-	-
	<b>25,098,802</b>	-	-

(\*\*) Debt securities with a rating between Ba1 and Ba3 correspond in their entirety to exposures with a low credit risk (no appreciable risk). This is why it has been considered that there has been no significant increase in the credit risk, so they continue to be classified as normal risk (stage 1).

The breakdown of debt securities recorded under this heading at December 31, 2022 (excluding valuation adjustments) was as follows:

<i>Thousands of euros</i>	Stage 1	Stage 2	Stage 3
Rating Aaa	1,301,167	-	-
Rating Aa1-Aa3	138,570	-	-
Rating A1-A3	16,159,186	-	-
Rating Baa1-Baa3	9,192,299	-	-
Rating Ba1-Ba3 (*)	75,855	-	-
Rating B1-C	-	-	-
No credit rating	-	-	-
	<b>26,867,077</b>	-	-

(\*\*) Debt securities with a rating between Ba1 and Ba3 correspond in their entirety to exposures with a low credit risk (no appreciable risk). This is why it has been considered that there has been no significant increase in the credit risk, so they continue to be classified as normal risk (stage 1).

#### 9.4. Refinancing and restructuring operations

The balances of refinancing and restructuring at December 31, 2023 and 2022 are as follows:

<i>Thousands of euros</i>	2023		2022	
	Total	Of which: Stage 3	Total	Of which: Stage 3
<b>Gross</b>	<b>1,091,838</b>	<b>487,932</b>	<b>1,317,340</b>	<b>732,768</b>
<b>Value corrections due to the impairment of assets</b>	<b>(424,601)</b>	<b>(244,502)</b>	<b>(618,619)</b>	<b>(388,802)</b>
Of which: collective	(324,403)	(175,334)	(447,464)	(246,889)
Of which: individual	(100,198)	(69,168)	(171,155)	(141,913)
<b>Net amount</b>	<b>667,237</b>	<b>243,430</b>	<b>698,721</b>	<b>343,966</b>
Of which: granted to the clientèle	667,237	243,430	698,721	343,966
<b>Maximum value of guarantees received</b>	<b>721,558</b>	<b>358,686</b>	<b>906,928</b>	<b>537,586</b>
Of which: value of guarantees	706,292	358,686	891,534	537,389
Of which: value of other guarantees	15,266	-	15,394	197

The reconciliation of the book value of refinanced and restructured operations at December 31, 2023 and 2022 is as follows:

<i>Thousands of euros</i>	2023	2022
<b>Opening balance</b>	<b>698,721</b>	<b>908,536</b>
Refinancing and restructuring for the period	185,411	305,913
Debt repayments	(303,256)	(118,766)
Asset Foreclosures	(257)	(3,082)
Derecognition from balance sheet (reclassification to non-performing)	(108,710)	(12,474)
Other changes	195,328	(381,406)
Of which: Changes in the gross balance	1,310	(61,129)
Of which: Variations in credit loss coverage	194,018	(320,277)
<b>Balance at the end of the period</b>	<b>667,237</b>	<b>698,721</b>

The changes in the gross balance of the “Other changes” caption correspond mainly to derecognitions of the inventory of refinanced transactions as a result of the application of the cure criteria described below. The effect on provisions is not significant since most of these transactions were classified in the normal risk category, and only the refinancing mark has been eliminated, in compliance with the cure criteria indicated below.

As of December 31, 2023, the detailed information of refinanced and restructured operations is as follows:

Thousands of euros

December 31, 2023

Thousands of euros		December 31, 2023					
	Total						Accumulated impairment or fair value losses due to credit risk
	Secured				Unsecured		
	No. of operations	Gross	Maximum amount of collateral that may be considered		No. of operations	Gross	
Real estate guarantee			Other guarantee				
Credit institutions	-	-	-	-	-	-	-
Public Administration Bodies	10	9,815	1	9,814	4	756	(215)
Other financial companies and individual employers (financial business activity)	4	245	245	-	5	160	(100)
Non-financial corporations and individual employers (non-financial business activity)	1,491	360,089	266,767	5,298	1,978	252,571	(231,102)
Of which: financing of the construction and development	206	76,245	74,021	1,164	53	6,061	(21,393)
Other household	6,895	459,651	439,279	154	1,288	8,551	(193,184)
	8,400	829,800	706,292	15,266	3,275	262,038	(424,601)
Additional information							
Financing classified as non-current assets and group disposable items that have been classified as held for sale	-	-	-	-	-	-	-

Thousands of euros

December 31, 2023

	Of which: Doubtful (Stage 3)						
	Secured				Unsecured		Accumulated impairment or fair value losses due to credit risk
	No. of operations	Gross	Real estate guarantee	Other guarantees	No. of operations	Gross	
Credit institutions	-	-	-	-	-	-	-
Public Administration Bodies	4	1	1	-	-	-	-
Other financial companies and individual employers (business activity financial)	4	245	245	-	5	160	(99)
Non-financial corporations and individual employers (business activity not financial)	789	151,514	121,333	-	596	83,962	(115,455)
<i>Of which: the financing of the construction and development</i>	115	45,142	44,559	-	13	560	(12,549)
Other household	3,653	248,192	237,107	-	605	3,858	(128,948)
	<b>4,450</b>	<b>399,952</b>	<b>358,686</b>	<b>-</b>	<b>1,206</b>	<b>87,980</b>	<b>(244,502)</b>
<b>Additional information</b>							
Financing classified as non-current assets and group disposable items that have been classified as held for sale	-	-	-	-	-	-	-

As of December 31, 2022, the detail of refinanced and restructured operations was as follows:

Thousands of euros

December 31, 2022

	Total						
	Secured				Unsecured		Accumulated impairment or fair value losses due to credit risk
	No. of operations	Gross	Real estate guarantee	Other guarantees	No. of operations	Gross	
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)
<i>Of which: financing of the construction and development</i>	331	124,207	106,419	1,158	38	14,626	(66,144)
Other household	7,641	539,459	505,305	156	1,584	14,468	(250,456)
	<b>9,695</b>	<b>1,068,067</b>	<b>891,534</b>	<b>15,394</b>	<b>3,133</b>	<b>249,273</b>	<b>(618,619)</b>
<b>Additional information</b>							
Financing classified as non-current assets and groups disposable items that have been classified as	-	-	-	-	-	-	-

Thousands of euros

December 31, 2022

	Of which: Doubtful (Stage 3)						Accumulated impairment or fair value losses due to credit risk
	Secured				Unsecured		
	No. of operations	Gross	Maximum amount of collateral that may be considered		No. of operations	Gross	
			Real estate guarantee	Other guarantees			
Credit institutions	-	-	-	-	-	-	-
Public administration bodies	5	1	-	-	-	-	-
Other financial companies and individual employers (financial business activity)	2	82	82	-	3	2,522	(2,242)
Non-financial corporations and individual employers (business activity not financial)	1,243	288,709	228,071	197	671	100,793	(218,535)
Of which: financing of the construction and development	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	-	-	-	-	-	-	-

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. It will also be necessary to ensure that the holder has, through regular payments, paid an amount equivalent to all the amounts, principal and interest, that were due at the date of the restructuring or refinancing operation, or that were written off as a consequence thereof, or when it is more appropriate in view of the characteristics of the operations, that other objective criteria have been verified that demonstrate the holder's payment capacity.
- The borrower must not have any operation with amounts overdue by more than 90 days on the date of reclassification of the refinancing, refinanced, or restructured operation to the underperforming category.

*To reclassify the exposure from normal risk in special surveillance (stage 2) to normal risk (stage 1):*

- As long as they remain identified as such, refinancing, refinanced or restructured transactions that should not be classified as 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. Through regular payments, the holder shall have paid an amount equivalent to all the amounts, principal and interest that were due at the date of the restructuring or refinancing operation, or that were written off as a consequence thereof, or when it is more appropriate in view of the characteristics of the operations, that other objective criteria have been verified that demonstrate the holder's payment capacity.
- The borrower has no other transaction with amounts overdue by more than 30 days at the end of the trial period.

## 9.5. Financing operations with ICO Covid-19 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 was the creation of a line of guarantees of 100 billion euros 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 had been activated by the Government constituted the full amount of the guarantee line, which was divided into four lines, approved by Agreement of the Council of Ministers on March 24, April 10, May 5, May 19, 2020, and June 16, whose total amounts were allocated 67,500 million euros to SMEs and the self-employed and 25 billion euros to non-SME companies, 4 billion euros to cover promissory notes from the Alternative Fixed Income Market (MARF), 2.5 billion euros for the self-employed and SMEs in the tourism sector and related activities, 500 million euros to reinforce the guarantees granted by the Compañía Española de Reafianzamiento (CERSA) and 500 million euros for the self-employed and companies for the acquisition or operating financial lease of road transport motor vehicles used professionally.

In addition to the aforementioned guarantees, Royal Decree-Law 25/2020 of July 3, 2020 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.

Since March 2020, the Bank has been granting operations for which it has received guarantees from the ICO COVID-19 line and for which certain commissions are paid to the ICO depending on the characteristics of the operation: applicable aid scheme, type of borrower and term.

On November 18, 2021, Royal Decree-Law 34/2020, of November 17, 2020 on urgent measures to support business solvency and the energy sector, and on tax matters, entered into force, which, among other aspects, regulates the extension of the maturity and grace period of financing operations for self-employed persons and companies that received public guarantees channeled through the ICO, allowing the maturity to be extended for an additional maximum period of three years (up to a maximum of eight years from the date of the initial formalization of the transaction) and increasing the grace period for the repayment of the principal of the transaction by a maximum of 12 additional months, provided that the total grace period, taking into account the initial grace period, does not exceed 24 months.

On March 30, 2022, the Resolution of March 29, 2022, of the Secretary of State for Economy and Business Support was published in the Official State Gazette, publishing the Agreement of the Council of Ministers of March 29, 2022, which amends the Code of Best Practices for the renegotiation framework for customers with guaranteed financing provided for in Royal Decree-Law 5/2021 of March 12, 2021. Based on this agreement, for maturity extensions requested and granted as from March 31, 2022, self-employed persons and small and medium-sized companies belonging to sectors with certain CNAE (basically, agriculture, livestock, fishing, land passenger transportation and road freight transportation) will be entitled to a six-month suspension of the repayment installments of the principal of the operation, either in the form of an extension of the current grace period or in the form of an additional grace period if the latter has expired.

The breakdown of operations with Government guarantee at December 31, 2023 is as follows:

	Thousands of euros						
	Total data				Breakdown of outstanding balance by risk stages		
	Number of operations granted	Funded limit	Amount guaranteed	Outstanding Balance	Stage 1	Stage 2	Stage 3
<b>ICO COVID-19 Guarantees</b>	<b>37,989</b>	<b>2,715,227</b>	<b>1,055,728</b>	<b>1,372,513</b>	<b>561,145</b>	<b>552,939</b>	<b>258,429</b>
Self-employed	10,588	244,656	108,443	135,590	75,739	50,733	9,118
Small and medium-sized companies	22,304	1,480,707	667,227	840,803	366,165	381,376	93,262
Other companies	5,097	989,864	280,058	396,120	119,241	120,830	156,049

For its part, the detail of the operations with Government guarantee at December 31, 2022 was as follows:

*Thousands of euros*

	Number of operations granted	Funded limit	Amount guaranteed	Total data	Breakdown of outstanding balance by risk stages (*)		
				Outstanding Balance	Stage 1	Stage 2	Stage 3
<b>ICO COVID-19 Guarantees</b>	<b>49,586</b>	<b>3,215,254</b>	<b>1,562,894</b>	<b>2,044,825</b>	<b>1,054,506</b>	<b>737,935</b>	<b>252,384</b>
Self-employed	12,172	282,554	156,468	195,769	132,484	52,765	10,520
Small and medium-sized companies	31,642	1,874,354	1,050,251	1,324,195	665,282	527,247	131,666
Other Companies	5,772	1,058,346	356,175	524,861	256,740	157,923	110,198

The Bank believes that the ICO Covid-19 guarantees are a substantial part of the secured financing (comprehensive guarantee), since they are all 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 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

The following is a detail of those financial assets classified as financial assets at amortized cost and considered as impaired due to their credit risk at December 31, 2023 and 2022, as well as those which, without being considered as impaired, have an amount past due at those dates, classified by counterparts, as well as according to the period elapsed since the maturity of the oldest past due amount of each transaction:

### Impaired assets at December 31, 2023

Thousands of euros

	Up to 180 days	Between 180 days and 1 year	Between 1 and 2 years	More than 2 years	Total
<b>By types of counterparts -</b>					
Public Administration Bodies	440	69	512	801	1,822
Credit institutions	16	-	17	18	51
Other financial corporations	8,044	37	13	206	8,300
Non-financial corporations	449,001	43,162	59,774	53,495	605,432
Households	482,892	125,747	123,306	243,809	975,754
	<b>940,393</b>	<b>169,015</b>	<b>183,622</b>	<b>298,329</b>	<b>1,591,359</b>

### Impaired assets at December 31, 2022

Thousands of euros

	Up to 180 days	Between 180 days and 1 year	Between 1 and 2 years	More than 2 years	Total
<b>By types of counterparts -</b>					
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
	<b>976,707</b>	<b>182,288</b>	<b>171,217</b>	<b>609,562</b>	<b>1,939,774</b>

### Unimpaired past due assets at December 31, 2023

Thousands of euros

	Less than one month	Between 1 and 3 months	More than 3 months	Total
<b>By types of counterparts -</b>				
Public Administration Bodies	3,084	2,971	-	6,055
Credit institutions	-	-	-	-
Other financial corporations	7,931	115	-	8,046
Non-financial corporations	287,788	12,892	-	300,680
Households	485,235	90,639	-	575,874
	<b>784,038</b>	<b>106,617</b>	<b>-</b>	<b>890,655</b>

### Unimpaired past due assets at December 31, 2022

Thousands of euros

	Less than one month	Between 1 and 3 months	More than 3 months	Total
<b>By types of counterparts -</b>				
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
	<b>989,819</b>	<b>130,906</b>	<b>-</b>	<b>1,120,725</b>

### 9.7. Credit risk hedging

The detail by type of instrument of impairment losses on loans and advances, classified by credit risk level (stages) as of December 31, 2023 is as follows:

Thousands of euros	Stage 1	Stage 2	Stage 3	Total
Temporary acquisitions of assets	-	-	-	-
Term deposits with credit institutions	-	-	-	-
Credits and loans to customers	163,493	190,357	648,611	1,002,461
Other financial assets	-	-	18,624	18,624
<b>Closing balance</b>	<b>163,493</b>	<b>190,357</b>	<b>667,235</b>	<b>1,021,085</b>

In turn, the breakdown by type of instrument of impairment losses on loans and advances, classified by credit risk level (stages) as of December 31, 2022 was as follows:

Thousands of euros	Stage 1	Stage 2	Stage 3	Total
Temporary acquisitions of assets	-	-	-	-
Term deposits with credit institutions	-	-	-	-
Loans and advances to customers and Other financial assets	216,249	235,879	859,592	1,311,720
<b>Closing balance</b>	<b>216,249</b>	<b>235,879</b>	<b>859,592</b>	<b>1,311,720</b>

The 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 2023 and 2022 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 2023:

<i>Thousands of euros</i>				2023
	Stage 1	Stage 2	Stage 3	Total
<b>Balance at the beginning of the period</b>	<b>216,249</b>	<b>235,879</b>	<b>859,592</b>	<b>1,311,720</b>
Transfers between stages:	7,615	25,299	(32,914)	-
To normal risk (stage 1)	16,501	(12,186)	(4,315)	-
To special surveillance (stage 2)	(6,476)	49,948	(43,472)	-
A doubtful (stage 3)	(2,410)	(12,463)	14,873	-
For additions of new financial assets	17,001	-	-	17,001
Changes in parameters	(45,479)	(47,006)	169,921	77,436
Changes in methodologies	(4,672)	(3,532)	19,073	10,869
Write-downs of financial assets (excluding bad	(27,221)	(20,283)	(168,364)	(215,868)
Reclassifications to bad debts	-	-	(162,829)	(162,829)
Awarded	-	-	(17,244)	(17,244)
Other changes	-	-	-	-
<b>Balance at the end of the period</b>	<b>163,493</b>	<b>190,357</b>	<b>667,235</b>	<b>1,021,085</b>
Of which:				
Individually determined	94	40,805	122,610	163,509
Collectively determined	163,399	149,552	544,625	857,576
	<b>163,493</b>	<b>190,357</b>	<b>667,235</b>	<b>1,021,085</b>

The changes in impairment losses for 2022 were as follows:

Thousands of euros					2022
	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	-	-
To normal risk (stage 1)	57,332	(55,674)	(1,658)	-	-
To special surveillance (stage 2)	(6,116)	24,654	(18,538)	-	-
To doubtful (stage 3)	(2,509)	(18,369)	20,878	-	-
For additions of new financial assets	26,109	-	-	-	26,109
Changes in parameters	47,271	(40,819)	187,351	-	193,803
Changes in methodologies	(1,852)	8,130	14,929	-	21,207
Write-downs of financial assets	(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.

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

As of December 31, 2023 and 2022, the contracted derivatives designated as hedging items and their hedged items were mainly the following:

- Interest Rate Swaps, which hedge mortgage-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, 2023 and 2022, pursuant to 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.

The following is an outline of the maturities of the notional amounts of the hedging instruments used by the Bank at December 31, 2023:

Thousands of euros

2023

	Up to 1 month	Between 1 and 3 months	Between 3 months and 1 year	Between 1 and 5 years	More than 5 years	Total
<b>Fair value hedge:</b>	<b>3,517,280</b>	<b>1,427,167</b>	<b>1,000,000</b>	<b>5,602,051</b>	<b>11,749,209</b>	<b>23,295,707</b>
<b>Futures on securities and types of interest</b>	-	-	-	-	-	-
Future sales on interest rates	-	-	-	-	-	-
<b>Other securities operations</b>	<b>3,517,280</b>	<b>1,427,167</b>	-	-	-	<b>4,944,447</b>
Financial swaps on securities	-	-	-	-	-	-
Security options	-	-	-	-	-	-
Term operations	3,517,280	1,427,167	-	-	-	4,944,447
<b>Currency options</b>	-	-	-	-	-	-
Currency options issued	-	-	-	-	-	-
<b>Other operations on types of interest</b>	-	-	<b>1,000,000</b>	<b>5,602,051</b>	<b>11,749,209</b>	<b>18,351,260</b>
Interest rate swaps (IRS bonds)	-	-	200,000	1,692,051	1,600,000	3,492,051
Interest rate swaps (Senior Bonds)	-	-	500,000	1,960,000	-	2,460,000
Interest rate swaps (IRS customer loans)	-	-	-	-	-	-
Interest rate swaps (IRS loan portfolio)	-	-	-	575,000	3,350,960	3,925,960
Interest rate swaps (Securitizations)	-	-	-	-	171,896	171,896
Interest rate swaps (IRS central bank deposits)	-	-	-	-	-	-
Subordinated liabilities	-	-	300,000	300,000	-	600,000
Interest rate swaps (IRS fixed income)	-	-	-	1,075,000	6,626,353	7,701,353
Interest rate swaps (Structured terms)	-	-	-	-	-	-
<b>Cash flow hedging:</b>	<b>200,067</b>	<b>300,000</b>	<b>865,000</b>	<b>1,234,192</b>	<b>1,946,625</b>	<b>4,545,884</b>
<b>Futures on securities and interest rate</b>	-	-	-	-	-	-
Future sales on interest rates	-	-	-	-	-	-
<b>Other securities operations</b>	-	-	-	-	<b>119,531</b>	<b>119,531</b>
Financial swaps on securities	-	-	-	-	-	-
Security options	-	-	-	-	119,531	119,531
<b>Term operations</b>	-	-	-	-	-	-
<b>Other operations on interest rates</b>	<b>200,000</b>	<b>300,000</b>	<b>865,000</b>	<b>1,150,000</b>	<b>1,827,094</b>	<b>4,342,094</b>
Interest rate swaps (IRS loan portfolio)	200,000	300,000	-	-	1,146	501,146
Interest rate swaps (IRS deposits in central banks)	-	-	-	-	-	-
Interest rate swaps (IRS fixed income)	-	-	865,000	1,150,000	1,825,948	3,840,948
<b>Other foreign exchange operations</b>	<b>67</b>	-	-	<b>84,192</b>	-	<b>84,259</b>
Currency swaps (CCS fixed income)	67	-	-	84,192	-	84,259
<b>Total</b>	<b>3,717,347</b>	<b>1,727,167</b>	<b>1,865,000</b>	<b>6,836,243</b>	<b>13,695,834</b>	<b>27,841,591</b>



The detail of maturities of the notional amounts of the hedging instruments used by the Bank at December 31, 2022 was as follows:

Thousands of euros						2022
	Up to 1 month	Between 1 and 3 months	Between 3 months and 1 year	Between 1 and 5 years	More than 5 years	Total
<b>Fair value hedge:</b>	<b>6,236,615</b>	<b>307,133</b>	<b>450,500</b>	<b>4,685,025</b>	<b>10,253,879</b>	<b>21,933,152</b>
<b>Futures on securities and types of interest</b>	-	-	-	-	-	-
Future sales on interest rates	-	-	-	-	-	-
<b>Other Securities Operations</b>	<b>6,236,615</b>	<b>307,133</b>	-	-	-	<b>6,543,748</b>
Financial swaps on securities	-	-	-	-	-	-
Security options	-	-	-	-	-	-
Term operations	6,236,615	307,133	-	-	-	6,543,748
<b>Currency options</b>	-	-	-	-	-	-
Currency options issued	-	-	-	-	-	-
<b>Other operations on interest rates</b>	-	-	<b>450,500</b>	<b>4,685,025</b>	<b>10,253,879</b>	<b>15,389,404</b>
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 (Securizations)	-	-	-	-	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)	-	-	-	-	-	-
<b>Cash flow hedging:</b>	<b>67</b>	<b>100,000</b>	<b>2,766,667</b>	<b>2,538,419</b>	<b>1,823,675</b>	<b>7,228,828</b>
<b>Futures on securities and interest rate</b>	-	-	-	-	-	-
Future sales on interest rates	-	-	-	-	-	-
<b>Other securities operations</b>	-	-	-	-	-	-
Financial swaps on securities	-	-	-	-	-	-
Security options	-	-	-	-	-	-
<b>Term operations</b>	-	-	-	-	-	-
<b>Other operations on types of interest</b>	-	<b>100,000</b>	<b>2,766,667</b>	<b>2,515,000</b>	<b>1,763,374</b>	<b>7,145,041</b>
Interest rate swaps (IRS loan portfolio)	-	100,000	2,066,667	500,000	2,895	2,669,562
Interest rate swaps (IRS deposits in central banks)	-	-	-	-	-	-
Interest rate swaps (IRS fixed income)	-	-	700,000	2,015,000	1,760,479	4,475,479
<b>Other foreign exchange operations</b>	<b>67</b>	-	-	<b>23,419</b>	<b>60,301</b>	<b>83,787</b>
Currency swaps (CCS fixed income)	67	-	-	23,419	60,301	83,787
<b>Total</b>	<b>6,236,682</b>	<b>407,133</b>	<b>3,217,167</b>	<b>7,223,444</b>	<b>12,077,554</b>	<b>29,161,980</b>

As of December 31, 2023 and 2022, 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, 2023:

Thousands of euros

2023

	Debtor fair value	Creditor fair value	Notional Amount	Change in fair value used to calculate hedge ineffectiveness	Hedged item
<b>Fair value hedge:</b>	<b>1,140,077</b>	<b>651,256</b>	<b>23,295,707</b>	<b>488,821</b>	
<b>Futures on securities and types of interest</b>	-	-	-	-	
Future sales on interest rates	-	-	-	-	
<b>Other securities operations</b>	<b>1,004</b>	<b>163,674</b>	<b>4,944,447</b>	<b>(162,670)</b>	
Financial swaps on securities	-	-	-	-	
Security options	-	-	-	-	
Term operations	1,004	163,674	4,944,447	(162,670)	Debt securities
<b>Currency options</b>	-	-	-	-	
Purchased currency options	-	-	-	-	
Currency options issued	-	-	-	-	
<b>Other operations on types of interest</b>	<b>1,139,073</b>	<b>487,582</b>	<b>18,351,260</b>	<b>651,491</b>	
Interest rate swaps (IRS bonds)	76,238	120,933	3,492,051	(44,695)	Issued bonds and securities
Interest rate swaps (Senior Bonds)	-	40,995	2,460,000	(40,995)	Loans and advances
Interest rate swaps (IRS IPF customers)	-	-	-	-	Loans to customers
Interest rate swaps (IRS loan portfolio)	38,130	56,993	3,925,960	(18,863)	Loan portfolio
Interest rate swaps (Securitizations)	120,291	357	171,896	119,934	Asset-backed securities
Interest rate swaps (IRS on IPF)	-	-	-	-	
Subordinated liabilities	28,630	38,188	600,000	(9,558)	Subordinated issue
Interest rate swaps (IRS fixed income)	875,784	230,116	7,701,353	645,668	Debt securities
Interest rate swaps (Structured Terms)	-	-	-	-	
<b>Cash flow hedging:</b>	<b>82,318</b>	<b>496,782</b>	<b>4,545,884</b>	<b>(414,464)</b>	
<b>Other securities operations</b>	<b>4,499</b>	-	<b>119,531</b>	<b>4,499</b>	
Financial swaps on securities	-	-	-	-	
Security options	4,499	-	119,531	4,499	Equity instruments
Term operations	-	-	-	-	
<b>Other operations on types of interest</b>	-	<b>406,816</b>	<b>4,342,094</b>	<b>(406,816)</b>	
Interest rate swaps (IRS loan portfolio)	-	499	501,146	(499)	Coverage of loans to customers
Interest rate swaps (IRS deposits in central banks)	-	-	-	-	
Interest rate swaps (IRS fixed income)	-	406,317	3,840,948	(406,317)	Debt securities
<b>Other foreign exchange operations</b>	<b>77,819</b>	<b>89,966</b>	<b>84,259</b>	<b>(12,147)</b>	
Currency swaps (CCS fixed income)	77,819	89,966	84,259	(12,147)	Debt securities
<b>Total</b>	<b>1,222,395</b>	<b>1,148,038</b>	<b>27,841,591</b>	<b>74,357</b>	

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

Thousands of euros

2022

	Debtor fair value	Creditor fair value	Notional Amount	Change in fair value used to calculate hedge ineffectiveness	Hedged item
<b>Fair value hedge:</b>	<b>1,733,820</b>	<b>478,211</b>	<b>21,937,152</b>	<b>1,255,609</b>	
<b>Futures on securities and types of interest</b>	-	-	-	-	
Future sales on interest rates	-	-	-	-	
<b>Other securities operations</b>	<b>268,773</b>	-	<b>6,543,748</b>	<b>268,773</b>	
Financial swaps on securities	-	-	-	-	
Security options	-	-	-	-	
Term operations	268,773	-	6,543,748	268,773	Debt securities
<b>Currency options</b>	-	-	-	-	
Purchased currency options	-	-	-	-	
Currency options issued	-	-	-	-	
<b>Other operations on types of interest</b>	<b>1,465,047</b>	<b>478,211</b>	<b>15,393,404</b>	<b>986,836</b>	
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)	-	-	-	-	
<b>Cash flow hedging:</b>	<b>79,067</b>	<b>603,613</b>	<b>7,228,828</b>	<b>(524,546)</b>	
<b>Other securities operations</b>	-	-	-	-	
Financial swaps on securities	-	-	-	-	
Security options	-	-	-	-	
Term operations	-	-	-	-	
<b>Other operations on types of interest</b>	<b>4,513</b>	<b>515,317</b>	<b>7,145,041</b>	<b>(510,804)</b>	
Interest rate swaps (IRS loan portfolio)	-	28,851	2,669,562	(28,851)	Coverage of loans to customers
Interest rate swaps (IRS deposits in central banks)	-	-	-	-	
Interest rate swaps (IRS fixed income)	4,513	486,466	4,475,479	(481,953)	Debt securities
<b>Other foreign exchange operations</b>	<b>74,554</b>	<b>88,296</b>	<b>83,787</b>	<b>(13,742)</b>	
Currency swaps (CCS fixed income)	74,554	88,296	83,787	(13,742)	Debt securities
<b>Total</b>	<b>1,812,887</b>	<b>1,081,824</b>	<b>29,165,980</b>	<b>731,063</b>	

The following is a detail of the items hedged by the Bank at December 31, 2023 through the hedging instruments described above:

2023						
	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
	Assets	Liabilities	Assets	Liabilities		
<b>Fair value hedge</b>	<b>13,924,518</b>	<b>7,083,153</b>	<b>(757,502)</b>	<b>(176,371)</b>	<b>927,729</b>	<b>-</b>
Debt securities	13,458,258	-	(719,874)	-	720,640	-
Balances in foreign currency	-	-	-	-	-	-
Issued bonds and securities	-	3,052,036	-	(48,900)	48,969	-
Customer deposits	-	3,737,562	-	(120,455)	120,492	-
Deposits from credit institutions	-	293,555	-	(7,016)	-	-
Loans to customers	466,260	-	(37,628)	-	37,628	-
<b>Cash flow hedging</b>	<b>10,917,718</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,184</b>	<b>(16,184)</b>
Deposits with credit institutions	-	-	-	-	-	-
Debt securities	10,796,803	-	-	-	15,832	(15,832)
Loans to customers	5,741	-	-	-	497	(497)
Equity instruments	115,174	-	-	-	(145)	145
<b>Total</b>	<b>24,842,236</b>	<b>7,083,153</b>	<b>(757,502)</b>	<b>(176,371)</b>	<b>943,913</b>	<b>(16,184)</b>

The detail of the items hedged by the Bank at December 31, 2022 through the hedging instruments described above is as follows:

2022						
	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
	Assets	Liabilities	Assets	Liabilities		
<b>Fair value hedge</b>	<b>11,351,489</b>	<b>5,915,971</b>	<b>(1,702,376)</b>	<b>(399,027)</b>	<b>(1,302,054)</b>	<b>-</b>
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)	-
<b>Cash flow hedging</b>	<b>10,047,830</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>113,832</b>	<b>(113,832)</b>
Deposits with credit institutions	10,042,506	-	-	-	108,508	(108,508)
Debt securities	5,324	-	-	-	5,324	(5,324)
<b>Total</b>	<b>21,399,319</b>	<b>5,915,971</b>	<b>(1,702,376)</b>	<b>(399,027)</b>	<b>(1,188,222)</b>	<b>(113,832)</b>

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, 2023 the balance of this caption to a negative balance of 63,020,000 euros (negative 237,836,000 euros at December 31, 2022).

The breakdown of the “Changes in the fair value of the items covered in a portfolio with interest rate risk coverage” heading as at December 31, 2023 is as follows:

Thousands of euros

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	4/27/2048	488,528	(29,625)
J.P. Morgan Securities	1.57%	6-month Euribor	4/26/2048	130,432	(8,098)
BNP Paribas	2.39%	6-month Euribor	12/28/2027	250,000	(12,349)
Banco Santander	2.39%	6-month Euribor	12/28/2027	250,000	(12,347)
BBVA	1.14%	6-month Euribor	4/25/2032	630,000	(39,655)
BBVA	1.17%	6-month Euribor	5/24/2032	273,000	(15,836)
BBVA	1.43%	6-month Euribor	6/17/2032	39,000	348
BBVA	1.63%	6-month Euribor	9/16/2032	178,000	1,721
BBVA	1.57%	6-month Euribor	10/27/2034	262,000	15,363
BBVA	1.79%	6-month Euribor	11/22/2034	376,000	12,037
BBVA	2.12%	6-month Euribor	12/27/2034	227,000	13,416
BBVA	2.31%	6-month Euribor	01/19/2035	64,000	809
BBVA	2.53%	6-month Euribor	2/16/2035	29,000	1,008
BBVA	2.83%	6-month Euribor	3/30/2035	66,000	3,062
BBVA	2.68%	6-month Euribor	5/18/2035	52,000	2,279
BBVA	2.12%	6-month Euribor	6/2/2033	72,000	2,752
BBVA	2.45%	6-month Euribor	6/23/2035	44,000	2,095
				<b>3,430,960</b>	<b>(63,020)</b>

The breakdown at December 31, 2022 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	4/27/2048	531,638	(52,099)
J.P. Morgan Securities	1.57%	6-month Euribor	4/26/2048	144,548	(13,748)
BNP Paribas	2.39%	6-month Euribor	12/28/2027	250,000	(21,588)
Banco Santander	2.39%	6-month Euribor	12/28/2027	250,000	(21,588)
BBVA	1.14%	6-month Euribor	4/25/2032	630,000	(76,229)
BBVA	1.17%	6-month Euribor	5/25/2032	273,000	(31,934)
BBVA	1.43%	6-month Euribor	6/17/2032	39,000	(1,782)
BBVA	1.63%	6-month Euribor	9/16/2032	178,000	(8,078)
BBVA	1.57%	6-month Euribor	10/27/2034	262,000	(199)
BBVA	1.79%	6-month Euribor	11/22/2034	376,000	(11,171)
BBVA	2.12%	6-month Euribor	12/27/2034	227,000	580
				<b>3,161,186</b>	<b>(237,836)</b>

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 2023 and 2022 associated with the hedging instrument.
- Gains and losses on the hedged item that are attributable to the hedged risk: See the following table for a breakdown of the gains and losses for 2023 and 2022 associated with hedged instruments that are effectively attributable to the hedged risk.

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 49,678,000 euros (negative adjustment of 703,805,000 euros in 2022) (Note 27).
- Amount recognized during the last fiscal year under “Interest expense” in the Bank’s income statement as an adjustment of hedging expenses: positive adjustment of 126,858,000 euros (negative adjustment of 59,458,000 euros in 2022) (Note 28).
- Ineffectiveness recognized in income for the year arising from cash flow hedges: No inefficiencies have been recorded during fiscal years 2023 and 2022.

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

- Possible economic events affecting the Bank (e.g. defaults).
- Possible movements or differences relative to the market in the collateralized and uncollateralized curves used in the valuation of derivatives and hedged items.
- Possible differences between the nominal value, settlement/repricing dates and credit risk of the hedged item and the hedged item.

The following is a detail of the impact on the income statement and the statement of recognized income and expense of the hedging relationships designated by the Bank at December 31, 2023 and 2022:

### Fair value hedges

	2023				2022			
	Results in hedging instruments		Results on covered instruments		Results in hedging instruments		Results on covered instruments	
	Losses	Benefit	Losses	Benefit	Losses	Benefit	Losses	Benefit
<b>Futures on securities and types of interest</b>	-	-	-	-	-	-	-	-
Futures sales on interest rates interest	-	-	-	-	-	-	-	-
<b>Currency options</b>	-	-	-	-	-	-	-	-
Currency options issued	-	-	-	-	-	-	-	-
<b>Other operations on interest rates</b>	120,881	(747,838)	(747,841)	120,877	772,237	1,925,172	1,918,042	765,107
Financial swaps on interest rates (IRS bonds)	(195,755)	37,321	37,321	(195,755)	722,454	1,781	1,215	721,888
Interest Rate Swaps (IRS credit to customers)	3,245	-	-	3,245	-	73,348	73,348	-
Financial swaps on interest rates (IRS of IPF customers)	53,756	(142,112)	(142,112)	53,756	-	400,032	400,032	-
Financial swaps on interest rates (IRS fixed income)	-	(375,278)	(375,278)	-	-	1,154,984	1,154,984	-
Options on types of interest (fixed income)	259,634	(267,769)	(267,772)	259,631	49,783	295,027	288,463	43,219
	120,881	(747,838)	(747,841)	120,877	772,237	1,925,172	1,918,042	765,107

### Cash flow hedging

	2023			2022		
	Change in the value of the hedged item recognized in other comprehensive income	Amount reclassified from equity to income		Change in the value of the hedged item recognized in other comprehensive income	Amount reclassified from equity to income	
		Coverage interruption	Recognition in income of the hedged transaction		Coverage interruption	Recognition in income of the hedged transaction
<b>Other transactions on currencies</b>	470	-	(920)	-	-	-
<b>Other transactions on interest rates</b>	(18,100)	-	(120,219)	(143,646)	-	(422,579)
Swaps on interest rates (IRS deposits in central banks)	-	-	-	-	-	-
Swaps on interest rates (IRS fixed income)	(18,100)	-	(120,219)	(143,646)	-	(422,579)
<b>Total</b>	(17,630)	-	(121,139)	(143,646)	-	(422,579)

## 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, 2023 and 2022, indicating the percentages of ownership and other relevant information of these companies, is shown in Annex II.

### 11.2. Jointly controlled entities

A detail of the Bank's interests in jointly controlled entities at December 31, 2023 and 2022, indicating the percentages of ownership and other relevant information of such companies, is shown in Annex III.

### 11.3. Associates

A detail of the Bank's holdings in associates at December 31, 2023 and 2022, indicating the percentages of ownership and other relevant information of these companies, is shown in Annex 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 2023 and 2022, the main acquisitions and disposals of investments in Group companies, jointly controlled entities and associates were as follows:

#### Acquisitions of equity interests during 2023

*Thousands of euros*

Name of the entity	Category	Date operation effective	Net cost of acquisition	% of voting rights acquired	% of total voting rights in the entity after the acquisition
Sociedad de Gestión San Carlos, S.A.	Group (*)	3/1/2023	-	-%	62.2%
Parque Industrial Humilladero, S.L.	Group	3/2/2023	170	0.38%	92.38%
Digital Finance & Insurance Services, S.L.	Associated	5/8/2023	300	30%	30%
Mastercajas	Associated	6/1/2023	-	6.02%	78.77%
Sociedad de Gestión San Carlos, S.A.	Group (*)	7/1/2023	-	1.41%	63.61%

(\*) Until March 1, 2023, Sociedad de Gestión San Carlos, S.A. had been classified as a joint venture applying the equity method. However, as from March 1, 2023, the entity will become a Group company due to the fact that the Unicaja Group's interest has been growing continuously from 2013 (50.32%) to 2023 (62.20%). The Unicaja Group's interest in Sociedad de Gestión San Carlos, S.A. grants it qualified voting rights at the General Shareholders' Meeting for certain decisions and, therefore, a decision to change the consolidation method has been made. Subsequently, on July 1, 2023, the percentage of ownership was increased to 63.61%.

#### Acquisitions of equity interests during 2022

*Thousands of euros*

Name of the entity	Category	Date operation effective	Net cost of acquisition	% of voting rights acquired	% of total voting rights in the entity after the acquisition
Sedes, S.A.	Associated	02.02.2022	2,489	0.05%	39.9%
Kenta Capital Investment Management, S.A.	Associated	22.04.2022	2,881	36%	36%



Disposals and other derecognitions of investments during 2023

Thousands of euros

Name of the entity	Category	Date operation effective	% of voting rights disposed of or canceled	% of total voting rights in the entity after disposal	Profit/ (loss) generated
MalagaPort, S.L.	Associated	1/1/2023	26.77%	-%	-
Electra de Malvana, S.A.	Associated	2/13/2023	20%	-%	-
Instituto de Medicina Oncológica y Molecular de Asturias, S.A.	Multigroup	3/2/2023	33.33%	-%	335
Liberbank Digital, S.L.U.	Group	3/28/2023	100%	-%	-
Azoe Inmuebles, S.L.	Associated	3/29/2023	48.4%	-%	216
Cantabria Capital S.G.E.I.C., S.A.	Associated	5/12/2023	20%	-%	(59)
Lisson Directorship, S.L.U.	Group	5/18/2023	100%	-%	(148)
CCM Vida y Pensiones de Seguros y Reaseguros, S.A. (*)	Associated	6/30/2023	50%	-%	-
Liberbank Vida y Pensiones, Seguros y Reaseguros, S.A. (*)	Multigroup	6/30/2023	50%	-%	-
Mosacata, S.L.U. (**)	Group	8/9/2023	100%	-%	-
Midamarta, S.L.U. (**)	Group	8/9/2023	100%	-%	-
Urbe Cantabria, S.L.U. (**)	Group	8/9/2023	100%	-%	-
Promociones Miralsur, S.L.U.	Group	7/18/2023	100%	-%	17
Espacio Medina, S.L.	Multigroup	10/9/2023	30%	-%	759
Uncro, S.L.	Associated	10/24/2023	25%	-%	-
Puerto Maravio, S.L.U.	Group	12/21/2023	100%	-%	(15)

(\*) Entities merged with Unicorp Vida, Compañía de Seguros y Reaseguros, S.A. with an accounting effective date of January 1, 2023.

(\*\*) Entities merged with Gestión de Inmuebles Adquiridos, S.L.U. with accounting effects as of January 1, 2023

Disposals and other derecognitions of investments during 2022

Thousands of euros

Name of the entity	Category	Date operation effective	% of voting rights disposed of or canceled	% of total voting rights in the entity after disposal	Profit/ (loss) generated
Explotaciones Forestales y Cinegéticas Alta- Baja, S.A.U.	Group	2/25/2022	100%	-%	2,098
Caja Castilla La Mancha Conecta, S.A. Combined administrative services	Group	6/27/2022	100%	-%	(3)
Liberbank Servicios Auxiliares Bancaseguros, A.I.E.	Group	5/19/2022	100%	-%	(78)
Caja Castilla La Mancha Finance, S.A.U.	Group	6/28/2022	100%	-%	42
Banco de Castilla La Mancha Mediación Operador de Banca Seguros Vinculado, S.A.U.	Group	6/1/2022	100%	-%	-
Liberbank Mediación, Operador de Banca-Seguros Vinculado, S.L.U.	Group	6/1/2022	100%	-%	-
Fitex Ilunion, S.A.	Associated	7/7/2022	25%	-%	1,017
Liberbank Gestión, S.G.I.I.C., S.A.U.	Group	9/13/2022	100%	-%	-

Additionally, it should be noted that on May 23, 2022, Unicaja reached an agreement with Santa Lucía, S.A., Compañía de Seguros y Reaseguros ("Santa Lucía") to extend its joint banking and insurance alliance in the life risk, savings, accident and pension plan lines following the merger of Unicaja with Liberbank. According to the aforesaid agreement, Santa Lucía acquired 50% of CCM Vida y Pensiones de Seguros y Reaseguros, S.A. ("CCM Vida") and Liberbank Vida y Pensiones, Seguros y Reaseguros, S.A. ("Liberbank Vida"), with Unicaja 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 acquired 50% of CCM Vida shares for 131.4 million euros from Mapfre Vida, Sociedad Anónima de Seguros y Reaseguros sobre la Vida Humana (Mapfre) 50%, thus terminating the alliance with Mapfre for the banking and insurance business from Banco de Castilla-La Mancha, S.A. ("BCLM"), which was part of the Liberbank Group.
- On October 14, 2022, Unicaja acquired 50% of Liberbank Vida shares for 176.5 million euros from Aegon España, S.A. de Seguros y Reaseguros (Aegon), 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.
- As a result of urging Mapfre and Aegon to terminate the banking and insurance alliances that were in force, Unicaja Banco was fined 41 million euros, which was part of the purchase price of the CCM Vida and Liberbank Vida shares. The Unicaja Group 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 was recovered under the heading "Provisions or reversal of provisions" in the consolidated income statement for the year 2022.

After executing the previous steps and receiving the corresponding regulatory and administrative authorizations, on November 2, 2022, Unicaja realized the sale to Santa Lucía of 50% of CCM Vida and Liberbank Vida, extending the banking and insurance alliance from that moment onwards, receiving a consideration consisting of a fixed amount of 318 million euros, of which 295 million corresponded to the sale price of the insurance companies, and 23 million corresponded to the complementary consideration linked to the novation of the insurance distribution agreement through Unicorp Vida, Compañía de Seguros y Reaseguros, S. A. ("Unicorp Vida"), in which there was a previous alliance with Santa Lucía.

As a result of the materialization of the sale of the insurance companies to Santa Lucía, a total capital gain of 36 million euros was generated, of which 17 million euros were recorded under the heading “Gains/losses from non-current assets and disposal groups classified as held for sale not eligible as discontinued operations” in the income statement for 2022 (Note 38), and the remaining 19 million euros were expected to be recorded as the performance obligations associated with this amount are fulfilled.

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

Finally, the agreements reached with Santa Lucía also included a variable amount of up to 40 million euros to be received by Unicaja (or its Group companies) depending on the level of compliance with certain business objectives over the next ten 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).

### 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 2023 and 2022 fiscal years:

*Thousands of euros*

	Subsidiaries	Joint ventures	Associates	Total
<b>Balance as at January 1, 2022</b>	<b>1,139,671</b>	<b>90,606</b>	<b>713,028</b>	<b>1,943,305</b>
Recognitions	18	146,148	124,401	270,567
Disposals	(23,937)	(146,148)	(119,031)	(289,116)
Other changes	288,354	-	(31)	288,323
<b>Balance at December 31, 2022</b>	<b>1,404,106</b>	<b>90,606</b>	<b>718,367</b>	<b>2,213,079</b>
Recognitions	5,979	-	214	6,193
Disposals	(2,939)	-	(184)	(3,123)
Other changes	1,260,619	(37,231)	36,857	1,260,245
<b>Balance at December 31, 2023</b>	<b>2,667,765</b>	<b>53,375</b>	<b>755,254</b>	<b>3,476,394</b>

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 2023 for investments in joint ventures and associated recorded under this heading amount to 1,263,316,000 euros (net payments of 269,772,000 euros during 2022).

The amount recorded by the Bank at December 31, 2023 and 2022 as impairment under investments in joint ventures and associates amounts to 673,982,000 euros and 490,083,000 euros respectively.

In 2023 and 2022, impairment losses on assets in this item of the balance sheet experienced the following movements:

*Thousands of euros*

	Subsidiaries	Joint ventures	Associates	Total
<b>Balance as at January 1, 2022</b>	<b>204,502</b>	<b>40,268</b>	<b>15,923</b>	<b>260,693</b>
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
<b>Balance at December 31, 2022</b>	<b>433,847</b>	<b>40,330</b>	<b>15,906</b>	<b>490,083</b>
Provisions of the fiscal year	184,067	-	3,191	187,258
Funds recovered	(2,598)	-	(488)	(3,086)
Cancellations due to utilization, transfers, and others	(153)	-	(120)	(273)
<b>Balance at December 31, 2023</b>	<b>615,163</b>	<b>40,330</b>	<b>18,489</b>	<b>673,982</b>

## 12. Tangible and intangible assets

### 12.1. Tangible assets

The composition of the balance of this heading on the balance sheets on December 31, 2023 and 2022, is as follows:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Tangible fixed assets	1,159,878	1,220,476
Own use	1,159,878	1,220,476
Loaned under operating lease	-	-
<i>Of which: Leasehold rights of use</i>	31,714	51,290
Investment property	351,818	381,745
	<b>1,511,696</b>	<b>1,602,221</b>

The changes in the "Tangible assets" caption of the Bank's balance sheet in 2023 and 2022 were as follows:

	<i>Thousands of euros</i>		
	<b>Own use</b>	<b>Investment property</b>	<b>Total</b>
<b>Cost</b>			
<b>Balances as at December 31, 2022</b>	<b>2,604,640</b>	<b>626,847</b>	<b>3,231,487</b>
Other additions	24,146	192	24,338
Additions for leasehold rights of use	16,580	-	16,580
Disposals due to other means	(36,461)	(50,959)	(87,420)
Disposals of leasehold rights of use	(26,871)	-	(26,871)
Other transfers and other movements	(29,215)	30,601	1,386
<b>Balances as at December 31, 2023</b>	<b>2,552,819</b>	<b>606,681</b>	<b>3,159,500</b>
<b>Accumulated amortization:</b>			
<b>Balances as at December 31, 2022</b>	<b>(1,336,903)</b>	<b>(125,974)</b>	<b>(1,462,877)</b>
Disposals due to other means	24,856	8,782	33,638
Endowments	(42,554)	(7,657)	(50,211)
Allocations for leasehold use rights	(9,285)	-	(9,285)
Other transfers and other movements	6,346	(5,833)	513
<b>Balances as at December 31, 2023</b>	<b>(1,357,540)</b>	<b>(130,682)</b>	<b>(1,488,222)</b>
<b>Impairment losses</b>			
As at December 31, 2023	(35,401)	(124,181)	(159,582)
<b>Net tangible fixed assets</b>			
<b>Balances as at December 31, 2023</b>	<b>1,159,878</b>	<b>351,818</b>	<b>1,511,696</b>

Thousands of euros

	Own use	Investment property	Total
<b>Cost</b>			
<b>Balances as at December 31, 2021</b>	<b>2,719,080</b>	<b>676,535</b>	<b>3,395,615</b>
Other additions	56,030	745	56,775
Additions for leasehold rights of use	6,073	-	6,073
Disposals 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)
<b>Balances as at December 31, 2022</b>	<b>2,604,640</b>	<b>626,847</b>	<b>3,231,487</b>
<b>Accumulated amortization:</b>			
<b>Balances as at December 31, 2021</b>	<b>(1,379,833)</b>	<b>(138,085)</b>	<b>(1,517,918)</b>
Disposals 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
<b>Balances as at December 31, 2022</b>	<b>(1,336,903)</b>	<b>(125,974)</b>	<b>(1,462,877)</b>
<b>Impairment losses</b>			
As at December 31, 2022	(47,261)	(119,128)	(166,389)
<b>Net tangible fixed assets</b>			
<b>Balances as at December 31, 2022</b>	<b>1,220,476</b>	<b>381,745</b>	<b>1,602,221</b>

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 2023 and 2022 is as follows:

	2023		2022	
	Own use	Investment property	Own use	Investment property
Transfers from non-current assets held for sale and investment property (*) (Note 13)	-	3,667	-	1,891
Transfers between own use and real estate investments	(21,440)	21,440	(14,097)	14,097
Transfers from stock	-	-	-	-
Other changes	(1,430)	(339)	(2,374)	(14,307)
	<b>(22,870)</b>	<b>24,768</b>	<b>(16,471)</b>	<b>1,681</b>

(\*) These transfers are due to changes in the plans to lease/sell the assets that took place during the year 2022 by Unicaja. Specifically, the transfers from investment property to non-current assets held for sale were due to a change in the management strategy for certain groups of assets held for sale.

The 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, 2023 and 2022, there are property, plant and equipment for own use and investment property that were fully depreciated for a gross amount of 909,832,000 euros and 906,259,000 euros respectively.

The net collections in the statement of cash flows for 2023 for tangible assets recorded under this caption amount to 39,736,000 euros (net collections of 31,808,000 euros in 2022).

### 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, 2023 and 2022, is as follows:

*Thousands of euros*

	<u>Cost</u>	<u>Accumulated amortization:</u>	<u>Impairment losses</u>	<u>Net balance</u>
Computer hardware and installations	193,312	(156,591)	-	36,721
Furniture, vehicles, and other fixtures	875,386	(809,960)	-	65,426
Buildings	1,225,017	(310,199)	(25,797)	889,021
Construction in progress	6,175	-	-	6,175
Others	252,929	(80,790)	(9,604)	162,535
<b>Balances as at December 31, 2023</b>	<b>2,552,819</b>	<b>(1,357,540)</b>	<b>(35,401)</b>	<b>1,159,878</b>

*Thousands of euros*

	<u>Cost</u>	<u>Accumulated amortization:</u>	<u>Impairment losses</u>	<u>Net balance</u>
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
<b>Balances as at December 31, 2022</b>	<b>2,604,640</b>	<b>(1,336,903)</b>	<b>(47,261)</b>	<b>1,220,476</b>

As part of the net balance at December 31, 2023 and 2022 shown in the table above, there are no items of net value corresponding to property, plant and equipment that the Group companies are acquiring under finance leases.

### 12.1.2. Investment property

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.

With respect to real estate investments in which the Group acts as lessor, the conditions of the regulations applicable to each lease are respected, especially with respect to Law 29/1994, of November 24, 1994, on Urban Leases, and Law 4/2013, of June 4, 2013, on measures to make the housing rental market more flexible and promote it.

The expenses recorded in the income statement for 2023 and 2022 for direct operating expenses (including repairs and maintenance) associated with investment property amount to 4,421,000 euros and 8,710,000 euros respectively, corresponding entirely to investment property that generates income (Note 33).

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 2023 and 2022, rental income from investment property owned by the Bank amounted to 17,266,000 euros and 18,564 thousand euros respectively (Note 33).

The following is a breakdown of investment property according to its nature at December 31, 2023 and 2022, indicating its book value and the best estimate that the Bank can make of its fair value on the same date:

<i>Thousands of euros</i>				December 31, 2023	
	Gross carrying amount	Accumulated amortization:	Valuation adjustments due to impairment	Carrying amount	Estimated fair value
Premises and warehouses	400,503	(93,797)	(52,639)	254,067	239,002
Completed housing	98,665	(12,358)	(18,817)	67,490	100,307
Parking and storage rooms	2,458	(534)	(769)	1,155	1,263
Developed plots	7,255	-	(3,797)	3,458	6,214
Rural properties	624	-	(38)	586	667
Others	97,174	(23,992)	(48,120)	25,062	45,851
<b>Total</b>	<b>606,679</b>	<b>(130,681)</b>	<b>(124,180)</b>	<b>351,818</b>	<b>393,304</b>

<i>Thousands of euros</i>				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
<b>Total</b>	<b>626,847</b>	<b>(125,974)</b>	<b>(119,129)</b>	<b>381,744</b>	<b>404,491</b>

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 has a corporate policy that guarantees the professional competence, independence, and objectivity of the external measurement companies, in accordance with the regulations, which requires the appraisal companies to comply with neutrality and credibility requirements so that the use of their estimates does not undermine the reliability of their measurements. This policy states that all the appraisal companies with which the Unicaja Group works in Spain must be registered in the Official Register of the Bank of Spain and their measurements must be carried out following the methodology established in Order ECO/85/2003, dated March 27, of the Ministry of the Economy, on the rules for appraising 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 2023 and 2022 is shown below:

<i>Thousands of euros</i>			
	Own use	Investment property	Total
<b>Balances as at December 31, 2021</b>	<b>51,204</b>	<b>143,337</b>	<b>194,541</b>
Endowments	(84)	(351)	(435)
Recoveries on sales	-	(9,357)	(9,357)
Other recoveries	-	-	-
Remaining transfers and reclassifications	(3,859)	(14,501)	(18,360)
<b>Balances as at December 31, 2022</b>	<b>47,261</b>	<b>119,128</b>	<b>166,389</b>
Endowments	(15)	731	716
Recoveries on sales	(347)	(10,107)	(10,454)
Other recoveries	-	-	-
Remaining transfers and reclassifications	(11,498)	14,429	2,931
<b>Balances as at December 31, 2023</b>	<b>35,401</b>	<b>124,181</b>	<b>159,582</b>

The provisions made are recorded under "Impairment or reversal of financial assets" in the income statement (Note 36).

### 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 2023 and 2022:

<i>Thousands of euros</i>			
	Land and buildings	Others	Total
<b>Balances as at January 1, 2022</b>	<b>74,256</b>	<b>2,326</b>	<b>76,582</b>
Recognitions	6,839	-	6,839
Write-downs	(25,209)	-	(25,209)
Amortization	(10,327)	-	(10,327)
Other changes	5,731	(2,326)	3,405
<b>Balances as at December 31, 2022</b>	<b>51,290</b>	<b>-</b>	<b>51,290</b>
Recognitions	16,580	-	16,580
Write-downs	(26,871)	-	(26,871)
Amortization	(9,285)	-	(9,285)
Other changes	-	-	-
<b>Balances as at December 31, 2023</b>	<b>31,714</b>	<b>-</b>	<b>31,714</b>

With respect to the lease liabilities associated with the rights of use (which are recorded under “Financial liabilities at amortized cost”), the details of the balances at December 31, 2023 and 2022 are presented below:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Lease liabilities:		
Current leases	9,529	1,702
Non-current leases	26,306	53,963
	<b>35,835</b>	<b>55,665</b>

The following is a breakdown by maturity of the lease liabilities expected by the Bank as at December 31, 2023 and 2022:

	<i>Thousands of euros</i>					
	<u>Up to 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 3 years</u>	<u>Between 3 and 4 years</u>	<u>Between 4 and 5 years</u>	<u>More than 5 years</u>
As at December 31, 2023	9,529	5,313	4,896	4,623	4,136	7,338
As at December 31, 2022	8,891	8,259	6,352	6,196	5,986	19,981

The breakdown by maturity of the contractual cash flows (undiscounted) linked to Unicaja’s lease contracts at the end of 2023 is as follows:

<i>Thousands of euros</i>	<b>2023</b>
Up to 1 year	9,610
Between 1 and 2 years	5,465
Between 2 and 3 years	5,129
Between 3 and 4 years	4,930
Between 4 and 5 years	4,492
More than 5 years	9,642
	<b>39,268</b>

On the other hand, the impact on the income statement for the Bank’s rights of use by lease at December 31, 2023 and 2022 is:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Expenses for amortization of rights of use	(9,285)	(10,469)
Land and buildings	(9,285)	(10,469)
Others	-	-
Interest expense on lease liabilities	(949)	(1,058)
	<b>(10,234)</b>	<b>(11,527)</b>

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, 2023 and 2022 is presented below:

<i>Thousands of euros</i>	2023	2022
Short-term lease expenses	78	112
Expenses for low-value leases	820	805
	<b>898</b>	<b>917</b>

## 12.2. Intangible asset

As of December 31, 2023 and 2022, the breakdown by item of the caption "Intangible assets" in the balance sheet is as follows:

<i>Thousands of euros</i>	2023	2022
Goodwill	-	-
Other intangible assets	55,108	37,418
	<b>55,108</b>	<b>37,418</b>

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

The movements under "Intangible assets" on the balance sheet during the years ended December 31, 2023 and 2022 are as follows:

	<i>Thousands of euros</i>		
	Cost	Accumulated amortization:	Carrying amount
<b>Balance as at December 31, 2021</b>	<b>58,495</b>	<b>(22,555)</b>	<b>35,940</b>
Cost/ amortization recognitions	17,748	(16,270)	1,478
Cost/ amortization derecognitions	-	-	-
Other changes	-	-	-
<b>Balance at December 31, 2022</b>	<b>76,243</b>	<b>(38,825)</b>	<b>37,418</b>
Cost/ amortization recognitions	42,965	(20,434)	22,531
Cost/ amortization derecognitions	(5,643)	8	(5,635)
Other changes	543	251	794
<b>Balance as at December 31, 2023</b>	<b>114,108</b>	<b>(59,000)</b>	<b>55,108</b>

The amount recorded under the heading "Amortization" in the income statement amounts to 20,434,000 euros and 16,270,000 euros in the years ended December 31, 2023 and 2022 respectively.

The amount of fully amortized intangible assets in use as of December 31, 2023 and 2022 totals 14,043,000 euros and 584,000 euros respectively.

The net payments recorded in the statement of cash flows for 2023 for intangible assets recorded under this caption amount to 37,330,000 euros (net payments of 17,749,000 euros in 2022).

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

### 13.1. Non-current assets and disposal 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, 2023 and 2022 amounts to 91,195,000 euros and 179,210,000 euros respectively.

The breakdown of non-current assets held for sale classified according to their purpose at the end of 2023 and 2022 is as follows:

<i>Thousands of euros</i>	2023	2022
<b>Residential assets</b>	<b>77,914</b>	<b>84,998</b>
<b>Finished properties</b>	<b>1,651</b>	<b>28,636</b>
Housing	253	7,619
Others	1,398	21,017
<b>Properties under construction</b>	<b>4,475</b>	<b>9,128</b>
Housing	4,371	8,373
Others	104	755
<b>Land</b>	<b>2,140</b>	<b>50,181</b>
<b>Other assets</b>	<b>5,015</b>	<b>6,267</b>
Loans and advances	5,015	6,267
	<b>91,195</b>	<b>179,210</b>

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

A reconciliation between the opening and closing balance of real estate assets classified under “Non-current assets and disposal groups classified as held for sale” in the balance sheet for 2023 and 2022 is presented below:

<i>Thousands of euros</i>			
	<b>Gross</b>	<b>Valuation adjustments due to impairment</b>	<b>Carrying amount</b>
<b>Balances as at December 31, 2021</b>	<b>663,537</b>	<b>(392,939)</b>	<b>270,598</b>
Recognitions in the year	50,729	(28,600)	22,129
Derecognitions for disposals or other transfers	(236,339)	138,238	(98,101)
Provision or reversal of the provision charged or credited to income (Note 38)	-	(16,329)	(16,329)
Transfers to inventories (Note 13.2)	(590)	590	-
Transfers from non-current assets held for sale and investment property (Note 12.1.1) (*)	(11,103)	6,326	(4,777)
Other changes	(7,163)	6,586	(577)
<b>Balances as at December 31, 2022</b>	<b>459,071</b>	<b>(286,128)</b>	<b>172,943</b>
Recognitions in the year	34,537	(19,451)	15,086
Derecognitions for disposals or other transfers	(157,517)	102,147	(55,370)
Other derecognitions	(17,876)	14,601	(3,275)
Provision or reversal of the provision charged or credited to income (Note 38)	-	(39,551)	(39,551)
Transfers to inventories (Note 13.2)	-	-	-
Transfers from non-current assets held for sale and investment property (Note 12.1.1)	(5,638)	4,135	(1,503)
Other changes	(2)	(2,148)	(2,150)
<b>Balances as at December 31, 2023</b>	<b>312,575</b>	<b>(226,395)</b>	<b>86,180</b>

(\*) These transfers were due to changes in the plans to lease/sell the assets that took place during the year 2022 by Unicaja. Specifically, the transfers from investment property to non-current assets held for sale were due to a change in the management strategy for certain groups of assets held for sale.

The 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 (Note 38).

Net collections recorded in the statement of cash flows for 2023 for non-current assets held for sale recorded under this line item amounted to 56,370,000 euros (net collections recorded in 2022 amounted to 98,056,000 euros).

In 2023, the item “Other derecognitions” in the movement in non-current assets held for sale, with a net amount of 3,275,000 euros, corresponds to disposals of foreclosed assets for which no future economic benefits are expected from their disposal and which have been derecognized in accordance with Paragraph 24 of IFRS 5. These correspond mainly to land for real estate development, with a generally very high age on the balance sheet, which, due to their location, their urban development situation, their low liquidity and the real estate market conditions identified in the last tranche of 2023 (increase in interest rates, increase in construction costs, regulation of the real estate market, downward maintenance of land prices and slowdown in the housing market, among others), Unicaja considers not to be economically viable.

Likewise, in 2023, the item “Provision or reversal of the provision charged or credited to income” of the movement in non-current assets held for sale, amounting to 39,551,000 euros, includes provisions made for adjustments to the fair value of foreclosed assets, classified under the heading “Non-current assets held for sale”, in addition to the hedges derived from Unicaja’s internal impairment models (Note 2.17), to take into account the circumstances observed in the real estate market mentioned above and the Bank’s most recent experience of sales of foreclosed assets.

### ***Fair value hierarchy***

With regard to the valuation of “Non-current assets and disposal groups classified as held for sale”, Unicaja establishes the fair value hierarchy levels indicated in the applicable financial reporting framework. The methodology for estimating the fair value, less costs to sell, of non-current assets held for sale is based on two factors: (i) the determination of a reference value, and (ii) the application of haircuts on the reference value based on sales experience primarily from the Unicaja Group’s internal models (and to a lesser extent from the alternative solutions of Bank of Spain Circular 4/2017). For the part corresponding to the reference value, which is equivalent to the appraisal value determined by an independent appraisal company, residential assets and finished properties, which form the majority of the non-current assets held for sale, would be considered as level 2 in the fair value hierarchy, characterized by the use of observable variables in market data, such as the price per square meter of comparable assets, while properties under construction and land would be considered as level 3, since they use unobservable variables. In any event, when these benchmark values undergo haircuts based on sales experience, the prevailing hierarchy is Level 3. It is also noted that the application of the additional haircuts to the fair value of foreclosed assets described above in this same note is based primarily on additional haircuts on the reference values based on the most recent sales experience and considering certain aspects of the real estate market, in addition to the age on the balance sheet. These factors result in the fair value hierarchy generally applied to non-current assets held for sale being level 3.

In this regard, Unicaja 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/85/2003, dated March 27, 2003.

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/85/2003, using the methods indicated in Article 15 of the Order, depending on the asset 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/85/2003, 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/85/2003 are met: (i) a representative market exists for comparable properties, (ii) sufficient data is available on transactions or offers to allow, in the area in question, the identification of adequate parameters to carry out the homogenization of comparable properties, and (iii) sufficient information is available on at least six transactions or offers of comparable properties that adequately reflect the current situation of such market. The following general rules are used to calculate the value by comparison:
  - The qualities and characteristics of the appraised property that influence its value are established. In the case of buildings of historic or artistic character, in order to establish such qualities and characteristics, the particular value of the elements of the building that confers such character will also be taken into account.
  - The comparable property market segment is analyzed and, based on concrete information on actual transactions and firm offers appropriately corrected where appropriate, current purchase and sales prices of such properties are obtained.
  - A representative sample of the prices obtained after the analysis described above is selected from those corresponding to comparable properties, to which the necessary homogenization procedure is applied. In the aforementioned selection, those prices that are abnormal are previously contrasted in order to identify and eliminate both those from transactions and offers that do not meet the conditions required in the definition of market value of the assets concerned and, in the case of a valuation for the purpose set forth in Order ECO/85/2003, 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/85/2003 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 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. (Tecnica). In this regard, Unicaja complies with the requirements of independence and rotation of appraisal companies indicated in Points 78 and 166 of Annex 9 of Bank of Spain Circular 4/2017.

### 13.2. Other assets

The composition of the balances of this heading on the balance sheets on December 31, 2023 and 2022, is as follows:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Insurance contracts linked to pensions	21,509	23,167
Inventories	-	-
Others	210,680	553,286
	<b>232,189</b>	<b>576,453</b>

At December 31, 2023 and 2022, the "Insurance contracts linked to pensions" line item on the asset side of the consolidated balance sheet amounted to 21,509,000 euros and 23,167,000 euros respectively, relating to post-employment benefits (Note 34).

At December 31, 2023 and 2022, 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 the balances in this heading on the balance sheet on December 31, 2023 and 2022 is as follows:

<i>Thousands of euros</i>	2023	2022
Other central banks	933,990	5,422,080
Valuation adjustments - accrued interest	19,981	(101,191)
	<b>953,971</b>	<b>5,320,889</b>

At December 31, 2023 and 2022, the amounts recorded under "Other central banks" relate to financing taken by Unicaja through the third series of targeted longer-term refinancing operations (TLTROs III).

On June 6, 2019, the European Central Bank announced a new program of targeted longer-term refinancing operations (TLTROs III). On April 30, 2020, the Governing Council of the European Central Bank made a number of amendments to the terms and conditions of these financing operations in order to further support the provision of credit to households and businesses in the face of the current economic turmoil and increased uncertainty.

These amendments reduced the interest rate on transactions by 25 basis points to -0.5% from June 2020 to June 2021, and provided 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 will 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 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.

Since June 24, 2022, TLTRO III issues accrued interest at a rate equal to the average rate of the marginal deposit facility for the life of the corresponding issue (including both past periods since their issuance and future periods to their maturity). In this case, Unicaja, in accordance with the provisions of the European Central Bank Decisions, accrued interest on TLTRO III issues by calculating an average interest rate. In the determination of this average interest rate, no assumptions on the evolution of future interest rates are incorporated, and, under applicable regulations, with each change that occurs in the marginal deposit facility.

On November 7, 2022, Decision (EU) 2022/2128 of 27 October 2022, amending Decision (EU) 2019/1311 on the third series of targeted longer-term refinancing operations (TLTRO III) was published in the Official Journal of the European Union (OJEU), amending the interest accrual conditions of TLTRO III by adding a final interest rate period starting on November 23, 2022, which divided what was until now the main interest period into two parts (the special interest rate period described above being discarded). Likewise, several voluntary early repayment dates were added.

From June 24, 2022 through November 22, 2022, interest accrued based on the average deposit facility from the inception of the issue until November 22, 2022 itself, and from November 23, 2022 onwards, until the maturity of the issue, interest accrued based on the average deposit facility over that period. This change was considered a substantial modification of the conditions of the financial liability associated with TLTRO III, and therefore the previous liability was derecognized and a new liability was recorded at its fair value, the difference of which has generated a positive amount of 8,907,000 euros, recorded under "Interest income" in the adjoined income statement 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 repaid on November 23, 2022 an amount of 5,025,100,000 euros of TLTROs III issues.

Additionally, TLTRO III issues in the amount of 4,488,090,000 euros matured on June 28, 2023.

During the year 2023, these transactions have accrued interest expenses of 92,373,000 euros, which correspond to the interest expenses accrued on the granting of TLTRO III loans and have been recorded under the "Interest expenses" heading in the adjoined income statement (Note 28).

On the other hand, during 2022, the proceeds from this type of issuance amounted to 55,150,000 euros, which corresponds to the net income accrued on TLTRO III loans granted, and which was recorded under the "Interest income - Central bank deposits" heading in the adjoined 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, 2023 and 2022, based on the nature of the transactions, is as follows:

<i>Thousands of euros</i>	2023	2022
Mutual accounts	2,164	-
Term deposits	581,443	676,892
Temporary assignment of assets	4,847,734	2,553,514
Other accounts	362,487	218,332
Valuation adjustments	11,227	69
	<b>5,805,055</b>	<b>3,448,807</b>

The interest accrued during the fiscal years 2023 and 2022 on these deposits amounted to 183,113,000 euros and 28,173,000 euros respectively, and was recorded under "Interest expense" of the income statement (Note 28).

The average effective interest rate of debt instruments classified under this caption at December 31, 2023 and 2022 was 3.37% and 0.42%, respectively.

### 14.3. Customer deposits

The breakdown of the balance of this item in the balance sheet at December 31, 2023 and 2022, by type of transaction and counterpart, is as follows:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
<b>By type -</b>		
Current accounts	20,737,869	22,796,602
Savings accounts	37,292,363	41,383,969
Term deposits	14,575,528	10,943,894
Temporary asset transfers	1,588,975	20,141
Others	48,468	63,727
Valuation adjustments	54,130	(100,165)
Micro hedge transactions	(120,455)	(250,845)
Accrued interest	177,127	153,642
Other adjustments	(2,542)	(2,962)
	<b>74,297,333</b>	<b>75,108,168</b>
<b>By counterpart -</b>		
Resident Public Administrations	5,451,536	6,888,235
Non-Resident Public Administrations	2,415	-
Other resident sectors	68,434,546	67,936,720
Other non-resident sectors	354,706	383,378
Valuation adjustments	54,130	(100,165)
Micro hedge transactions	(120,455)	(250,845)
Accrued interest	177,127	153,642
Other adjustments	(2,542)	(2,962)
	<b>74,297,333</b>	<b>75,108,168</b>

The interest accrued during the fiscal years 2023 and 2022 on these deposits amounted to 411,925,000 euros and 154,761,000 euros respectively, and was recorded under "Interest expense" of the income statement (Note 28).

The average effective interest rate of debt instruments classified under this caption at December 31, 2023 and 2022 was 0.66% and 0.16%, 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 12/31/2023	Nominal 12/31/2022
5/18/2005	5/21/2025	(a) 3.875%	200,000	200,000
5/18/2005	5/21/2025	(a) 3.875%	300,000	300,000
6/28/2005	6/28/2025	(a) 3.754%	76,923	76,923
6/28/2005	6/28/2025	(a) 3.754%	76,923	76,923
6/28/2005	6/28/2025	(a) 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	(a) 3.875%	300,000	300,000
4/6/2006	4/8/2031	(a) 4.25%	300,000	300,000
10/23/2006	10/23/2023	(a) 4.254%	-	200,000
10/23/2006	10/23/2023	(a) 4.254%	-	100,000
10/23/2006	10/23/2023	(a) 4.254%	-	150,000
11/23/2006	4/8/2031	(a) 4.25%	300,000	300,000
11/23/2006	4/8/2031	(a) 4.25%	100,000	100,000
3/23/2007	3/26/2027	(b) 4.25%	150,000	150,000
3/23/2007	3/26/2027	(b) 4.25%	350,000	350,000
3/23/2007	4/8/2031	(a) 4.25%	100,000	100,000
3/23/2007	4/8/2031	(a) 4.25%	250,000	250,000
5/23/2007	5/23/2027	(a) 4.755%	50,000	50,000
5/23/2007	5/23/2027	(a) 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	(b) 4.755%	200,000	200,000
6/29/2007	4/8/2031	(a) 4.25%	400,000	400,000
7/20/2007	3/26/2027	4.25%	100,000	100,000
10/19/2007	3/26/2027	(a) 4.25%	110,000	110,000
10/19/2007	4/8/2031	(a) 4.25%	180,000	180,000
			<b>4,022,051</b>	<b>4,472,051</b>

(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 canceled.

#### 14.4. Debt securities issued

The breakdown of the balance in this heading on the balance sheet on December 31, 2023 and 2022 is as follows:

<i>Thousands of euros</i>	2023	2022
Mortgage bonds	4,184,516	4,684,516
Non-convertible subordinated debt	599,142	599,179
Other non-convertible bonds	2,457,665	1,658,610
Own shares	(3,000,000)	(3,500,000)
Valuation adjustments - accrued interest	56,051	25,678
Valuation adjustments - micro-hedges	(48,900)	(132,636)
Valuation adjustments - Other	(6,576)	(5,993)
	<b>4,241,898</b>	<b>3,329,354</b>

The details and movement of issues, repurchases or repayments of debt securities, including convertible subordinated liabilities, carried out in 2023 by Unicaja are as follows:

	<i>Thousands of euros</i>				
	Balance as at 1/1/2023	Issuances	Repurchases/ repayments	Exchange rate and other adjustments	Balance at 12/31/2023
Debt securities issued in a member state of the European Union that required the filing of a prospectus informative	3,329,354	2,299,054	(1,500,000)	113,490	4,241,898
Debt securities issued in a member state of the European Union that did not require the registration of a prospectus informative	-	-	-	-	-
Other debt securities not issued in a member state of the European Union	-	-	-	-	-
<b>TOTAL</b>	<b>3,329,354</b>	<b>2,299,054</b>	<b>(1,500,000)</b>	<b>113,490</b>	<b>4,241,898</b>

The details and movement of issues, repurchases or repayments of debt securities, including convertible subordinated liabilities, carried out in 2022 by Unicaja are as follows:

*Thousands of euros*

	Balance as at 1/1/2022	Issuances	Repurchases/r epayments	Exchange rate and other adjustments	Balance at 12/31/2022
Debt securities issued in a member state of the European Union that required the filing of a prospectus informative	2,497,755	1,298,162	(337,878)	(128,685)	3,329,354
Debt securities issued in a member state of the European Union that did not require the registration of a prospectus informative	-	-	-	-	-
Other debt securities not issued in a member state of the European Union	-	-	-	-	-
<b>TOTAL</b>	<b>2,497,755</b>	<b>1,298,162</b>	<b>(337,878)</b>	<b>(128,685)</b>	<b>3,329,354</b>

The interest accrued on marketable debt securities during the years ended December 31, 2023 and 2022 amounts to 118,496,000 euros and 50,147,000 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, 2023 and 2022 was 3.30% and 3.52%, respectively.

#### Mortgage bonds

The detail of mortgage-based securities (mainly mortgage bonds) issued by the Bank at December 31, 2023 and 2022 is as follows:

*Thousands of euros*

Issue	ISIN Code	Issue date	Issue amount	Balance at 12/31/2023	Balance at 12/31/2022	Maturity date	Interest rate
Liberbank July 2017	ES0468675014	7/25/2017	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	9/25/2029	0.25%
Liberbank - September 2019 (first extension)	ES0468675030	6/2/2020	50,000	49,355	49,355	9/25/2029	0.25%
Liberbank - September 2019 (2nd extension)	ES0468675030	6/3/2020	150,000	148,065	148,065	9/25/2029	0.25%
Unicaja Mortgage-backed securities December 2023	ES0480907023	12/14/2023	1,500,000	1,500,000	-	12/14/2028	3.50%
				<b>4,184,516</b>	<b>4,684,516</b>		

These issues are admitted to trading on the AIAF fixed income market, and are secured by mortgages that constitute primary assets of the Special Registry of the Coverage Set (RECC) in accordance with RD 21/2021, without prejudice to the universal asset liability of the same.

At December 31, 2023, the amount of mortgage securities issues repurchased by the Group amounted to 3 billion euros, corresponding to the issues of Liberbank December 2018 mortgage bonds and "Unicaja Mortgage-backed securities December 2023".

As of December 31, 2022, the amount of mortgage securities issues repurchased by the Group amounted to 3.5 billion euros, corresponding to the "Liberbank July 2017" and "Liberbank December 2018" mortgage bond issues.

On December 4, 2023, Unicaja notified the CNMV of its decision to redeem early and in full the issue of Liberbank December 2017 covered bonds. The early total repayment was made on December 14, 2023 for a nominal amount of 2 billion euros, which was repurchased in full by the Bank itself.

#### Non-convertible subordinated debt

The detail of outstanding bonds and debentures issued by the Unicaja at December 31, 2023 and 2022 is as follows:

Thousands of euros							
Issue	ISIN Code	Issue date	Issue amount	Balance at 12/31/2023	Balance at 12/31/2022	Maturity date	Interest rate
Unicaja Subordinated debentures (January 2022)	ES0280907025	1/19/2022	300,000	299,142	299,179	7/19/2032	3.13%
Unicaja subordinated debentures (November 2019)	ES0280907017	11/13/2019	300,000	300,000	300,000	11/13/2029	2.88%
Liberbank - Subordinated debentures	ES0268675032	3/14/2017	300,000	-	-	3/14/2027	6.88%
				<b>599,142</b>	<b>599,179</b>		

The first issue of subordinated debentures of Unicaja was issued on November 13, 2019, in the amount of 300,000,000 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's subordinated debentures accrue interest on their outstanding principal: (i) at a fixed interest rate of 2.875% per annum from the date of issue until the reset date, payable annually on November 13 of each year, with the first interest payment date set for November 13, 2020, and (ii) from the reset date (November 13, 2024), at the reset interest rate (5-year Mid-Swap plus a margin of 3.107% per annum), payable annually on November 13 of each year, with the first interest payment date after the reset date set on November 13, 2025.

The second issue of subordinated debentures of Unicaja was issued on January 19, 2022 for an amount of 300,000,000 euros, at a price equivalent to 99.714% of their nominal value, the unit nominal value of the bonds being 100,000 euros. Subordinated debt bonds are listed on the Spanish AIAF fixed income market. Its maturity is set for July 19, 2032, with the possibility of early redemption at the Bank's discretion at any given time between January 19, 2027 and June 19, 2027. In this regard, the bonds may be redeemed at the Bank's discretion, in full, together with any accrued and unpaid interest, subject to the conditions set forth in the prospectus, which include the prior approval of the competent authority, upon the occurrence of certain circumstances relating to tax events, capital events or events disqualifying the bonds for their computability for MREL purposes. Likewise, the Bank has the option, subject to the conditions set forth in the prospectus and the prior authorization of the competent authority, to redeem the bonds in full, at any given time between January 19, 2027 and July 19, 2027, for their outstanding principal amount and any interest accrued and unpaid thereby. Bonds yield an interest at a rate of 3.125% per annum until July 19, 2027, and thereafter (said date inclusive), the Bonds will yield an interest at an annual rate equal to the 5-year Mid-Swap rate plus a margin of 3.050% per annum. Interest is payable annually for interest periods due on July 19 of each year.



In turn, the issue of subordinated bonds from Liberbank recorded in the financial statements of Unicaja on the accounting date of effects of the merger by absorption, was carried out on March 7, 2017, for an amount of 3 million euros, which is the same as 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 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 at December 31, 2023 and 2022 are as follows:

Thousands of euros							
Issue	ISIN Code	Issue date	Issue amount	Balance at 12/31/2023	Balance at 12/31/2022 (*)	Maturity date	Interest rate
Unicaja Senior Preferred Debt Dec. 2026	ES0380907040	12/1/2021	600,000	602,312	602,194	12/1/2026	1%
Unicaja Senior Preferred Debt Dec. 2026 (Extension)	ES0380907040	12/22/2021	60,000	57,687	57,802	12/1/2026	1%
Unicaja green medium-term senior preferred debt June 2022 (EMTN Program)	ES0380907057	6/30/2022	500,000	499,368	499,369	6/30/2025	4.5%
Unicaja green medium-term senior non-preferred debt Nov. 2022 (EMTN Program)	ES0380907065	11/15/2022	500,000	499,245	499,245	11/15/2027	7.25%
Unicaja Medium Term Senior Preferred Debt Feb. 2023 (EMTN Program)	ES0280907033	2/21/2023	500,000	499,525	-	2/21/2029	5.13%
Unicaja green medium-term senior preferred debt Sep. 2023 (EMTN Program)	ES0380907073	9/11/2023	300,000	299,528	-	9/11/2028	6.5%
				<b>2,457,665</b>	<b>1,658,610</b>		

On December 1, 2021, Unicaja issued preferred senior debt in the amount of 600,000,000 euros. Subsequently, on December 22, 2021, Unicaja increased this issue by an additional 60,000,000 euros, subject to the same issue conditions. The unit nominal value of each bond is 100,000 euros. These bonds are listed on the Spanish AIAF fixed income market.

As described in the terms and conditions of the issue prospectus, unless previously redeemed, the senior bonds will be redeemed at maturity on December 1, 2026. In this regard, the Bank has the option of redeeming the entire outstanding principal of the bonds, together with any accrued and unpaid interest, upon the occurrence of certain circumstances related to tax events or disqualification events associated with the treatment of the issue for MREL purposes, provided that certain conditions are met and regulatory approvals are obtained. In addition, the Bank has the option to redeem the bonds, on the same terms and subject to the required regulatory approval, on the reset date (December 1, 2025).

The senior debt bonds issued by Unicaja in December 2021 accrue: (i) a fixed interest rate of 1% per annum from the date of issuance until the reset date, payable annually on December 1 of each year, with the first interest payment date being December 1, 2022, and (ii) from the reset date, an interest rate equal to the 1-year Mid-Swap plus a margin of 1.15% per annum, payable on December 1, 2026.

On May 26, 2022, Unicaja registered a medium-term debt issuance program (EMTN) up to a limit of 3.5 billion euros with the Spanish National Securities Market Commission (CNMV). The bonds to be issued under this program will have a unit face value of 100,000 euros, and the final terms will be determined for each tranche of the issue, which may be referenced to a fixed or variable interest rate (or even with a zero coupon), and may be issued with different levels of payment priority, as senior debt, simple debt or subordinated debt. Under the terms of the program, the maturity of the bonds will never exceed 50 years from the date of issuance.

Within the framework of this program:

- On June 30, 2022, Unicaja made a first issue of 500,000,000 euros in preferred senior debt bonds at a fixed interest rate, with a term of three years, which were classified as “green bonds”. This was a single series of bonds, belonging to a single tranche, consisting of 5,000 bonds with equal terms and conditions and with a unit face value of 100,000 euros. The bonds were issued at a price of 99.955% of their nominal value, i.e. for an amount of 499,775,000 euros. The maturity date is set for June 30, 2025 (three years from the issue date), with Unicaja having a voluntary redemption option on June 30, 2024 (two years from the issue date) or if an event of disqualification of the bonds occurs for MREL computation purposes. The interest rate on the bonds is fixed at 4.5% per annum. These bonds are listed on the Spanish AIAF fixed income market.
- On November 15, 2022, Unicaja made a second issue of 500,000,000 euros in non-preferred senior debt bonds at a fixed interest rate, with a term of five years, which were classified as “green bonds”. This is a single series of bonds, belonging to a single tranche, consisting of 5,000 bonds with equal terms and conditions and with a unit face value of 100,000 euros. The bonds were issued at a price of 99.849% of their nominal value, i.e. for an amount of 499,245,000 euros. The maturity date was set for November 15, 2027 (five years from the issue date), with Unicaja having a voluntary redemption option on November 15, 2026 (four years from the issue date) or if the bonds are disqualified for MREL computation purposes. The interest rate on the bonds is fixed at 7.250% per annum. These bonds are listed on the Spanish AIAF fixed income market.
- On February 21, 2023, Unicaja made a third issue of 500,000,000 euros in preferred senior debt bonds at a fixed interest rate, with a term of three years, which were classified as “green bonds”. This was a single series of bonds, belonging to a single tranche, consisting of 5,000 bonds with equal terms and conditions and with a unit face value of 100,000 euros. The bonds were issued at a price of 99.905% of their nominal value, i.e. for an amount of 499,525,000 euros. The maturity date was set for February 21, 2029 (five years from the issue date), Unicaja having a voluntary redemption option on February 21, 2028 (four years from the issue date) or if an bond disqualification event occurs for MREL computation purposes. The interest rate the bonds yield is fixed at 5.125% per annum. These bonds are listed on the Spanish AIAF fixed income market.

On the other hand, on May 30, 2023, Unicaja registered with the Spanish National Securities Market Commission (CNMV) a medium-term debt issuance (EMTN) program with the limit of 3.5 billion euros. The debt instruments to be issued under this program will in any case have a unit face value in excess of 100,000 euros, and the final terms and conditions will be determined in each tranche of the issue.

Within the framework of this new program:

- On September 11, 2023, Unicaja made a first issue of 300,000,000 euros in non-preferred senior debt bonds at a fixed interest rate, with a term of five years, which were classified as green bonds. This was a single series of bonds, belonging to a single tranche, consisting of 3,000 bonds with equal terms and conditions and with a unit face value of 100,000 euros. The bonds were issued at a price of 99.843% of their nominal value, i.e. for an amount of 299,528,000 euros. The maturity date was set for September 11, 2028 (five years from the issue date), with Unicaja having a voluntary redemption option on September 11, 2027 (four years from the issue date) or if the bonds are disqualified for MREL computation purposes. The interest rate the bonds yield is fixed at 6.5% per annum. These bonds are listed on the Spanish AIAF fixed income market.

#### 14.5. Other financial liabilities

The breakdown of the balance in this heading on the balance sheet on December 31, 2023 and 2022 is as follows:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Debentures to be paid (*)	235,208	269,186
Tax collection accounts	639,890	719,104
Special accounts	371,085	413,518
Financial guarantees	1,636	2,567
Deposits received and other	782,283	983,145
	<b>2,030,102</b>	<b>2,387,520</b>

(\*) Includes an amount of 87,275,000 euros as of December 31, 2023 corresponding to the outstanding balance of ordinary contributions (87,665,000 euros as of December 31, 2022). During fiscal years 2023 and 2022, no extraordinary contributions have been made to the Deposit Guarantee Fund for Credit Institutions (FGDEC).

The amount recorded under "Bonds received and others" at December 31, 2023 and 2022 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 cash flow statement for 2023 for financial liabilities at amortized cost amounts to 2,597,433,000 euros (negative cash flow of 17,106,489,000 euros in 2022).

## 15. Provisions

The movements in 2023 and 2022 and the purpose of the provisions recorded under these balance sheet headings at December 31, 2023 and 2022 are shown below:

*Thousands of euros*

	Provision for pensions and similar obligations	Other long-term employee benefits	Provisions for commitments and guarantees granted	Remaining provisions	Total
<b>Balances as at January 1, 2022</b>	<b>178,799</b>	<b>188,566</b>	<b>106,649</b>	<b>1,054,696</b>	<b>1,528,710</b>
Endowment charged to profit or loss:	148	954	29,901	120,427	151,430
<i>Endowments to provisions (*)</i>	-	1,262	29,901	120,427	151,590
<i>Interest cost (Note 28)</i>	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)
<b>Balances as at December 31, 2022</b>	<b>127,539</b>	<b>132,696</b>	<b>126,128</b>	<b>685,590</b>	<b>1,071,953</b>
Endowment charged to profit or loss:	2,800	4,608	2,884	141,625	151,917
<i>Endowments to provisions (*)</i>	73	1,210	2,884	141,625	145,792
<i>Interest cost (Note 28)</i>	2,727	3,398	-	-	6,125
Recovery charged to profit or loss	-	(2,621)	(10,463)	(14,397)	(27,481)
Use of funds	(37,041)	(43,116)	-	(181,480)	(261,637)
Other changes	(2,040)	-	(1,570)	9,610	6,000
<b>Balances as at December 31, 2023</b>	<b>91,258</b>	<b>91,567</b>	<b>116,979</b>	<b>640,948</b>	<b>940,752</b>

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

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 2023 and 2022.

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 details by nature of the balances recorded under "Provisions for commitments and guarantees granted" as of December 31, 2023 and 2022 are as follows:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Provisions for contingent liabilities	110,935	113,178
Provisions for contingent commitments	6,044	12,950
	<b>116,979</b>	<b>126,128</b>

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, 2023 and 2022, and the breakdown of the item "Other movements" associated with the movement of such provisions for the fiscal years 2023 and 2022, is as follows:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Coverage of legal and similar contingencies	232,669	239,335
Hedges associated with investees	-	-
Coverage of other contingencies	408,279	446,255
	<b>640,948</b>	<b>685,590</b>

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 legal advisors.

This heading includes the coverage of litigation and claims related to interest rate variation limitation covenants for 106 million euros at December 31, 2023 (114 million euros at 31 December 2022). In the opinion of Unicaja'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, 2023 and 2022, this caption includes provisions created by Unicaja 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 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 at December 31, 2023 and 2022, the amount of provisions recorded in the Bank's balance sheet for these items amounted to 221 million euros and 280 million euros respectively.

### *Agreements to limit interest rate fluctuations*

In relation to Unicaja's credit operations in the retail mortgage segment that have limits on the variation of interest rates, consideration should be given to the pronouncements that are being issued uniformly in different judicial instances regarding the validity of these covenants, especially, after the judgment of the Supreme Court dated May 9, 2013 and the subsequent national and European case law that develops it. This establishes that, once those agreements limiting the variation of interest rates that lack transparency and are abusive are declared null and void, by means of a court judgment, the borrower will be reimbursed the interest differential that they would have paid in application of the referred agreement.

In particular, we should consider the ruling of Madrid Commercial Court No. 11 of April 7, 2016, following the class action filed on November 11, 2010 by the Association of Users of Banks, Savings Banks and Insurance Companies of Spain (ADICAE) and a large number of additional plaintiffs, against practically all the entities of the financial system (including Unicaja, directly and as a consequence of the EspañaDuero merger and the merger with Liberbank) 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. Consideration should also 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), was 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. Consequently, this time limit is eliminated.

These rulings of the Madrid and León Courts were appealed before their corresponding Provincial Courts and subsequently before the Supreme Court. The decision of the León Court has been confirmed as binding, pending the ruling of the Supreme Court.

In any 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 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 of January 20, was published in the Official State Gazette, establishing measures aimed at protecting consumers with interest rate fluctuation limits in their mortgage loan contracts, with the aim of facilitating agreements with credit institutions that resolve disputes that may arise as a result of the judicial pronouncements on this matter. These are measures 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 CJEU ruling, the Supreme Court has issued several rulings dated November 5, 2020, November 11, 2020 and December 15, 2020, confirming the validity of novation agreements reached by banks with their customers, granting them transactional nature when there is a waiver related to claims arising from the limitations of interest rates, provided that there is material transparency, i.e. that the consumer has been provided with sufficient information to know the economic and legal consequences of their waiver.

As of December 31, 2023, 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. As at December 31, 2023 the Bank had provisions amounting to 106 million euros (114 million euros as at December 31, 2022).

#### *IRPH clause*

Unicaja 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. The most important milestones in this case include the issuance of a report by the European Commission, dated May 31, 2018, where it proposes to the CJEU to answer the questions referred for a preliminary ruling, upholding the possibility of analyzing the use of the Mortgage Loan Reference Index (IRPH) in terms of transparency and unfairness (Directive 93/13), as well as the opinion of the Advocate General of the CJEU, dated September 10, 2018, which considers that the clause incorporating the IRPH is subject to an unfairness check.

On March 3, 2020, the CJEU issued a judgment in the aforementioned Case C-125/18, which states, in line with previous reports, that the clauses incorporating the IRPH in mortgage loan contracts entered into with consumers fall within the scope of application of the Unfair Terms Directive, indicating in turn that the Spanish courts must verify that the clauses of these characteristics are of a clear and understandable (transparent) nature, and that they do not involve a significant imbalance for the consumer (unfairness). If these courts conclude that these clauses are unfair, they may replace them with a statutory index applicable on a supplementary basis, in order to protect the consumers in question from the particularly harmful consequences that could result from the annulment of the loan contract.



On November 12, 2020, the First Chamber of the Supreme Court issued several rulings resolving four cassation appeals in relation to the IRPH index, and whose matters were deliberated in the Plenary Session of the Supreme Court on October 21, 2020, the date on which the ruling was handed down. In these rulings, the Plenary Session analyzed the CJEU ruling of March 3, 2020 and found that the preliminary question raised by the 38th Court of First Instance of Barcelona, which gave rise to that ruling, erroneously transferred the meaning of the case law of the First Chamber to the CJEU. Contrary to what was upheld in the request for a preliminary ruling, this chamber had upheld both the contractual nature of the clause establishing the IRPH as the reference rate of the loan and the need to apply the transparency control to said clause. Therefore, the fact that the CJEU affirms that the clause in question is not excluded from Directive 93/13 does not imply that the case law of the court, which was in line with that ruling, should be amended.

In the analysis of the impact of the CJEU ruling on the control of the transparency of the clauses in question, the Plenary Session starts from the fact that the CJEU considered that the publication of the IRPH in the BOE allowed the average consumer to understand that the referred index was calculated according to the average rate of mortgage loans over three years for the purchase of a home, thus including the differentials and expenses applied by such entities, so that this publication meets, in all cases, the transparency requirements in terms of the composition and calculation of the IRPH.

The second transparency parameter established by the CJEU is the information provided by the lender to the consumer on the past evolution of the index. In the event that the lack of direct information on the evolution of the IRPH in the two previous years determines the lack of transparency of the clause in question, such lack of transparency does not necessarily determine its nullity. According to settled case law of the CJEU, the effect of the lack of transparency of the clauses defining the main subject matter of the contract is not its nullity, but the possibility of making the judgment of unfairness, that is, it allows for the assessment of whether it is a clause that, contrary to the requirements of good faith, causes, to the detriment of the consumer and user, a significant imbalance of the rights and obligations of the parties arising from the contract.

In making this judgment of unfairness in accordance with the parameters of the CJEU, the Chamber of Supreme Court considers that the offer by the bank of an official index that is approved by the banking authority cannot in itself violate good faith. In addition, the Central Government and several regional governments have been considering, through regulatory standards, that the IRPH index was the most appropriate index to use as a reference index in the area of financing subsidized housing, so it is illogical to consider the incorporation of this same index to loans arranged outside this area of official financing an action contrary to good faith.

Therefore, at December 31, 2023 and 2022, Unicaja does not expect any contingencies in relation to litigation and potential IRPH claims.

#### *Revolving credit cards*

On March 4, 2020, the 1st Chamber of the Supreme Court issued judgment number 149/2020, dismissing the appeal filed by a credit institution (not belonging to the Unicaja Group) against a judgment that had declared the nullity of a revolving credit agreement on the grounds that the interest rate (which in that case was 27.24%) was considered usurious, since it was considered to be significantly higher than the average interest rate for this type of transaction published by the Bank of Spain (which at the time of that specific transaction was 20%).

Subsequently, the Supreme Court has defined its legal principle in terms of establishing which interest rates should be subject to comparison (by specific type of product) and defining what should be understood by an interest rate significantly higher than the market interest rate. It has therefore recently issued Ruling number 462/2023, dated February 15, 2023, rejecting the appeal filed by a customer who signed in May 2004 a credit card contract (not belonging to the Unicaja Group), in which it determines that only an interest rate that exceeds by 6% the average interest rate published by the Bank of Spain for this type of contract, always referenced to the time of its application to the credit card contract, will be considered usurious.

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 holds at December 31, 2023 and 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 before the Customer Service Department against Unicaja 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 jurisprudential doctrine, which can be considered settled and peaceful, means that, once the cost allocation clause has been declared null and void, consumers are entitled to the restitution of all the amounts paid for property registration, agency and appraisal fees, as well as half of the 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.

It should be noted at this point that the courts have yet to determine the possible statute of limitations for the restitution action and, more specifically, the starting date of the five-year period established by national legislation for the application of the statute of limitations.

As of December 31, 2023 and 2022, Unicaja has covered all the claims and complaints received from customers for this concept with provisions.

## 16. Other liabilities

The breakdown of the balances in this heading on the balance sheet on December 31, 2023 and 2022 is as follows:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Accrued expenses	306,760	255,279
Operations underway	58,707	113,848
Others	184,444	231,979
	<b>549,911</b>	<b>601,106</b>

As of December 31, 2023 and 2022, 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 comprehensive income

The detail and movement recorded under "Accumulated other global income" in the balance sheet for 2023 and 2022 is presented in the accompanying statement of changes in total equity, together with an explanation of all movements therein during 2023 and 2022.

## 18. Own funds

The detail and movement recorded in the "Shareholders' net equity" caption of the balance sheet during the years ended December 31, 2023 and 2022 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, 2023 and 2022, the Bank's capital stock amounted to 663,708,000 euros, consisting of 2,654,833,479 fully subscribed and paid-up ordinary shares with a par value of 0.25 euros.

The share premium at December 31, 2023 and 2022 amounts to 1,322,995,000 euros in both years.

Since June 30, 2017, all of the Bank's shares have been admitted to official trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, and are included in the Sistema de Interconexión Bursátil (S.I.B.E. or Continuous Market).

As of December 31, 2023 and 2022, 30.24% of the Bank's 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, S.A. and Liberbank S.A.

### 18.2. Equity instruments issued other than share capital

The line item "Equity instruments issued other than capital" at December 31, 2023 includes the outstanding balance of the issues of Perpetual Contingently Convertible Bonds (PeCoCos) and Contingently Redeemable Preferred Stock of Unicaja. The breakdown of these issuances as at December 31, 2023 and 2022 is as follows:

2023					2022					
Issue	ISIN Code	Number of securities issued	euros	Thousands of euros	Number of securities issued	euros	Thousands of euros	Nominal interest	Maturity	
			Nominal amount Total	Closing balance		Nominal amount Total	Closing balance			
Perpetual Contingently Convertible Bonds (PeCoCos)	ES0280907009	47,368,272	47,360,493	47,360	47,384,678	47,384,678	47,385	13.882%	Perpetual	
Contingently Redeemable Preferred Stock	ES0880907003	2,500	500,000,000	500,000	2,500	500,000,000	500,000	4.875%	Perpetual	
				547,360					547,385	

#### Perpetual Contingently Convertible Bonds (CoCos)

CoCos are bonds convertible into common shares of Unicaja, belonging to a single class and series, represented by book entries. The conversion ratio of these bonds will be the result of the quotient between the unit par value of each of the bond issues and the value attributed to the common shares of Unicaja, which is set at 1.18827 euros per share, with the difference between the par value of the bonds to be converted and the par value of the shares received as consideration being considered the share premium. As of December 31, 2023 and 2022, this issue is not listed for trading on any secondary market.

The bonds entitle their holders to discretionary, predetermined and non-cumulative remuneration, to conversion into common shares of Unicaja, subject to certain conversion assumptions and to the political rights deriving from membership in the respective bondholders' syndicates. The shares into which the aforementioned bonds are eventually converted will grant their holders the same rights as the shares of Unicaja currently in circulation.

The accrual of discretionary compensation is conditional upon the simultaneous fulfillment of the following four conditions: (i) the existence of distributable profit, once the provisions set forth by law and the Bylaws of Unicaja have been covered, (ii) there are no limitations imposed by current or future applicable Spanish or European equity regulations, (iii) the Board of Directors of Unicaja, at its sole discretion, taking into account the solvency situation of Unicaja or the Unicaja Group, has not decided to declare a of non-remuneration scenario, deeming it necessary not to proceed with the payment of remuneration for an unlimited period of time, considering in any case that the unpaid interest will not be cumulative and (iv) the Bank of Spain has not demanded the cancellation of the payment of the remuneration based on the financial and solvency situation of Unicaja or the Unicaja Group, in accordance with the applicable regulations. In the event that the conditions set forth in Sections (i) to (iv) above are partially applicable, Unicaja may proceed, at its sole discretion, to pay the remuneration partially or to declare a scenario of non-remuneration. If for any reason all or part of the remuneration is not paid to the bondholders on a payment date, the bondholders will not have the possibility to claim such remuneration.

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 adopts any measure leading to its dissolution and liquidation, either voluntary or involuntary, or if it is declared bankrupt, or (ii) if Unicaja adopts any measure that results in the approval of a reduction of capital stock in accordance with the provisions of 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 Group, calculated on a quarterly basis, are below the limits indicated in the securities note related to the issuance of these instruments.
- **Feasibility events:** The bonds will be converted into shares in the following cases: (i) if the Bank of Spain determines that, without the conversion of the instrument, the Bank would not be viable or (ii) if a decision is adopted to inject public capital or any other financial support measure, without which the Bank would not be viable.
- **Regulatory event:** The bonds will be converted into shares in the following cases: (i) if with the entry into force and in application of the Basel III capital eligibility rules (CRD IV/ CRR) in 2014, the bonds would cease to be eligible at least as Additional Tier 1 capital; (ii) if the bonds would cease to be eligible as principal capital; or (iii) if the bonds would cease to be eligible as common equity.

In view of the 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 own funds 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 23, 2023, the Board of Directors of Unicaja, after verifying compliance with the conditions set forth in the issue prospectus, agreed to pay the discretionary remuneration of the Contingently Convertible Perpetual Bonds (CoCos) issued by the Bank, for a total gross amount of 6,850,000 euros, for the period from March 2022 to March 2023, it being paid on March 28, 2023 (total gross amount of 6,850,000 euros for the period from March 2021 to March 2022, which were approved by the Board of Directors on February 25, 2022 and paid on March 28, 2022).

### Contingently Redeemable Preferred Stock

On November 18, 2021, Unicaja issued Contingently Redeemable Preferred Stock for an amount of 500,000,000 euros, which is the nominal value thereof. The Preferred Stock has a unit par value of 200,000 euros. These bonds are listed on the Spanish AIAF fixed income market. The issue qualifies as an Additional Tier 1 Capital Instrument (AT1) for regulatory capital purposes.

As described in the issue prospectus, the Preferred Stock accrues a discretionary remuneration on their outstanding principal amount consisting of: (i) a rate of 4.875% per annum until the first reset date (May 18, 2027), and (ii) a rate equivalent to the sum of the 5-year Mid-Swap rate plus an initial margin of 5.020% as from that date. Subject to the fulfillment of certain conditions, this remuneration will be payable quarterly on February 18, May 18, August 18 and November 18 of each year, with the first distribution scheduled for February 18, 2022.

In connection with the remuneration of the Preferred Stock described above, the Bank may, in its sole and absolute discretion, cancel the payment of the remuneration, in whole or in part, at any time it deems necessary or desirable, and for any reason whatsoever. In addition, without prejudice to the Bank's right to cancel payments of any distribution: (a) distribution payments will only be made to the extent that there are sufficient "Distributable Items", (b) if the Competent Authority requires the Bank to cancel any distribution, in whole or in part, the Bank will not pay it or will pay it only in part, (c) the Bank may make a partial, or as the case may be, no distribution payment if, and to the extent that, the payment of any distribution would exceed the Maximum Distributable Amount and (d) if a "trigger event" occurs, any accrued and unpaid distribution will be automatically canceled.

A "Trigger Event" occurs if, at any time, as determined by the Bank or the Competent Authority (or any other agent designated for such purpose by the Competent Authority), the CET1 ratio of the Bank and/or the Group is less than 5.125%. If a trigger event occurs, the Bank: (i) will immediately notify the Competent Authority; (ii) as soon as reasonably practicable, will deliver a Notice of Amortization to the Holders; (iii) will cancel any accrued and unpaid Distributions; and (iv) irrevocably and obligatorily (and without the need for the Holders' consent) without delay, and no later than one month after the occurrence of the relevant Trigger Event, will reduce the then outstanding principal amount of each Preferred Stock by the relevant amortization amount as set forth in the Prospectus (known as a loss absorption mechanism). The outstanding principal of the Preferred Stock may be subsequently reinstated, in whole or in part, at the Bank's sole and absolute discretion, subject to certain conditions, and provided that both the Bank and its Group record a Net Positive Profit.

In view of the 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 own funds 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 2023, discretionary remuneration was paid in relation to the Contingently Redeemable Preferred Participations amounting to 24,375,000 euros (24,373,000 euros in 2022).

### 18.3. Own shares

As of December 31, 2023, the Bank holds 2,840,973 own shares (198,770 own shares as of December 31, 2022) amounting to 2,682,000s of euros (148,000 euros as of December 31, 2022).

The breakdown of own shares at December 31, 2023 and 2022 is as follows:

	2023		2022	
	Number of Shares	Thousands of euros	Number of Shares	Thousands of euros
<b>Balance of own shares at the beginning of the period</b>	<b>198,770</b>	<b>148</b>	<b>4,331,832</b>	<b>3,359</b>
Acquisitions by Unicaja	9,231,783	9,056	62,346	15
Sales made by Unicaja	(6,589,580)	(6,522)	(4,195,408)	(3,226)
<b>Balance of own shares at the end of the period</b>	<b>2,840,973</b>	<b>2,682</b>	<b>198,770</b>	<b>148</b>

The net acquisitions of own shares made by Unicaja during 2023 were made for a total positive price (net purchase) of 2,534,000 euros, while during 2022 they were made for a total negative price (net sale) of 3,211,000 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 for review by the tax authorities

As at the date of preparation of these financial statements, the consolidated Tax Group of Unicaja was subject to verification by the tax authorities regarding all its state management tax obligations from 2017 to 2023 and autonomous community and municipal tax obligations from 2020 and 2023, both inclusive.

As a result of the merger by absorption of Liberbank, Unicaja also assumed all tax liabilities and was subrogated to the exercise of all tax rights and actions corresponding to the absorbed entity. Liberbank and the companies of the consolidated Tax Group that will be extinguished with the aforementioned merger still have the 2019 to 2021 fiscal years open to inspection for corporate income tax purposes.

Due to the different interpretations that can be made of the tax regulations applicable to the transactions carried out by different Group entities, the results of future audits by the tax authorities for the years subject to verification may give rise to tax liabilities, the amount of which cannot be objectively quantified at the present time. However, the opinion of the Directors and the Group's tax advisors is that the possibility of material liabilities arising from this matter, in addition to those recorded, is remote.

On July 22, 2022, Unicaja filed a corrective corporate income tax return of the Tax Group for the 2017 fiscal period in order to regularize certain off-balance sheet adjustments to the taxable income and certain deductions in the tax liability with respect to items that were subject to regularization by the AEAT in said Assessments and Consolidation Diligence but which also had effects - favorable to the taxpayer - in fiscal years subsequent to those included in the scope of the verification actions initiated. The Tax Authority, instead of carrying out ex officio the full regularization of the tax situation of the aforementioned entities, expressly recognized their right to impute for tax purposes.

On November 30, 2022, the Bank was notified of the opening of partial verification proceedings in relation to the aforementioned rectification of the 2017 corporate income tax return. 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.

On February 14, 2024, the Bank signed an Act of Conformity, whereby the inspection admits Unicaja's claims and agrees to reimburse 8,123,000 euros plus the corresponding late payment interest.

The signed Act will become final in one month, once it is confirmed by the Technical Office, at which time Unicaja will proceed to its accounting, which basically involves the derecognition -by collection- of deferred tax assets.

### 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:

<i>Thousands of euros</i>	2023	2022
Income before tax	461,801	334,893
Income tax (30%)	138,540	100,468
For permanent positive differences	26,279	28,812
For permanent negative differences	(31,113)	(30,308)
Impairment of non-deductible equity instruments	55,841	1,238
Deductions and tax credits		
Other deductions	(308)	(376)
<b>Income tax expense/(income)</b>	<b>189,239</b>	<b>99,834</b>

Permanent negative differences include the partial exemption regime for dividends and capital gains from qualifying holdings, regulated by the Corporation Tax Act, Law 27/2014, of November 27, 2014.

The permanent positive permanent differences correspond basically to the non-deductibility for corporate income tax purposes of the temporary levy on credit institutions and the stamp duty of the Asset Transfer and Legal Documentation Tax.

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 2023 and 2022 for this item (amounting to 189,239,000 euros of expense in 2023 and 99,834,000 euros of income in 2022) 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 2023 and 2022 were as follows:

<i>Thousands of euros</i>	2023	2022
Expense (income) resulting from taxable temporary differences	198,426	64,327
Expense (income) resulting from tax loss carryforwards pending offset	(9,383)	33,459
Expense (income) for deductions credited and not applied	196	2,048
<b>Total income tax expense/ (income)</b>	<b>189,239</b>	<b>99,834</b>

With regard to the income tax recorded in the statements of recognized income and expense for the periods of 2023 and 2022, the Bank charged a negative amount of 41,702,000 euros and a positive amount of 87,380,000 euros to equity respectively, for the following items:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Actuarial gains and losses in defined benefit plans	-	-
Measurement of financial assets at fair value through other comprehensive income	(3,863)	834
Valuation of available-for-sale financial assets	-	-
Valuation of cash flow hedging derivatives	(37,805)	(88,214)
Measurement of exchange differences	(34)	-
Measurement of non-current assets held for sale	-	-
<b>Total income/ (expense) for income tax</b>	<b>(41,702)</b>	<b>(87,380)</b>

No lower rate has been applied in any of the aforementioned adjustments. In 2022, 10,861,000 euros of tax credits for technological innovation were written off.

In relation to the disclosures required by IAS 12, on the international tax reform agreed by the Organization for Economic Cooperation and Development (OECD) for the imposition of a minimum effective tax rate of 15% (hereinafter, "Pillar Two"), it should be noted that this has had no impact on the consolidated financial statements of the Unicaja Group, since the imposition of the aforementioned minimum rate was not in force at the date of preparation of these financial statements.

In addition, according to the Draft Bill for the transposition of this international regulation to the Spanish legal system, which is currently undergoing the public information process, an exclusion is foreseen for the first five years for domestic groups, so we expect this regulation to apply to the Unicaja Group as of fiscal year 2029.

However, in a preliminary assessment, this standard will not have a significant impact on the Unicaja Group.

#### 19.4. Temporary differences

In the balance sheet at December 31, 2023, deferred tax receivables amount to 4,206,903,000 euros and deferred tax payables amount to 329,125,000 euros (4,433,576,000 euros and 320,582,000 euros respectively at December 31, 2022).

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, 2023 and 2022 were as follows:

*Thousands of euros*

	2023		2022	
	Assets	Liabilities	Assets	Liabilities
<b>Current taxes</b>	<b>154,157</b>	<b>29,684</b>	<b>443,394</b>	<b>28,818</b>
Corporate income tax	141,960	-	430,037	-
Value Added Tax	604	1,744	2,282	3,772
Withholdings	29	13,572	35	10,655
Tax liabilities with uncertainty	-	14,044	-	14,044
Other	11,564	324	11,040	347
<b>Deferred taxes</b>	<b>4,206,903</b>	<b>329,125</b>	<b>4,433,576</b>	<b>320,582</b>
For tax loss carryforwards	1,096,608	-	1,101,095	-
Outstanding deductions	18,831	-	18,635	-
Temporary differences - insolvencies	2,150,054	-	2,229,410	-
Temporary differences - pensions	128,252	-	128,252	-
Temporary differences - foreclosed	52,176	-	52,176	-
Other	760,982	151,205	904,008	140,560
Revaluations and other differences	-	177,920	-	180,022
	<b>4,361,060</b>	<b>358,809</b>	<b>4,876,970</b>	<b>349,400</b>

The above table includes uncertain liabilities. The impact on Unicaja 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 24.7 (8,908,000 euros) and the treatment of the deductions for technological innovation described later in this note (5,137,000 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. 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 Group's Strategic Plan, and in accordance with the projections of tax results derived from this 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 carryforwards, 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 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, 2016 was published, adopting certain tax measures, including a new limit on the offsetting of tax losses for large companies with net sales of at least 20 million euros, the reversal of impairment losses on holdings that were tax deductible in tax periods prior to 2013 and the non-deductibility of losses realized on the transfer of holdings in entities.

As from 2023, a new regulatory change has come into force that affects the use of the taxable income of the subsidiaries of the Group to which Unicaja belongs. Thus, in accordance with the provisions of the Nineteenth Additional Provision of Law 27/2014 of November 27, 2014 on Corporate Income Tax, added by Law 38/2022 of December 27, 2022 in the tax periods indicated as from 2023, the taxable income of the tax group is determined by adding the taxable income and 50% of the individual tax loss carryforwards corresponding to each and every one of the entities comprising the tax group. In this way, the amount of the individual tax losses not included in the taxable income of the tax group by application of the above will be included in the taxable income of the tax group in equal parts in each of the first ten tax periods beginning on or after January 1, 2024, even in the event that any of the entities with individual tax losses referred to in the preceding paragraph is excluded from the group. This circumstance has been taken into account by Unicaja's management and directors in determining the recoverability of deferred tax assets.

On January 18, 2024, the Constitutional Court issued the Ruling that resolves unconstitutionality issue number 2577-2023 by which it declares unconstitutional the fifteenth additional provision and the sixteenth transitory provision, paragraph 3, both of Law 27/2014 of November 27, 2014 on Corporate Income Tax. Accordingly, the Bank has considered in the accompanying Financial Statements the effects that the nullity decreed by the Constitutional Court has on the limits for the use of deferred tax assets which, insofar as the fifteenth additional provision has been declared unconstitutional, are again the general ones regulated in Article 11 Section 12, Article 26 Section 1 Paragraph 1, Article 62 Section 1 Letter e), Article 67 Letters d) and e), Article 31 and in the twenty-third transitory provision of Law 27/2014 of November 27, 2014 on Corporate Income Tax.

Following the evaluation of the ruling by the Bank's management and tax advisors, the Directors recorded the estimated income tax settlement for 2023 considering a limitation on the integration of deferred tax assets of 70%, in accordance with the annulment due to the unconstitutionality of the aforementioned Royal Decree-Law (Note 19.3). This aspect has had no impact on Unicaja's equity, since it has only involved a reclassification between deferred tax assets and current tax assets. It should also be noted that, according to the estimates made by Unicaja's management and directors, this aspect has not had a significant impact on the estimated recoverability of deferred tax assets.

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 2,601,669,000 euros at December 31, 2023 (2,681,830,000 euros at December 31, 2022). The asset benefit accrued by the Bank in 2023 and 2022 in relation to the monetization of these deferred tax assets amounts to 23,289,000 euros and 25,429,000 euros respectively, and is recorded under "Other operating expenses" (Note 33).

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 5,137,000 euros at December 31, 2023 (5,137,000 euros at December 31, 2022), recording it as an uncertain tax liability. In addition, in 2022 the Bank derecognized deferred tax assets amounting to 10,861,000 euros, corresponding to deductions for technological innovation pending application. These two amounts were recorded with a charge to "Income tax expense/income on earnings from continuing operations" in the income statement for in said year.

### 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 and Liberbank, S.A. held on March 31, 2021, which resolved the merger by absorption between Unicaja (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 Article 86 of the Corporate Income Tax Act 27/2014 of November 27, 2014 are incorporated in Annex 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 EspañaDuro 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 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. (EspañaDuro) 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. Reporting 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 of the final decision adopted on July 17, 2013 on the tax regime applicable to certain financial leasing contracts, also known as the Spanish tax leasing system, classifying such regime as “State Aid” and urging the Kingdom of Spain to take steps to repay such aid among the beneficiaries, including Unicaja.

The Bank, together with the Kingdom of Spain and other affected institutions, filed an appeal against this decision before the Court of Justice of the European Union.

The General Court of the European Union, in a judgment of December 17, 2015, annulled the decision of the European Commission regarding the consideration of the Spanish Tax Lease tax regime for the financing of ships as “State Aid”. This judgment was appealed by the European Commission to the High Court of Justice of the European Union.

On July 25, 2018, the Court of Justice of the European Union, issued a judgment regarding the cassation appeal brought by the European Commission against the Judgment of the General Court of December 17, 2015, and proceeded to 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 Ruling of the General Court that had confirmed the legality of the Decision, which means that it has partially upheld the appeal filed by Unicaja together with a syndicate of investors and the Kingdom of Spain.

From a legal point of view, the Judgment - which confirms that the "Spanish tax lease system" was State aid - could lead to a new decision by the European Commission ordering recovery from all beneficiaries. For this reason, the directors and tax advisors of the Bank 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 8,908,000 euros.

The General Court of the European Union is pending a judgment in one of the proceedings in which it has been requested that the pending proceedings be dismissed, in accordance with the CJEU judgment that annulled the Commission's decision insofar as it identified the investors as the sole beneficiaries.



## 20. Financial instrument liquidity risk

Liquidity risk management inherent to the activity and financial instruments of UniCaja, hereinafter the Bank or the Bank, is carried out to ensure, at all times, that sufficient funds are available to meet in a timely manner the payment commitments associated with the cancellation of its liabilities, without compromising the Bank's ability to respond quickly to strategic market opportunities. The Assets and Liabilities Committee (ALCO) is responsible for this function.

For liquidity risk management, the Bank uses a decentralized approach, applying integrated IT tools that allow it to perform analyses based on the estimated cash flows for its assets and liabilities (gap analysis), as well as to control the guarantees or instruments available to guarantee additional sources of financing that might be required (e.g. unused liquidity lines). Likewise, the liquidity position of the Bank is established based on different scenario analyses, which take into account not only normal market situations, but also extreme conditions that could affect the flow of collections and payments, caused by systemic or market factors as well as internal factors of the Bank.

Regarding compliance with the disclosure requirements of IFRS 7 “Financial Instruments: Disclosures”, the maturity matrix as of December 31, 2023, which includes the remaining contractual flows of principal and interest, based on the different contracts and agreements signed by the Bank, is presented below:

	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
<b>NEW RECOGNITIONS</b>	<b>8,270,573</b>	<b>1,682,289</b>	<b>3,424,144</b>	<b>6,132,540</b>	<b>8,196,046</b>	<b>19,850,584</b>	<b>53,798,321</b>	<b>101,354,497</b>
Reverse repurchase agreements and securities lending (borrower)	100,473	1,088,642	97,928	208,133	-	-	-	1,495,176
<b>Loans and advances</b>	<b>8,170,100</b>	<b>498,517</b>	<b>1,366,678</b>	<b>4,463,007</b>	<b>5,381,939</b>	<b>13,609,538</b>	<b>35,518,055</b>	<b>69,007,834</b>
Retailers	1,295,470	362,517	739,232	3,211,711	3,624,926	9,232,785	31,813,639	50,280,280
Non-financial customers including public administrations	17,423	86,130	258,584	813,445	1,040,473	2,776,733	734,620	5,727,408
Credit institutions and other financial institutions	185,586	39,230	3,522	36,056	62,989	77,983	286,425	691,791
Central banks	6,665,045	-	-	-	-	-	-	6,665,045
Others	6,576	10,640	365,340	401,795	653,551	1,522,037	2,683,371	5,643,310
<b>Asset derivatives</b>	<b>-</b>	<b>-</b>	<b>374</b>	<b>406</b>	<b>964</b>	<b>70</b>	<b>-</b>	<b>1,814</b>
<b>Settlement of securities portfolio</b>	<b>-</b>	<b>95,130</b>	<b>1,958,980</b>	<b>1,450,202</b>	<b>2,813,143</b>	<b>6,240,976</b>	<b>18,280,266</b>	<b>30,838,697</b>
<b>Other new recognitions</b>	<b>-</b>	<b>-</b>	<b>184</b>	<b>10,792</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,976</b>
<b>DERECOGNITIONS</b>	<b>58,648,207</b>	<b>6,570,647</b>	<b>4,126,438</b>	<b>8,239,550</b>	<b>2,504,271</b>	<b>3,421,889</b>	<b>4,775,299</b>	<b>88,286,301</b>
<b>Issues of securities</b>	<b>-</b>	<b>-</b>	<b>68,932</b>	<b>262,950</b>	<b>2,111,042</b>	<b>3,247,444</b>	<b>4,760,558</b>	<b>10,450,926</b>
Unsecured bonds and issues	-	-	38,694	122,062	658,246	1,822,162	1,719,117	4,360,281
Bonds	-	-	30,238	140,888	1,452,796	1,425,282	3,041,441	6,090,645
Securitizations	-	-	-	-	-	-	-	-
Financing with collateral of counterparty securities other than BC	100,440	5,338,822	824,472	208,133	-	-	865	6,472,732
Financing with collateral from BC counterparty securities	-	-	953,971	-	-	-	-	-
<b>Customer deposits not included in the preceding categories</b>	<b>58,547,767</b>	<b>818,296</b>	<b>2,243,808</b>	<b>7,455,170</b>	<b>393,229</b>	<b>174,445</b>	<b>13,876</b>	<b>69,646,591</b>
Stable retail deposits	41,252,886	265,561	811,726	4,147,078	161,103	8,542	1,597	46,648,493
Other retail deposits	6,222,053	118,962	396,059	1,616,896	45,652	2,463	182	8,402,267
Wholesale operating deposits	2,803,107	-	-	-	-	-	-	2,803,107
Non-operating deposits	8,269,721	433,773	1,036,023	1,691,196	186,474	163,440	12,097	11,792,724
<b>Liability derivatives</b>	<b>-</b>	<b>-</b>	<b>204</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>221</b>
<b>Other derecognitions</b>	<b>-</b>	<b>413,529</b>	<b>35,051</b>	<b>313,280</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>761,860</b>
<b>GAP</b>	<b>(50,377,634)</b>	<b>(4,888,358)</b>	<b>(702,294)</b>	<b>(2,107,010)</b>	<b>5,691,775</b>	<b>16,428,695</b>	<b>49,023,022</b>	<b>13,068,196</b>
<b>ACCUMULATED GAP</b>	<b>(50,377,634)</b>	<b>(55,265,992)</b>	<b>(55,968,286)</b>	<b>(58,075,296)</b>	<b>(52,383,521)</b>	<b>(35,954,826)</b>	<b>13,068,196</b>	<b>-</b>
<b>PRO MEMORIA</b>								
Derecognitions resulting from committed facilities	1,667,345	25,168	340,853	834,579	404,674	413,630	946,413	4,632,662
<b>TOTAL CONTINGENT LIABILITIES AVAILABLE FOR THIRD PARTIES</b>	<b>1,667,345</b>	<b>25,168</b>	<b>340,853</b>	<b>834,579</b>	<b>404,674</b>	<b>413,630</b>	<b>946,413</b>	<b>4,632,662</b>

The following is a maturity matrix at December 31, 2022 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
<b>NEW RECOGNITIONS</b>	<b>4,889,468</b>	<b>554,945</b>	<b>5,380,092</b>	<b>8,507,601</b>	<b>7,145,938</b>	<b>17,469,090</b>	<b>55,548,600</b>	<b>99,495,734</b>
Reverse repurchase agreements and securities lending (borrower)	100,710	-	-	205,069	-	-	-	305,779
<b>Loans and advances</b>	<b>4,788,722</b>	<b>469,481</b>	<b>1,530,568</b>	<b>6,538,499</b>	<b>5,349,841</b>	<b>13,203,941</b>	<b>34,570,206</b>	<b>66,451,258</b>
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
<b>Asset derivatives</b>	<b>-</b>	<b>-</b>	<b>373</b>	<b>1,067</b>	<b>1,425</b>	<b>1,839</b>	<b>37</b>	<b>4,741</b>
<b>Settlement of securities portfolio</b>	<b>36</b>	<b>85,464</b>	<b>3,849,040</b>	<b>1,727,616</b>	<b>1,794,672</b>	<b>4,263,310</b>	<b>20,978,357</b>	<b>32,698,495</b>
<b>Other new recognitions</b>	<b>-</b>	<b>-</b>	<b>111</b>	<b>35,350</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35,461</b>
<b>DERECOGNITIONS</b>	<b>64,620,106</b>	<b>1,764,089</b>	<b>2,273,848</b>	<b>9,481,964</b>	<b>1,866,550</b>	<b>5,158,257</b>	<b>4,399,265</b>	<b>89,564,079</b>
<b>Issues of securities</b>	<b>-</b>	<b>54,845</b>	<b>49,486</b>	<b>563,483</b>	<b>239,086</b>	<b>4,671,496</b>	<b>4,380,553</b>	<b>9,958,949</b>
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	-	-	-	-	-	-	-	-
<b>Financing with securities collateral</b>	<b>100,660</b>	<b>694,159</b>	<b>1,249,175</b>	<b>4,911,834</b>	<b>973,576</b>	<b>-</b>	<b>1,781</b>	<b>7,931,185</b>
<b>Customer deposits not included in the preceding categories</b>	<b>64,519,446</b>	<b>1,012,988</b>	<b>969,784</b>	<b>3,787,573</b>	<b>653,888</b>	<b>486,761</b>	<b>16,931</b>	<b>71,447,371</b>
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
<b>Liability derivatives</b>	<b>-</b>	<b>-</b>	<b>230</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>230</b>
<b>Other derecognitions</b>	<b>-</b>	<b>2,097</b>	<b>5,173</b>	<b>219,074</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>226,344</b>
<b>GAP</b>	<b>(59,730,638)</b>	<b>(1,209,144)</b>	<b>3,106,244</b>	<b>(974,363)</b>	<b>5,279,388</b>	<b>12,310,833</b>	<b>51,149,335</b>	<b>9,931,655</b>
<b>ACCUMULATED GAP</b>	<b>(59,730,638)</b>	<b>(60,939,782)</b>	<b>(57,833,538)</b>	<b>(58,807,901)</b>	<b>(53,528,513)</b>	<b>(41,217,680)</b>	<b>9,931,655</b>	<b>-</b>
<b>PRO MEMORIA</b>								
Derecognitions resulting from committed facilities	1,618,936	18,649	151,420	1,157,767	223,075	444,113	907,306	4,521,266
<b>TOTAL CONTINGENT LIABILITIES AVAILABLE FOR THIRD PARTIES</b>	<b>1,618,936</b>	<b>18,649</b>	<b>151,420</b>	<b>1,157,767</b>	<b>223,075</b>	<b>444,113</b>	<b>907,306</b>	<b>4,521,266</b>

The detail of the contractual maturities of derivative and non-derivative financial liabilities at the end of 2023 and 2022, using accounting data is as follows:

Thousands of euros							December 31, 2023
	On demand	Up to 1 month	Between one and three	Between three months	Between one and five years	More than 5 years	Total
<b>Non-derivative financial liabilities</b>	<b>58,456,637</b>	<b>6,158,614</b>	<b>4,092,003</b>	<b>7,929,419</b>	<b>5,930,284</b>	<b>4,878,381</b>	<b>87,445,338</b>
Financial liabilities at amortized cost (including embedded derivatives)	58,452,347	6,157,116	4,091,184	7,926,253	5,926,161	4,775,298	87,328,359
Financial guarantees issued	4,290	1,498	819	3,166	4,123	103,083	116,979
<b>Derivative financial liabilities</b>	<b>1,441</b>	<b>151,765</b>	<b>13,418</b>	<b>136,466</b>	<b>451,003</b>	<b>426,290</b>	<b>1,180,383</b>
	<b>58,458,078</b>	<b>6,310,379</b>	<b>4,105,421</b>	<b>8,065,885</b>	<b>6,381,287</b>	<b>5,304,671</b>	<b>88,625,721</b>

Thousands of euros							December 31, 2022
	Up to 1 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
<b>Non-derivative financial liabilities</b>	<b>1,762,552</b>	<b>2,269,185</b>	<b>9,269,828</b>	<b>7,029,811</b>	<b>4,403,310</b>	<b>64,986,179</b>	<b>89,720,865</b>
Financial liabilities at 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
<b>Derivative financial liabilities</b>	<b>-</b>	<b>-</b>	<b>243,876</b>	<b>335,685</b>	<b>540,182</b>	<b>-</b>	<b>1,119,743</b>
	<b>1,762,552</b>	<b>2,269,185</b>	<b>9,513,704</b>	<b>7,365,496</b>	<b>4,943,492</b>	<b>64,986,179</b>	<b>90,840,608</b>

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 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.

On the other hand, the liquidity risk 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: analysis of maturities and degree of liquidity of the securities portfolio, possibility of sale, potential use as collateral and mobilization of collateral as an alternative source of liquidity.
- Liability management: maturity analysis, diversification of financing sources, maturities different from contractual maturities, and behavior models in the face of interest rate movements.
- Access to markets: financing capacity in wholesale markets and time required to obtain financing, for example, through the issuance of senior bonds or senior issues.

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.
- Fixed-income and equity securities discountable at the European Central Bank.
- Credit rights for mobilization in financing operations with the Central Bank.

In addition, it should be noted that the Bank has a loan portfolio which guarantees sufficient capacity for the issuance of mortgage and territorial bonds to enable it to obtain new resources should it need them.

## 21. Fair value

The fair value of a financial asset or liability on a given date is understood to be the amount for which it could be sold or transferred between two independent and knowledgeable parties, acting freely and prudently under market conditions. The most objective and common reference for the fair value of a financial asset or liability is the price that would be paid for it on an organized, transparent, deep market ("quoted price" or "market price").

Where there is no market price for a certain financial asset or liability, its fair value is estimated based on the price established in recent transactions involving similar instruments or, in the absence thereof, on mathematical valuation models sufficiently contrasted by the international financial community. The use of these models takes into consideration the specific peculiarities of the asset or liability to be valued and, in particular, the different types of risks associated with the asset or liability. Notwithstanding the foregoing, the limitations of the valuation models developed and possible inaccuracies in the assumptions and parameters required by these models may result in the estimated fair value of an asset or liability not coinciding exactly with the price at which the asset or liability could be delivered or settled at the measurement date.

The fair value determination process established in the Bank ensures that assets and liabilities are valued in accordance with the application criteria established by the Group. In this regard, the valuation techniques used to estimate fair value comply with the following aspects:

- Realistic estimates of the price of the financial instrument based on consistent financial and economic methods commonly used by the market are used.
- The use of available information is maximized, using, as far as possible, observable data and recent transactions of similar characteristics.
- They are amply and sufficiently documented and justified.
- They are respected over time, provided that there are no reasons that modify the reasons for their choice.
- The validity of the models is examined periodically using recent transactions and current market data.

Assets and liabilities are classified in one of the followings levels, according to the method employed to obtain the fair value thereof:

- **Level 1:** assets and liabilities whose fair value is determined by taking quoted prices in active markets or that correspond to recent transactions. In general, the following are included in this level:
  - Listed debt securities (government bonds and debt instruments issued by Spanish and foreign issuers, as well as own securities issued by the Bank).
  - Listed equity instruments
- **Level 2:** assets and liabilities for which there is no market price, so their fair value is estimated using recent quoted prices of similar instruments or valuation techniques in which all significant inputs used are based on data that are directly or indirectly observable in the market. In general, the following are included in this level:
  - Listed debt securities with low volume and level of market activity (Spanish regional government bonds and other private debt instruments).
  - Trading derivatives and over-the-counter hedging (interest rate swaps).
- **Level 3:** assets and liabilities whose fair values are derived from valuation techniques in which some significant input is not based on observable market data. In general, the following are included in this level:
  - Unlisted debt securities (unlisted debt bonds).

- Loans and receivables
- Deposits
- Unlisted equity instruments.

When a financial instrument can no longer be measured using Level 1 or 2 criteria, it is moved to the next level of the fair value hierarchy. Likewise, when the instruments begin to be quoted in active securities markets or when observable market inputs are obtained, the instruments move from Level 3 to lower levels of the fair value hierarchy.

### 21.1. Valuation methods used

In cases where quotations cannot be observed (Level 1), the Group'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.

The main valuation methods, assumptions and inputs used in estimating fair value for levels 2 and 3 are presented below, depending on the type of financial instrument in question:

- **Debt securities:** The fair value of unlisted debt instruments is determined using the present value method (net present value), using the cash flows of each instrument and discounting them to calculate their present value.  
  
In general, the main observable inputs used in the valuation methodology are: interest rate curve, risk premiums, market comparables, credit spreads, etc.
- **Equity instruments:** The fair value of the unlisted equity instruments has been determined taking into account valuations by independent experts, which have been used, among others:
  - Discounted cash flows (free cash flows from operations or dividends), discounted at a rate associated with the operating and financial risk of each investee, calculated based on the risk-free rate and incorporating a risk premium.
  - Multiplier of comparable listed companies (EV/EBITDA, PER, Price/Book Value, Price/Premium), less a discount for illiquidity.
  - NAV (Adjusted Net Asset Value): It is calculated by the adding accounting own funds and capital gains, the latter being the difference between the market value of the assets and their carrying amount. For venture capital entities, the NAV was calculated by the managers and estimated, generally, taking into account the rules of the European Venture Capital Association and the provisions of Circular 5/2000, dated September 19, of the Comisión Nacional del Mercado de Valores (Spanish Securities and Exchange Commission).
  - Theoretical book value: this is obtained as the percentage share of the net book equity reflected in the financial statements.
  - Price resulting from market transactions or acquisition offers, made or received at a time close to the valuation date.

In general, the main observable inputs used in the valuation methodology are as follows: CNAEs, macroeconomic inputs, market comparables, risk and market premiums. On the other hand, the main unobservable inputs used are: business plans, accounting net worth.

- **Derivatives:** The fair value of derivatives has been determined based on the type of instrument:
  - Swaps: method of discounting future cash flows using implicit money market curves and the swap curve.
  - Interest rate options: Black-Sholes model and implied volatility matrices.
  - Options on indexes, shares and exchange rates: discounted cash flow method estimated from the forward curves of the respective underlyings, quoted in the market, as well as the Black-Sholes model.

Credit Valuation Adjustments (CVA) and Debit Valuation Adjustments (DVA) are added to derivatives valuation, both in assets and liabilities, in order to show the fair value impact of the counterparty's and own credit risks respectively. For this purpose, models and severities in line with the market have been used. In order to obtain the proprietary spread, generic spread vs. swap curves by rating of different debt issues of Spanish financial institutions with different seniority levels, including senior debt, are calibrated on a recurring basis.

In general, the observable inputs used in the valuation methodology are: interest rate curves, quoted option prices, probability of default for the calculation of CVA and DVA, among others.

- **Loans and receivables:** The fair value of loans and receivables has been determined through the present value method (net present value), using the cash flows of each instrument, as established in the contracts and discounting them to calculate their present value, using:
  - Market interest rate curves as of the valuation date.
  - Early termination ratios based on available internal historical information.

In general, the observable inputs used in the valuation methodology are: interest rate curve, early cancellation ratios, etc.

- **Deposits:** includes deposits collected from central banks, financial institutions and customers. The fair value is obtained using the present value method which discounts future cash flows to the present time using market interest rates:
  - Market interest rate curves at the valuation date.
  - Internal model to estimate maturities of current accounts and other demand deposits calibrated based on available internal historical information. This modeling takes into account the sensitivity of their remuneration to market interest rates and the level of permanence of the balance sheet balances.
  - The credit spread is added to the risk-free curve based on the generic probabilities of loss of credit ratings.
- **Other financial liabilities:** mainly include amounts corresponding to tax collection accounts, clearing houses and liabilities associated with right-of-use assets. The fair value has been assimilated to the book value, since these are mainly short-term balances. In the case of liabilities associated with right-of-use assets, the present value of future lease payments during the mandatory period of the contract is presented.

The valuations calculated using the internal models would vary if other methods or other assumptions had been applied to the interest rate risk, credit risk spreads, market risk, exchange risk or their corresponding correlations and volatilities. Notwithstanding the foregoing, the Bank's Directors consider that the applied models and techniques adequately reflect the fair value of the financial assets and liabilities, as recorded on the consolidated balance sheet, as well as the results generated by these financial instruments.



In 2023 and 2022, the main valuation methods used by the Group to determine the fair value of financial instruments have not been modified.

## 21.2. Fair value of financial assets and liabilities recorded at fair value

The fair value of financial assets and liabilities measured at fair value recorded in the balance sheet is presented below, together with their breakdown by level and the associated carrying value:

Thousands of euros

Thousands of euros					2023
	Carrying amount	Fair value			
		Total	Level 1	Level 2	Level 3
Assets					
Financial assets held for trading	781,385	781,385	749,072	32,313	-
Debt securities	749,072	749,072	749,072	-	-
Equity instruments	-	-	-	-	-
Derivatives	32,313	32,313	-	32,313	-
Non-trading financial assets mandatorily at fair value with changes in income	108,562	108,562	27,212	8,053	73,297
Equity instruments	41	41	-	-	41
Debt securities	35,265	35,265	27,212	8,053	-
Loans and advances	73,256	73,256	-	-	73,256
Financial assets at fair value through other comprehensive income	1,060,210	1,060,210	801,822	115,174	143,214
Equity instruments	331,185	331,185	72,797	115,174	143,214
Debt securities	729,025	729,025	729,025	-	-
Hedging derivatives	1,222,395	1,222,395	-	1,222,395	-
Liabilities					
Financial liabilities held for trading	444,181	444,181	411,836	32,345	-
Derivatives	32,345	32,345	-	32,345	-
Short positions	411,836	411,836	411,836	-	-
Hedging derivatives	1,148,038	1,148,038	-	1,148,038	-

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 with changes in income					
Equity instruments	41	41	-	-	41
Debt securities	33,522	33,522	25,539	7,983	-
Loans and advances	112,986	112,986	-	-	112,986
Financial assets at fair value through other comprehensive income	485,657	485,658	239,697	115,174	130,787
Equity instruments	292,613	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	-

The following table presents the movement during 2023 and 2022 of the fair value of the different types of financial instruments classified in Level 3:

*Thousands of euros*

	Non-trading financial assets mandatorily at fair value with changes in income			Financial assets at fair value through other comprehensive income	
	Equity instruments	Debt securities	Loans and advances	Equity instruments	Debt securities
<b>Balance at 12/31/2022</b>	<b>41</b>	<b>-</b>	<b>112,986</b>	<b>130,787</b>	<b>-</b>
Instrument recognitions	-	-	-	2,366	-
Instrument derecognitions	-	-	(39,669)	(49)	-
Changes in fair value recognized in profit or loss	-	-	(61)	-	-
Changes in fair value recognized in equity	-	-	-	385	-
Inter level transfers	-	-	-	9,724	-
Transfer to loans and receivables	-	-	-	-	-
Transfer to investments held until maturity	-	-	-	-	-
<b>Balance at 12/31/2023</b>	<b>41</b>	<b>-</b>	<b>73,256</b>	<b>143,213</b>	<b>-</b>

*Thousands of euros*

	Non-trading financial assets mandatorily at fair value with changes in income			Financial assets at fair value through other comprehensive income	
	Equity instruments	Debt securities	Loans and advances	Equity instruments	Debt securities
<b>Balance as at 12/31/2021</b>	<b>41</b>	<b>-</b>	<b>134,364</b>	<b>205,188</b>	<b>-</b>
Instrument recognitions	-	-	7,028	377	-
Instrument derecognitions	-	-	(39,410)	(6,466)	-
Changes in fair value recognized in profit or loss	-	-	(3,996)	-	-
Changes in fair value recognized in equity	-	-	-	(68,312)	-
Inter level transfers	-	-	-	-	-
Transfer to loans and receivables	-	-	15,000	-	-
Transfer to investments held until maturity	-	-	-	-	-
<b>Balance at 12/31/2022</b>	<b>41</b>	<b>-</b>	<b>112,986</b>	<b>130,787</b>	<b>-</b>

### 21.3. Fair value of financial assets and liabilities at amortized cost

The fair value as of December 31, 2023 of the financial instruments at amortized cost recorded in the balance sheet is presented below, together with their breakdown by level and the associated carrying value:

<i>Thousands of euros</i>					2023
					Fair value
	Book value	Total	Level 1	Level 2	Level 3
<b>Assets</b>					
Financial assets at amortized cost	77,570,450	77,569,413	24,120,603	-	53,448,810
Debt securities	25,098,802	24,120,603	24,120,603	-	-
Loans and advances	52,471,648	53,448,810	-	-	53,448,810
<b>Liabilities</b>					
Financial liabilities at amortized cost	87,328,359	84,904,589	-	-	84,904,589
Deposits	81,056,359	78,759,453	-	-	78,759,453
Debt securities issued	4,241,898	4,115,034	-	-	4,115,034
Other financial liabilities	2,030,102	2,030,102	-	-	2,030,102

The fair value as of December 31, 2022 of the financial instruments at amortized cost recorded in the balance sheet is presented below, together with their breakdown by level and the associated carrying value:

<i>Thousands of euros</i>					2022
					Fair value
	Book value	Total	Level 1	Level 2	Level 3
<b>Assets</b>					
Financial assets at amortized cost	26,867,077	25,395,460	25,395,460	-	-
<b>Liabilities</b>					
Financial liabilities at amortized cost	3,329,354	3,070,991	-	-	3,070,991

### 21.4. Fair value of tangible assets

On January 1, 2004, Unicaja availed itself of Section 6 of 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 upon the entry into force of Bank of Spain Circular 4/2004, corresponding to 516 properties for own use, with an associated revaluation of 54,850,000 euros, already recorded in own funds, were granted tax efficiency.

As of December 31, 2023 and 2022, Unicaja 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. The Audit and Compliance Committee, the Risk Committee, the Internal Audit Department and the Risk Control and Supervisory Relations Department of Unicaja are responsible for ensuring that these policies, methods and procedures are properly complied with, ensuring that they are adequate, effectively implemented and regularly reviewed.

The Bank's credit risk control activities are carried out by the Risk Control and Supervisory Relations Department. This department is responsible for implementing the credit risk control policies, methods and procedures approved by the Bank's Board of Directors. It performs counterparty risk tasks, in accordance with the Bank's internal policies and the regulations that apply thereto. The department 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, 2023 and 2022. The total risk held with mortgage guarantee with the private sector of residents in Spain amounted to 33,775,162,000 euros and 35,832,188,000 euros at December 31, 2023 and 2022 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 counterparties 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 counterparties 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 December 31, 2023 and 2022 amounts to 46,832,000 euros and 67,558,000 euros respectively.

### ***Responsible consumer lending and credit practices***

Order EHA/2899/2011 of October 28, on transparency and protection of 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.

Bank of Spain Circular 5/2012, dated June 27, furthers 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 the Bank of Spain at all times.
- The general principles referred to in the preceding paragraph must be responsibly applied by institutions and understood by their customers, such that the latter is responsible for providing the former with complete and truthful information on their financial situation and on their wishes and needs in relation to the purpose, amount and other conditions of the loan or credit. In turn, institutions must inform their customers appropriately about the characteristics of those of their products that are suitable for what they have requested.

In this regard, Unicaja has detailed policies, methods and procedures to ensure the responsible granting of loans and credit to consumers. The principles developed for this purpose are aligned with the 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.
- An transaction marketing policy.
- A collateral valuation policy.
- Considering the interest rate and exchange rate variability in the granting of loans denominated in foreign currency.
- The Interest rate risk cover.
- The exceptions policy on the terms and conditions of transactions.
- A warning to the customer about their failure to compliance with their payment obligations.
- A debt renegotiation policy (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, 2012 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 is included as a credit institution to both codes of good practices (CGP 2012 and CGP 2022) and follows the measures established in both codes for all customers with mortgage loans on primary residences that comply with the conditions established in the aforementioned Royal Decrees, as well as in the rest of the applicable regulations in force at any given time. The impact on the consolidated financial statements of the Unicaja Group of the CGP 2022, as well as the amendment and extension of the CGP 2012, is not significant at December 31, 2023 and 2022.

### **Sovereign risk exposure**

With regard to sovereign risk, the breakdown of credit risk exposures to central governments held by the Bank at December 31, 2023 and 2022 is the following:

Thousands of

2023

	Financial assets held for trading	Other financial instruments at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortized cost
Spain	472,799	-	335,175	15,334,441
Italy	119,530	-	10	7,234,906
United States	-	-	-	1,264,093
Portugal	-	-	-	143,918
Belgium	36,198	-	-	-
Netherlands	20,531	-	-	-
	<b>649,058</b>	<b>-</b>	<b>335,185</b>	<b>23,977,358</b>

Thousands of

2022

	Financial assets held for trading	Other financial instruments at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortized cost
Spain	-	-	-	16,057,231
Italy	-	-	9	8,016,669
United States	-	-	-	1,300,986
Portugal	-	-	-	156,528
Germany	-	-	-	-
	-	-	9	25,531,414

**Credit quality of debt securities**

The accounting classification of the Bank's debt securities at December 31, 2023 and 2022, classified in the different accounting portfolios, is presented below:

Thousands of euros	2023	2022
Financial assets held for trading (Note 7.1.1)	749,072	-
Non-trading financial assets mandatorily valued at fair value through profit or loss (Note 7.2)	35,265	33,522
Financial assets at fair value through income	-	-
Financial assets at fair value through other comprehensive income (Note 8.1)	729,025	193,045
Financial assets at amortized cost (note 9.3)	25,098,802	26,867,077
	26,612,164	27,093,644

At December 31, 2023 and 2022, the balances included in the table above were not classified as doubtful, having recorded valuation adjustments due to impairment amounting to 395,000 euros and 372,000 euros respectively. The classification of these securities by rating tranches at December 31, 2023 and 2022 is as follows:

Thousands of euros	2023	2022
Rating Aaa	670,354	1,301,167
Rating Aa1-Aa3	884,943	163,152
Rating A1-A3	16,255,888	16,202,888
Rating Baa1-Baa3	8,668,791	9,307,444
Rating Ba1-Ba3	130,147	116,890
Rating B1-C	-	-
No credit rating	2,041	2,103
	26,612,164	27,093,644



### Quality of loans to customers

The credit quality of the portfolio of loans and receivables from customers at December 31, 2023 and 2022 is detailed below:

<i>Thousands of euros</i>				2023
	Stage 1	Stage 2	Stage 3	Total
<b>Gross</b>	<b>46,422,379</b>	<b>3,260,638</b>	<b>1,592,821</b>	<b>51,275,838</b>
<b>Value corrections due to the impairment of assets</b>	<b>163,493</b>	<b>190,644</b>	<b>667,350</b>	<b>1,021,487</b>
Of which: calculated collectively	163,399	149,839	544,741	857,979
Of which: calculated individually	94	40,805	122,609	163,508
<b>Net amount</b>	<b>46,258,886</b>	<b>3,069,994</b>	<b>925,471</b>	<b>50,254,351</b>

<i>Thousands of euros</i>				2022
	Stage 1	Stage 2	Stage 3	Total
<b>Gross</b>	<b>51,584,068</b>	<b>3,686,245</b>	<b>1,941,707</b>	<b>57,212,020</b>
<b>Value corrections due to the impairment of assets</b>	<b>215,611</b>	<b>235,880</b>	<b>860,049</b>	<b>1,311,540</b>
Of which: calculated collectively	215,439	198,869	655,790	1,070,098
Of which: calculated individually	172	37,011	204,259	241,442
<b>Net amount</b>	<b>51,368,457</b>	<b>3,450,365</b>	<b>1,081,658</b>	<b>55,900,480</b>

As of December 31, 2023 and 2022, the guarantees received and the financial guarantees granted are detailed below:

<i>Thousands of euros</i>		
<b>Guarantees received</b>	2023	2022
Value of collateral	33,696,179	35,742,743
Of which: Guarantees doubtful risks	750,670	990,010
Value of other guarantees	1,042,504	1,530,384
Of which: Guarantees doubtful risks	163,713	172,926
<b>Total value of guarantees received</b>	<b>34,738,683</b>	<b>37,273,127</b>

	Thousands of euros	
	2023	2022
<b>Financial guarantees granted</b>		
Loan commitments granted	4,632,663	4,521,265
<i>Of which amount classified as doubtful</i>	24,875	14,934
<i>Amount recorded as a liability on the balance sheet</i>	-	-
<i>Financial guarantees granted</i>	74,392	67,888
<i>Of which amount classified as doubtful</i>	305	-
<i>Amount recorded as a liability on the balance sheet</i>	-	-
<i>Other commitments granted</i>	2,806,683	4,753,333
<i>Of which amount classified as doubtful</i>	331,702	315,535
<i>Amount recorded as a liability on the balance sheet</i>	-	-
<b>Total value of financial guarantees granted</b>	<b>7,513,738</b>	<b>9,342,486</b>

### Risk concentration by activity and geographical area

The book value of Unicaja's total financing granted to its customers at December 31, 2023 and 2022, excluding exposures held with public administrations, broken down by type of counterpart, type of guarantee, and LTV ratio, is outlined below.

	December 31, 2023							
	Thousands of euros							
	LTV ratio of collateralized loans (e)							
	Total (a)	Of which: Real estate guarantee (d)	Of which: Other collateral (d)	Less than or equal to 40%	More than 40% and less than or equal to 60%	More than 60% and less than or equal to 80%	More than 80% and less than or equal to 100%	More than 100%
Financial Institutions	530,703	112,439	167,312	22,387	72,388	17,887	75	167,014
Non-financial corporations and individual employers	10,292,331	2,627,904	355,125	1,501,805	954,116	265,772	74,415	186,921
Construction and development real estate (b)	580,920	452,884	25,524	217,398	189,165	34,048	28,047	9,750
Civil engineering construction	102,666	4,234	1,883	3,073	3,036	8	-	-
Other purposes	9,608,745	2,170,786	327,718	1,281,334	761,915	231,716	46,368	177,171
Large companies (c)	5,116,180	296,457	143,292	213,356	51,338	43,441	9,539	122,075
SMEs and individual businesspeople (c)	4,492,565	1,874,329	184,426	1,067,978	710,577	188,275	36,829	55,096
Other homes and ISFLSH	34,044,346	31,034,819	52,066	7,645,904	9,101,760	13,509,325	514,146	315,750
Housing	30,694,182	30,366,149	7,579	7,254,808	8,922,159	13,429,623	488,470	278,668
Consumption	850,405	8,709	3,299	9,812	887	1,143	63	103
Other purposes	2,499,759	659,961	41,188	381,284	178,714	78,559	25,613	36,979
<b>Total</b>	<b>44,867,380</b>	<b>33,775,162</b>	<b>574,503</b>	<b>9,170,096</b>	<b>10,128,264</b>	<b>13,792,984</b>	<b>588,636</b>	<b>669,685</b>
<b>Pro memoria: Refinancing refinanced and restructured transactions</b>	<b>667,236</b>	<b>498,091</b>	<b>66,618</b>	<b>202,616</b>	<b>141,463</b>	<b>102,601</b>	<b>42,927</b>	<b>75,102</b>

Thousands of euros

December 31, 2022

	Total (a)	Of which: Real estate guarantee (e and f)	Of which: Other collateral (e and f)	LTV ratio of collateralized loans (f)				
				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	2,987	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 businesspeople (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
<b>Total</b>	<b>49,650,240</b>	<b>35,832,188</b>	<b>524,091</b>	<b>9,723,343</b>	<b>10,723,511</b>	<b>14,619,862</b>	<b>719,063</b>	<b>570,499</b>
<b>Pro memoria: Refinancing refinanced and restructured transactions</b>	<b>698,722</b>	<b>583,724</b>	<b>69,361</b>	<b>226,007</b>	<b>157,403</b>	<b>119,767</b>	<b>49,435</b>	<b>100,473</b>

(a) The definition of loans and advances to customers and the scope of the information in this table are those used in the preparation of the balance sheet. The amount shown is the carrying amount of the transactions, i.e., after deducting the value adjustments made to hedge the specific transactions.

(b) This item includes all activities related to construction and property development, including that related to the financing of land for property development.

(c) Non-financial companies are classified as "Large companies" and "SMEs" according to the definition applicable to the latter for the purposes of calculating own funds. The activity of individual employers is considered to be that which is carried out by individuals in exercising their business activities.

(d) The 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 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, 2023 and 2022, on risk concentration of Unicaja, broken down by geographical area and activity segment, excluding exposure to public administration bodies.

Thousands of euros

December 31, 2023

	Total (a)	Spain	Other EU countries	The Americas	Rest of the world
Credit institutions	12,448,067	10,958,618	1,344,654	53,309	91,486
Other financial institutions	1,955,673	1,838,394	106,702	-	10,577
Non-financial corporations and individual employers	14,263,838	13,832,142	397,396	23,267	11,033
Construction and real estate development (b)	675,884	675,884	-	-	-
Civil engineering construction	180,067	179,840	-	227	-
Other purposes	13,407,887	12,976,418	397,396	23,040	11,033
Large companies (c)	8,372,770	7,998,304	370,271	170	4,025
SMEs and individual businesspeople (c)	5,035,117	4,978,114	27,125	22,870	7,008
Other homes and ISFLSH	34,073,351	33,902,353	77,831	33,374	59,793
Housing (d)	30,694,183	30,525,883	76,713	32,772	58,815
Consumption (d)	850,856	850,153	364	82	257
Other purposes (d)	2,528,312	2,526,317	754	520	721
<b>Total</b>	<b>62,740,929</b>	<b>60,531,507</b>	<b>1,926,583</b>	<b>109,950</b>	<b>172,889</b>

Thousands of euros

December 31, 2022

	Total (a)	Spain	Other EU countries	The Americas	Rest of the world
Credit institutions	8,308,947	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 individual businesspeople (c)	6,309,953	6,257,354	19,231	26,507	6,861
Other homes and ISFLSH	35,622,943	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)	1,043,023	1,041,839	376	86	722
Other purposes (d)	2,481,234	2,478,564	786	591	1,293
<b>Total</b>	<b>62,266,819</b>	<b>60,583,752</b>	<b>1,209,124</b>	<b>324,400</b>	<b>149,543</b>

(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 Bank of Spain Circular 4/2017.

The following is a breakdown of Unicaja's loans to customers at December 31, 2023 and 2022 by autonomous community and by business segment, excluding exposures held with public administration bodies.

Thousands of euros

December 31, 2023

	Total (a)	Andalusia	Madrid	Castilla y León	Asturias	Other autonomous communities
Credit institutions	10,958,618	-	10,958,552	-	-	66
Other financial institutions	1,838,394	595,286	1,130,038	8,936	47,092	57,042
Non-financial corporations and individual employers	13,832,142	5,079,157	4,580,542	678,965	600,163	2,893,315
Construction and development real estate (b)	675,884	396,808	89,348	46,578	46,276	96,874
Civil engineering construction	179,840	40,478	75,172	12,823	15,235	36,132
Other purposes	12,976,418	4,641,871	4,416,022	619,564	538,652	2,760,309
Large companies (c)	7,998,304	2,688,812	3,981,689	86,343	212,990	1,028,470
SMEs and individual businesspeople (c)	4,978,114	1,953,059	434,333	533,221	325,662	1,731,839
Other homes and ISFLSH	33,902,353	10,314,355	8,906,458	3,438,907	2,697,644	8,544,989
Housing (d)	30,525,883	8,634,572	8,654,051	2,983,534	2,445,763	7,807,963
Consumption (d)	850,153	402,835	57,964	139,250	67,487	182,617
Other purposes (d)	2,526,317	1,276,948	194,443	316,123	184,394	554,409
<b>Total</b>	<b>60,531,507</b>	<b>15,988,798</b>	<b>25,575,590</b>	<b>4,126,808</b>	<b>3,344,899</b>	<b>11,495,412</b>

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 individual businesspeople (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 (d)	31,922,095	8,798,834	10,058,986	3,136,689	1,648,779	8,278,807
Consumption (d)	1,041,839	290,362	126,731	100,220	139,573	384,953
Other purposes (d)	2,478,564	1,338,236	215,047	381,094	119,926	424,261
<b>Total</b>	<b>60,583,752</b>	<b>16,609,246</b>	<b>23,876,572</b>	<b>4,459,889</b>	<b>2,786,581</b>	<b>12,851,464</b>

(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 Bank of Spain Circular 4/2017.

### Leasing transactions

In relation to Unicaja's leasing activity, quantitative information at December 31, 2023 and 2022, is detailed below:

- i. The reconciliation between the gross investment (including the purchase option, if any) and the present value at December 31, 2023 and 2022 is as follows:

<i>Thousands of euros</i>	2023	2022
Nominal value of accounts receivable	119,473	151,519
Nominal value of purchase transactions	10,119	13,165
Total nominal value at closing	129,592	164,684
Unearned financial income	13,446	9,853
<b>Present value at closing</b>	<b>143,038</b>	<b>174,537</b>

- ii. The present value of the minimum payments at December 31, 2023 and 2022 and their distribution by residual terms is as follows:

<i>Thousands of euros</i>	2023	2022
Less than 1 year	44,432	56,663
Between 1 and 5 years	76,794	94,120
More than 5 years	21,812	23,754
	<b>143,038</b>	<b>174,537</b>

- iii. Unsecured residual values in favor of the lessor amount to 10,119,000 euros at December 31, 2023 (13,165,000 euros at December 31, 2022).
- iv. The accumulated value adjustments for bad debts on minimum outstanding receivables at December 31, 2023, amount to 6,114,000 euros (10,271,000 euros at December 31, 2022).

### Financial assets written off from the balance sheet

The movement during 2023 and 2022 of the 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	2023	2022
<b>Balance of financial assets written off from the balance sheet as of January 1</b>	<b>2,924,348</b>	<b>2,737,984</b>
<b>Additions</b>	<b>261,825</b>	<b>663,726</b>
Charged to value adjustments due to the impairment of assets	162,829	220,144
Charged to direct restructuring on the income statement	63,539	55,882
Uncollected past-due products	35,457	286,700
Other	-	101,000
<b>Recoveries</b>	<b>(28,498)</b>	<b>(46,147)</b>
Balances recovered during the year from cash collections	(25,116)	(44,379)
For adjudication of assets	(3,382)	(1,768)
<b>Write-downs</b>	<b>(1,561,889)</b>	<b>(431,215)</b>
For sale of bad debts	(5,105)	(300,695)
For other reasons	(1,556,784)	(130,520)
<b>Balance of financial assets written off from the balance sheet as of December 31</b>	<b>1,595,786</b>	<b>2,924,348</b>

During the 2023 financial year, the Bank concluded sales of bad debts amounting to 7,373,000 euros (11,059,000 euros in 2022), 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."

The net amount recorded in the income statement for 2023 as a result of the movement in these assets amounts to a negative amount of 38,423,000 euros (a negative amount of 11,503,000 euros in 2022). These amounts are mainly due to:

- Transactions that have been classified in the period as "written-off assets" and which did not have a sufficient provision for this purpose, and therefore their removal from the balance sheet is taken directly to the income statement, with a negative effect of 63,539,000 euros and 55,882,000 euros in fiscal periods 2023 and 2022 respectively.
- Transactions that in the previous period were classified as "written-off assets" and on which collections have been made, with a positive effect of 25,116,000 euros and 44,379,000 euros in 2023 and 2022 respectively.

With respect to the criteria used to derecognize transactions from the inventory of nonperforming assets, Unicaja 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 2023 and 2022, 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 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 balances at December 31, 2023 and 2022.

Thousands of euros		December 31, 2023						
Assets	Up to 1 month	Between 1 and 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years
Financial assets	17,962,700	11,918,369	17,352,320	4,345,962	4,946,130	2,476,967	3,365,690	24,359,432
After hedge adjustments	19,156,363	12,216,369	22,074,427	6,703,840	5,875,942	3,056,007	3,661,690	14,875,955

Thousands of euros		December 31, 2023						
Liabilities (*)	Up to 1 month	Between 1 and 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years
Financial liabilities	13,781,469	2,233,251	7,528,144	2,165,118	783,932	1,637,033	319,726	3,945,520
After hedge adjustments	13,381,469	1,223,251	3,386,093	4,107,170	1,383,932	2,547,033	819,726	5,545,520

(\*) Also includes the portion corresponding to interest rate swaps.

Thousands of euros		December 31, 2022						
Assets	Up to 1 month	Between 1 and 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years
Financial assets	16,243,515	11,612,852	22,071,682	5,324,672	2,998,120	4,177,173	2,138,516	24,943,637
After hedge adjustments	17,432,603	11,725,722	26,602,266	5,942,640	4,522,046	4,336,386	2,357,582	17,702,181

Thousands of euros		December 31, 2022						
Liabilities (*)	Up to 1 month	Between 1 and 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years
Financial liabilities	9,666,165	1,878,904	4,727,451	704,711	2,061,585	1,263,368	1,203,169	3,451,970
After hedge adjustments	9,266,165	1,668,904	(414,601)	1,704,711	4,003,636	1,863,368	1,813,169	5,051,970

(\*) Also includes the portion corresponding to interest rate swaps.



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, 2023 and 2022, the sensitivity of the entity's balance sheet to an unfavorable horizontal shift of the yield curve by 100 basis points and in a maintenance of the balance sheet scenario is as follows:

	2023	2022
Expected 12-month net interest margin	Less than 5%	Less than 8%
Economic value	Less than 2%	Less than 3%

## 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 and Supervisory Relations 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 department responsible for monitoring and controlling financial risks is the Risk Control and Supervisory Relations Department, which is mainly in charge of making sure that the risks taken are correctly identified, analyzed, valued and reported, using appropriate risk management tools, improving the position valuation models so that they are adjusted in the most appropriate way to the reality of the markets and controlling the consumption of defined risk limits. It also carries out a permanent and systematic control and follow-up of the Treasury and Capital Markets transactions.

For the adequate management of market risk, Unicaja 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's operations in capital markets.

The Unicaja Group therefore 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, 2023, the VaR measurement at Group level, using a confidence level of 99%, presents the following values:

<i>Thousands of euros</i>	<b>Time horizon 1 day</b>	<b>Time horizon of 10 days</b>
Diversified Parametric VaR	(2,552)	(8,070)
Diversified Parametric VaR (% of own funds)	(0.9)	(3.0)
Non-Diversified Parametric VaR	(16,872)	(53,354)
Non-Diversified Parametric VaR (% of Equity)	(6.0)	(19.5)
Parametric VaR Historical Simulation	(5,234)	(16,552)
Parametric VaR Historical Simulation (% of Equity)	(1.9)	(6.2)

Data for the year ended December 31, 2022 are as follows:

<i>Thousands of euros</i>	<b>Time horizon 1 day</b>	<b>Time horizon of 10 days</b>
Diversified Parametric VaR	(1,315)	(4,157)
Diversified Parametric VaR (bps on Equity)	(0.4)	(1.3)
Non-Diversified Parametric VaR	(3,374)	(10,668)
Non Diversified Parametric VaR (bps on shareholder equity)	(1.1)	(3.4)
Parametric VaR Historical Simulation	(962)	(3,041)
Parametric VaR Historical Simulation (bp on shareholder equity)	(0.3)	(1)

## 24.2. Price risk of equity instruments

Price risk is the risk that the fair value of equity instruments will change as a result of changes in index or share prices. 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, 2023 and 2022:

	<i>Thousands of euros</i>		
<b>Drop in market price (quote)</b>	<b>Impact on profit and loss</b>	<b>Impact on other comprehensiv</b>	<b>Impact on total net equity</b>
Impact as of December 31, 2023, of a 1% drop in the market price	86	732	818
Impact at December 31, 2022, of a reduction of 1% drop in the market price	94	415	509

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, 2023 and 2022, 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, 2023 and 2022 is the following:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
<b>Equivalent value of foreign currency assets</b>	<b>1,459,397</b>	<b>1,613,147</b>
Of which: % in U.S. dollars	94%	91%
Of which: % in pounds sterling	5%	0%
Of which: in Swiss francs	0%	7%
Of which: % in other currencies traded in the Spanish market	1%	2%
<b>Equivalent value of foreign currency liabilities</b>	<b>1,536,964</b>	<b>1,709,433</b>
Of which: % in U.S. dollars	91%	90%
Of which: % in pounds sterling	9%	0%
Of which: in Swiss francs	0%	10%
Of which: % in other currencies traded in the Spanish market	0%	0%

The Euro equivalent of foreign currency assets represents 1.62% and 1.49% of the total assets at December 31, 2023 and 2022 respectively, while the Euro equivalent of foreign currency liabilities represents 1.57% and 1.84% 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, 2014, 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 2023 and 2022, whose nominal value is recorded in memorandum accounts, is broken down below:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
<b>Financial guarantees granted</b>	<b>74,392</b>	<b>67,888</b>
Financial endorsements	74,392	67,888
<b>Other commitments granted</b>	<b>2,806,683</b>	<b>4,753,333</b>
Technical endorsements	1,441,499	1,504,131
Irrevocable documentary credits	11,006	17,478
Other commitments	1,354,178	3,231,724
	<b>2,881,075</b>	<b>4,821,221</b>

As of December 31, 2023 and 2022, "Other commitments" mainly includes commitments for simultaneous transactions and transactions in organized markets within market parameters that have not yet been formalized. In 2023 and 2022, there were also debit orders received from customers that are within the repayment period allowed under SEPA regulations in the amount of 794,857,000 euros and 861,089,000 euros respectively. Pursuant to Article 43 of Royal Decree-Law 19/2018, of November 23, on payment services and other urgent financial measures, the maximum return period is 13 months from the debit date.

A significant portion of 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 "Fee income" and "Interest income" (at the amount relating to the revalued commission income) on the income statement for 2023 and 2022 is calculated by applying the rate established in the related contract to the nominal amount of the guarantee.

The provisions 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" (Note 15).

### 26.2. Assets assigned and received as collateral

As of December 31, 2023 and 2022, 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:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Pledging of securities	6,539,278	8,330,313
Pledging of non-mortgage loans	-	-
	<b>6,539,278</b>	<b>8,330,313</b>

For the most part, at December 31, 2023 and 2022 these amounts corresponded to the pledging of securities and non-mortgage loans through a the 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 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 will 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, 2023 and 2022, 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:

<i>Thousands of euros</i>	2023		2022	
	Amount to be drawn down	Limit granted	Amount to be drawn down	Limit granted
<b>With immediate availability -</b>	<b>3,428,284</b>	<b>4,205,423</b>	<b>3,317,937</b>	<b>5,579,775</b>
Credit institutions	1,515	555	779	794
Public Administration sector	781,542	816,693	468,532	581,978
Other sectors	2,645,227	3,388,175	2,848,626	4,997,003
<b>With conditional availability</b>	<b>1,204,379</b>	<b>2,068,386</b>	<b>1,203,328</b>	<b>2,078,832</b>
Credit institutions	-	-	-	-
Public Administration sector	380,408	390,952	200,777	213,472
Other sectors	823,971	1,677,434	1,002,551	1,865,360
	<b>4,632,663</b>	<b>6,273,809</b>	<b>4,521,265</b>	<b>7,658,607</b>

### 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, 2023 and 2022, is as follows:

<i>Thousands of euros</i>	2023	2022
Mutual fund portfolios	7,959,306	8,939,498
Portfolios of other collective investment schemes	148,710	115,036
Other financial instruments	3,130,628	2,010,409
Assets under management	1,702,991	1,049,717
	<b>12,941,635</b>	<b>12,114,660</b>

The 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 2023 and 2022:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Mutual fund portfolios	2,605,085	11,133,469
Other collective investment institutions	143,964	115,036
Pension fund portfolios	480,842	3,682,241
Assets under management	-	1,049,717
Insurance products	4,947,380	4,268,096
	<b>8,177,271</b>	<b>20,248,559</b>

In addition, the following details the fair value of third party funds deposited with the Bank at December 31, 2023 and 2022:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Debt securities and equity instruments	8,012,376	6,698,722
Other financial instruments	25,318	20,838
	<b>8,037,694</b>	<b>6,719,560</b>

## 26.5. Reclassifications of financial instruments

In 2023 and 2022, 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, 2023 and 2022, 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:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
<b>Securitized assets:</b>		
Loans and advances - customers	458,107	528,591
<b>Associated liabilities:</b>		
Financial liabilities at amortized cost – client deposits Issued shares	458,107	528,597
Financial liabilities at amortized cost – client deposits (net fixed income)	(452,165)	(426,550)



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:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
<b>Singular securitizations:</b>		
AyT CajaCantabria Maturity 2048 Sr A	46,915	59,260
AyT CajaCantabria Maturity 2048 Sr B	9,954	10,019
AyT CajaCantabria Maturity 2048 Sr C	8,079	8,141
AyT CajaCantabria Maturity 2048 Sr D	2,741	2,770
IM CajAstur MBS Maturity 2052 Sr A	105,932	124,551
IM CajAstur MBS Maturity 2052 Sr B	70,621	83,042
AyT CCM I. E/12-07 SR. A	123,922	154,601
AyT CCM I. E/12-07 SR. B	45,600	45,668
AyT CCM I. E/12-07 SR. C	28,000	28,065
AyT CCM I. E/12-07 SR. D	10,400	10,433
	<b>452,164</b>	<b>526,550</b>

Additionally, there are securitized assets that were derecognized due to the significant transfer of the risks and benefits related thereto. At December 31, 2023 and 2022, the outstanding balance of securitized assets written off from the balance sheet amounts to 23,356,000 euros and 28,614,000 euros respectively.

## 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 breakdown at December 31, 2023 and 2022 of the derivative financial instruments (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.

<i>Thousands of euros</i>	<b>2023</b>		<b>2022</b>	
<b>Derivative financial instruments</b>	<b>Financial</b>	<b>Liabilities</b>	<b>Financial</b>	<b>Liabilities</b>
<b>Gross exposure (book value)</b>	<b>1,254,708</b>	<b>1,180,383</b>	<b>1,845,658</b>	<b>1,119,743</b>
<b>Compensation agreements and guarantees</b>	<b>(309,480)</b>	<b>(722,504)</b>	<b>(696,633)</b>	<b>(402,380)</b>
Compensation agreements	-	-	-	-
Collateral received/delivered	(309,480)	(722,504)	(696,633)	(402,380)
<b>Net exposure</b>	<b>945,228</b>	<b>457,879</b>	<b>1,149,025</b>	<b>717,363</b>

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:

<i>Thousands of euros</i>		<b>2023</b>		<b>2022</b>	
<b>Guarantees associated with asset acquisitions and repurchase</b>		<b>Delivered</b>	<b>Received</b>	<b>Delivered</b>	<b>Received</b>
Cash		99,166	125,294	41,330	9,551
In securities		-	-	200,000	-
		<b>99,166</b>	<b>125,294</b>	<b>241,330</b>	<b>9,551</b>

## 27. Interest income

The breakdown by source of interest income accrued by the Bank during fiscal years 2023 and 2022 is as follows:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Deposits with central banks (Note 6)	195,896	32,641
Deposits into credit institutions (Note 9.1)	19,351	2,656
Money market operations (Note 9.1)	2,648	-
Credits to customers at amortized cost (Note 9.1)	1,431,606	795,430
Non-performing assets at amortized cost (Note 9.1)	46,719	26,539
Debt securities at amortized cost (Note 9.1)	678,933	1,042,545
Deposits from central banks (Note 14.1)	-	55,150
Rectification of income as a result of hedge accounting (Note 10)	(49,678)	(703,805)
Other returns	24,490	9,476
	<b>2,349,965</b>	<b>1,260,632</b>

The following is a breakdown of the amounts recorded under "Interest income" in the income statement for 2023 and 2022, classified according to the portfolio of financial instruments giving rise thereto:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Financial assets held for trading (Note 7.1.1)	926	20
Non-trading financial assets mandatorily valued at fair value through profit or loss (Note 7.2)	4,192	3,670
Financial assets at fair value through other comprehensive income (Note 8)	16,636	2,539
Financial assets at amortized cost (note 9)	2,179,257	1,861,053
Rectification of income as a result of hedge accounting (Note 10)	(49,678)	(703,805)
Other returns	198,632	97,155
	<b>2,349,965</b>	<b>1,260,632</b>

## 28. Interest expense

The breakdown of the balance of this heading on the income statements for 2023 and 2022 is as follows:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Deposits from central banks (Note 14.1)	92,373	-
Deposits into credit institutions (Note 14.2)	183,113	28,173
Money market transactions through counterparties (Note 14.3)	21,624	-
Customer deposits (Note 14.3)	411,925	154,761
Marketable debt securities (Note 14.4)	100,034	28,259
Subordinated liabilities (Note 14.4)	18,462	21,888
Rectification of costs as a result of hedge accounting (Note 10)	126,858	(59,458)
Cost attributable to pension funds established (Note 15)	6,125	98
Other interest	33,807	27,782
	<b>994,321</b>	<b>201,503</b>

The following is a breakdown of the amounts recorded under "Interest expense" in the income statement for 2023 and 2022, classified according to the portfolio of financial instruments giving rise thereto:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Financial liabilities at amortized cost	827,532	233,081
Rectification of costs as a result of hedge accounting	126,858	(59,457)
Others	39,931	27,879
	<b>994,321</b>	<b>201,503</b>

## 29. Dividend income

The breakdown of the balance of this heading on the income statements for 2023 and 2022, based on the nature of the financial instruments is as follows:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
<b>Equity instruments classified as:</b>		
Financial assets at fair value through other comprehensive income	24,269	18,079
Investment in joint ventures and associates	88,075	74,700
	<b>112,344</b>	<b>92,779</b>
<b>Equity instruments in the nature of:</b>		
Shares	112,344	92,779
Other equity instruments	-	-
	<b>112,344</b>	<b>92,779</b>
<b>By entities:</b>		
Subsidiaries	25,310	28,157
Associates	62,765	46,543
Other entities	24,269	18,079
	<b>112,344</b>	<b>92,779</b>

### 30. Fee revenue

The commission income accrued in 2023 and 2022 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:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
<b>Interest income</b>		
Study and opening fees	21,059	21,059
	<b>21,059</b>	<b>21,059</b>
<b>Fee revenue</b>		
Fees for contingent liabilities	14,780	15,482
Fees for contingent commitments	3,640	3,772
Fees for collection and payment services	296,544	298,194
Fees for securities services	13,275	7,394
Foreign exchange and currency exchange fees	286	252
Fees for marketing of non-banking financial products	182,887	183,983
Other	16,357	10,099
	<b>527,769</b>	<b>519,176</b>
<b>Other operating income</b>		
Compensation fees for direct costs (Note 33)	1,460	3,647
	<b>1,460</b>	<b>3,647</b>

### 31. Fee expenses

The amount of commission expenses accrued in 2023 and 2022 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:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
<b>Interest expense</b>		
Commissions assigned to intermediaries	794	1,814
Other fees and commissions	-	-
	<b>794</b>	<b>1,814</b>
<b>Fee and commission expense</b>		
Active and passive transactions	(2,555)	2,510
Commissions assigned to other entities and correspondents	15,981	15,540
Commissions paid on securities transactions	4,529	6,452
Other fees and commissions	27,520	26,269
	<b>45,475</b>	<b>50,771</b>

## 32. Gains and losses on financial transactions

The breakdown of this heading on the consolidated income statements in 2023 and 2022, based on the financial instrument portfolios giving rise thereto, is as follows:

<i>Thousands of euros</i>	2023	2022
Gains or losses on write off of financial assets and liabilities not measured at fair value through profit or loss (net)	4,804	36,292
Financial assets at amortized cost (*)	4,804	36,292
Financial assets at fair value through other comprehensive income	-	-
Net gains or losses on financial assets and liabilities held for trading (net)	6,970	14,680
Reclassification of financial assets at fair value through other comprehensive income	-	-
Reclassification of financial assets at amortized cost	-	-
Other profit and loss	6,970	14,680
Gains or losses on financial assets not held for trading compulsorily measured at fair value through profit or loss (net)	4,525	(9,216)
Reclassification of financial assets at fair value through other comprehensive income	-	-
Reclassification of financial assets at amortized cost	-	-
Other profit and loss	4,525	(9,216)
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)	(1,876)	5,512
	<b>14,423</b>	<b>47,268</b>

(\*) The sales of financial assets at amortized cost carried out during fiscal years 2023 and 2022 comply with the provisions of Unicaja's policies for considering them as infrequent sales and/or of insignificant value.

During the 2023 and 2022, the Bank sold Spanish and foreign debt instruments recorded in this portfolio for a carrying amount of 488,932,000 euros and 1,084,525,000 euros respectively. The results obtained from these disposals have been recorded in the "Gains or losses on the derecognition of financial assets and liabilities not valued at fair value through profit or loss, net - Financial assets at amortized cost" heading in the consolidated income statement.

All sales made are within the limits established by the Bank's policies. The regulations provide for the possibility of making sales of the portfolio at amortized cost, their being compatible with the business model of holding the financial assets to obtain the contractual cash flows, if they are infrequent/insignificant, and also in the event that they take place close to maturity and when the proceeds obtained therefrom correspond approximately to the proceeds to be received from outstanding contractual cash flows. The sales made by Unicaja during 2023 and 2022 are consistent with the business model under which these assets are managed.



### 33. Other operating income and others expenses

The breakdown of the balance of this heading on the income statements for 2023 and 2022 is as follows:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Income from investment properties (Note 12.1.2)	17,266	18,564
Compensation fees for direct costs (Note 30)	1,460	3,647
Sales and other income from the provision of non-financial services	-	2
Investment property operating expenses (Note 12.1.2)	(4,421)	(8,710)
Contribution to the Single Resolution Fund (Note 1.11)	(42,619)	(24,149)
Contribution to the Deposit Guarantee Fund (Note 1.10)	(88,275)	(87,665)
Temporary levy of credit institutions (Note 1.13)	(63,844)	-
Financial contribution for monetizable deferred tax assets (Note 19.4)	(23,289)	(25,429)
Real estate expenses arising from foreclosures	(12,839)	(6,412)
Agent commissions	(28,404)	(11,339)
Operational risk expenses	(3,131)	(2,015)
Other operating income and expenses	(14,395)	3,429
	<b>(262,491)</b>	<b>(140,077)</b>

### 34. Personnel expenses

The breakdown of the balance of the "Personnel expenses" heading on the income statements for 2023 and 2022 is as follows:

<i>Thousands of euros</i>	2023	2022
Wages and salaries	325,544	345,968
Social security	92,173	98,038
Provisions allocated to defined benefit pension plans (Note 13.2)	-	-
Provisions to defined contribution pension plans (Note 13.2)	17,990	18,737
Indemnities	568	614
Training expenses	1,487	576
Other personnel expenses	8,978	8,103
	<b>446,740</b>	<b>472,036</b>

As of December 31, 2023 and 2022, the average number of the Bank's employees distributed by professional category was as follows:

	Average number of people			
	2023		2022	
	Men	Women	Men	Women
<b>Group 1</b>	<b>3,165</b>	<b>3,671</b>	<b>3,505</b>	<b>3,960</b>
Level I	19	8	27	8
Level II	48	14	53	17
Level III	200	72	236	82
Level IV	439	199	491	210
Level V	1,017	787	1,096	804
Level VI	104	117	133	140
Level VII	456	748	493	783
Level VIII	496	906	523	956
Level IX	230	542	224	525
Level X	104	207	167	338
Level XI	39	53	46	69
Level XII	12	16	14	23
Level XIII	1	1	2	4
Level XIV	-	1	-	1
<b>Group 2</b>	<b>14</b>	<b>11</b>	<b>18</b>	<b>12</b>
Level I	-	-	-	-
Level II	13	11	16	12
Level III	1	-	2	-
Level IV	-	-	-	-
Level V	-	-	-	-
<b>Cleaning personnel</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>
<b>Others</b>	<b>5</b>	<b>5</b>	<b>4</b>	<b>4</b>
	<b>3,184</b>	<b>3,688</b>	<b>3,527</b>	<b>3,977</b>

Note: The heading "Others" includes the average number of employees from Liberbank Digital, S.A.U. who have been transferred as employees of the parent company subject to the 17th State Collective Bargaining Agreement for consulting and market and public opinion research companies.

The following is a breakdown by item of the amounts recorded under “Provisions - Pensions and other post-employment defined benefit obligations”, “Provisions - Other long-term employee benefits” and “Insurance contracts linked to pensions” on the balance sheet at December 31, 2023 and 2022:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
<b>Provisions - Provisions for pensions and similar obligations</b>	<b>182,826</b>	<b>260,235</b>
Pensions and other benefit obligations defined as post-employment	91,258	127,539
Other long-term employee benefits	91,568	132,696
<b>Insurance contracts linked to pensions</b>	<b>21,509</b>	<b>23,167</b>
Post-employment benefits	21,509	23,167

### 34.1. 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, whereby an occupational pension plan externalized in Unifondo Pensiones V Pension Fund was formalized. In order to carry out this modification and transformation, the entity rescinded the insurance policies that, at that time, covered the actuarial liabilities. Simultaneously, an endowment was made to the internal pension fund and a portion of the endowment amount was subsequently contributed to the Unifondo Pensiones V Pension Fund.

At December 31, 2023 and 2022, the position account of the Unifondo Pensiones V Pension Fund amounted to 266,662,000 euros and 262,986,000 euros respectively. This amount includes both the defined contribution and defined benefit requirements which were calculated according to the criteria indicated in Note 2.10.

The position accounts of Unicaja Banco's different Pension Plans as of December 31, 2023 and 2022 are detailed below. These amounts includes both the defined contribution and defined benefit requirements which were calculated according to the criteria indicated in Note 2.10.

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Unifondo Pensiones V, Pension Fund	266,662	262,986
Caja Extremadura Employees Fund	54,789	54,436
Fondempleo Caja España, Pension Fund	100,419	94,181
FPCajastur	250,777	262,933
CCM Employees Pension Fund	199,998	191,949
Fondem Cantabria, Pension Fund	199,998	191,949
Fonduero Personal, Pension Fund	55,206	52,099

During 2014, the Unicaja Group acquired a majority shareholding in the capital of Banco de Caja España de Inversiones, Salamanca y Soria, S.A. (EspañaDuero), which, in accordance with the corresponding labor agreements in force, must supplement the social security benefits corresponding to its employees, or their beneficiaries, in the event of retirement, widowhood, orphanhood, permanent disability or severe disability.

During 2021, as a result of the merger by absorption of Liberbank, S.A. by Unicaja, a series of post-employment and long-term remuneration commitments were made to Unicaja, which are detailed in the following sections of this note.

### 34.1.1. General information on post-employment commitments

The following detail the various post-employment defined benefit and contribution commitments assumed by the Bank:

#### Defined contribution plans

The contributions made by the Bank in the fiscal period 2023 to the external pension fund amounted to 17,990,000 euros (18,737,000 euros in 2022), which are recorded under "Administrative expenses - Staff expenses" in the income statements for those years.

#### Defined benefit plans

The current value of the commitments has been determined by qualified actuaries, who have applied the following criteria to quantify them:

- 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 with Unión Duero Compañía de Seguros Vida, S.A. to cover the commitments assumed with employees who are guaranteed a supplementary benefit at the time of their retirement, as explained above. As they are contracted with a company that is related to the Bank (Note 12), these insurance policies are recorded at fair value under "Insurance contracts linked to pensions" on the asset side of the balance sheet, since they are not considered to be an "asset assigned" for accounting purposes.

The fair value of these policies has been calculated using actuarial methods, discounting the payment flows foreseen in the policy at the corresponding discount rate according to the IBOXX AA Corporate curve, based on the financial duration of the commitments.

As of December 31, 2023 and 2022, the fair value of the assets assigned to the post-employment compensation hedge was broken down as follows:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
<b>Nature of the Assets subject to Commitment Coverage</b>	-	-
Plan assets covered by insurance policy	336,508	376,690
Insurance policies contracted by the Plan linked to the coverage of defined benefit obligations	21,508	23,167
External defined contribution pension plan	729,234	701,854
	<b>1,087,250</b>	<b>1,101,711</b>

### 34.1.2. 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 (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 2023 and 2022 amount to 17,990,000 euros and 18,737,000 euros respectively (Note 34.1.1).

### 34.1.3. Information on defined benefit post-employment benefit plans

The total amount of actuarial gains and losses recognized in the statement of recognized income and expense for 2023 that will not be reclassified to profit or loss amounts to 3,509,000 euros gross loss (17,614,000 euros gross loss in 2022), which after the related tax effect amounts to 2,456,000 euros net loss (12,330,000 euros net loss in 2022).

The reconciliation between the opening and closing balances of the present value of Unicaja's defined benefit obligation for 2023 and 2022 is detailed below:

Thousands of euros

2023

	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 Spain Duero	Plan 2 Spain Duero	Plans BCLM	Cantabria Plans	Extremadura Plans	Cajastur Plans	Total
<b>Present value of obligations as of January 01, 2023</b>	<b>57,856</b>	<b>20,727</b>	<b>4,164</b>	<b>51,938</b>	<b>50,833</b>	<b>31,464</b>	<b>9,221</b>	<b>133,358</b>	<b>359,561</b>
(i) Service cost for the current year	-	-	-	-	-	-	-	-	-
(ii) Interest cost	1,732	627	120	1,563	1,535	935	273	4,026	10,811
(iii) Contributions made by participants	-	-	-	-	-	-	-	-	-
(iv) Actuarial gains and losses	3,666	835	203	3,027	3,679	402	245	4,784	16,841
iv.1. Due to changes in demographics assumptions	2,441	236	(98)	794	3,437	(16)	3	971	7,768
iv.2. Due to changes in financial assumptions	1,225	599	301	2,233	242	418	242	3,813	9,073
iv.3. Experience Adjustments	-	-	-	-	-	-	-	-	-
(v) Exchange rate changes	-	-	-	-	-	-	-	-	-
(vi) Benefits paid	(5,194)	(1,503)	(351)	(4,738)	(4,002)	(3,259)	(989)	(10,293)	(30,329)
(vii) Cost of past services	-	-	-	-	-	-	-	-	-
(viii) Business combinations	-	-	-	-	-	-	-	-	-
(ix) Reductions	(426)	-	(171)	171	-	-	-	-	(426)
(x) Plan settlements	-	-	-	-	-	-	-	-	-
<b>Present value of obligations as of December 31, 2023</b>	<b>57,634</b>	<b>20,686</b>	<b>3,965</b>	<b>51,961</b>	<b>52,045</b>	<b>29,542</b>	<b>8,750</b>	<b>131,875</b>	<b>356,458</b>

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
<b>Present value of obligations at January 1, 2022</b>	<b>76,947</b>	<b>26,841</b>	<b>5,807</b>	<b>72,064</b>	<b>35,136</b>	<b>40,126</b>	<b>11,818</b>	<b>151,530</b>	<b>420,269</b>
(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 demographics assumptions	(1,474)	365	330	(554)	(1,634)	1,015	153	25,374	23,575
iv.2. Due to changes in financial assumptions	(11,190)	(5,089)	(1,290)	(15,587)	425	(7,078)	(1,799)	(34,240)	(75,848)
iv.3. Experience Adjustments	-	-	-	-	-	-	-	-	-
(v) Exchange rate changes	-	-	-	-	-	-	-	-	-
(vi) Benefits paid	(5,043)	(1,467)	(394)	(4,887)	(3,991)	(2,940)	(1,051)	(10,597)	(30,370)
(vii) Cost of past services	-	-	-	-	-	-	-	-	-
(viii) Business combinations	(1,576)	-	(302)	730	20,597	-	-	-	19,449
(ix) Reductions	-	-	-	-	-	-	-	-	-
(x) Plan settlements	-	-	-	-	-	-	-	-	-
<b>Present value of obligations at December 31, 2022</b>	<b>57,856</b>	<b>20,727</b>	<b>4,164</b>	<b>51,938</b>	<b>50,833</b>	<b>31,464</b>	<b>9,221</b>	<b>133,358</b>	<b>359,561</b>

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 for the fiscal years 2023 and 2022 is as follows:

Thousands of euros

2023

	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 Spain Duero	Plan 2 Spain Duero	Plans BCLM	Cantabria Plans	Extremadura Plans	Cajastur Plans	Total
<b>Fair value of assets as of January 01, 2023</b>	<b>55,404</b>	<b>18,943</b>	<b>4,483</b>	<b>44,582</b>	<b>46,618</b>	<b>42,318</b>	<b>13,372</b>	<b>174,138</b>	<b>399,858</b>
(i) Service cost for the current year (contributions)	-	-	-	-	-	-	-	-	-
(ii) Interest cost (expected profitability of assets)	1,654	571	227	1,339	1,205	1,127	403	4,760	11,286
(iii) Contributions made by participants	779	636	-	(3,300)	2,082	-	-	-	197
(iv) Actuarial gains and losses	(3,701)	(648)	(81)	(1,592)	(3,406)	(720)	(619)	(13,125)	(23,892)
iv.1. Due to changes in demographics assumptions	(2,808)	(609)	(11)	(262)	3,909	686	(163)	(1,964)	(1,222)
iv.2. Due to changes in financial assumptions	(893)	(39)	(70)	(1,330)	(7,315)	(1,406)	(456)	(11,161)	(22,670)
iv.3. Experience Adjustments	-	-	-	-	-	-	-	-	-
(v) Exchange rate changes	-	-	-	-	-	-	-	-	-
(vi) Benefits paid	(5,194)	(1,503)	(352)	(3,420)	(3,996)	(3,259)	(989)	(10,293)	(29,006)
(vii) Cost of past services	-	-	-	-	-	-	-	-	-
(viii) Business combinations	(426)	-	-	-	-	-	-	-	(426)
(ix) Reductions	-	-	-	-	-	-	-	-	-
(x) Plan settlements	-	-	-	-	-	-	-	-	-
<b>Fair value of assets as of December 31, 2023</b>	<b>48,516</b>	<b>17,999</b>	<b>4,277</b>	<b>37,609</b>	<b>42,503</b>	<b>39,466</b>	<b>12,167</b>	<b>155,480</b>	<b>358,017</b>



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
<b>Fair value of assets at January 01, 2022</b>	<b>77,710</b>	<b>26,205</b>	<b>5,830</b>	<b>58,822</b>	<b>34,146</b>	<b>52,430</b>	<b>15,451</b>	<b>200,119</b>	<b>470,713</b>
(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 demographics assumptions	(1,293)	22	98	(160)	(1,433)	686	577	25,271	23,768
iv.2. Due to changes in financial assumptions	(14,644)	(6,182)	(814)	(11,425)	(5,343)	(8,268)	(1,736)	(42,211)	(90,623)
iv.3. Experience Adjustments	-	-	-	-	-	-	-	-	-
(v) Exchange rate changes	-	-	-	-	-	-	-	-	-
(vi) Benefits paid	(5,043)	(1,467)	(394)	(3,496)	(3,976)	(2,940)	(1,051)	(10,597)	(28,964)
(vii) Cost of past services	-	-	-	-	-	-	-	-	-
(viii) Business combinations	(1,576)	-	-	428	20,597	-	-	-	19,449
(ix) Reductions	-	-	-	-	-	-	-	-	-
(x) Plan settlements	-	-	-	-	-	-	-	-	-
<b>Fair value of assets at December 31, 2022</b>	<b>55,403</b>	<b>18,943</b>	<b>4,483</b>	<b>44,581</b>	<b>46,619</b>	<b>42,318</b>	<b>13,373</b>	<b>174,137</b>	<b>399,857</b>

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, 2023 and 2022, is presented below:

Thousands of euros									2023
	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 Spain Duero	Plan 2 Spain Duero	Plans BCLM	Cantabria Plans	Extremadura Plans	Cajastur Plans	Total
<b>Present value of obligations as of December 31, 2023</b>	<b>50,302</b>	<b>19,016</b>	<b>3,558</b>	<b>45,906</b>	<b>44,687</b>	<b>28,738</b>	<b>8,261</b>	<b>122,307</b>	<b>322,775</b>
(i) Cost of past services not rendered in the balance sheet	-	-	-	-	-	-	-	-	-
(ii) Any amount not recognized as assets	-	-	-	4,925	-	-	3,906	-	8,831
(iii) Fair value of any right of reimbursement recognized as an asset	-	-	616	-	-	10,729	-	33,173	44,518
(iv) Other amounts recognized in the balance sheet	(1,982)	(19,016)	-	(16,279)	(2,340)	-	-	-	(39,617)
<b>Fair value of assets as of December 31, 2023</b>	<b>48,320</b>	<b>-</b>	<b>4,174</b>	<b>34,552</b>	<b>42,347</b>	<b>39,467</b>	<b>12,167</b>	<b>155,480</b>	<b>336,507</b>
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
<b>Present value of obligations at December 31, 2022</b>	<b>57,856</b>	<b>20,727</b>	<b>4,164</b>	<b>51,938</b>	<b>50,833</b>	<b>31,464</b>	<b>9,221</b>	<b>133,358</b>	<b>359,561</b>
(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)
<b>Fair value of assets at December 31, 2022</b>	<b>55,148</b>	<b>-</b>	<b>4,368</b>	<b>40,888</b>	<b>46,459</b>	<b>42,318</b>	<b>13,372</b>	<b>174,138</b>	<b>376,691</b>

The amounts for the fiscal period 2023, 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	Extremadur a Plans	Cajastur Plans	Total
<b>2018 financial year</b>									
Experience Adjustments	-	-	-	-	-	-	-	-	-
Value at December 31, 2018	85,469	32,143	6,432	82,500	-	-	-	-	206,544
<b>2019 financial year</b>									
Experience Adjustments	-	-	-	-	-	-	-	-	-
Value at December 31, 2019	85,854	33,919	6,145	82,717	-	-	-	-	208,635
<b>2020 financial year</b>									
Experience adjustments	-	-	-	-	-	-	-	-	-
Value at December 31, 2020	83,818	28,116	6,796	75,266	-	-	-	-	193,996
<b>2021 financial year</b>									
Experience Adjustments	-	-	-	-	(946)	(4,207)	59	2,501	(2,593)
Value as of December 31, 2021	76,947	26,841	5,807	72,064	35,136	40,126	11,818	151,530	420,269
<b>2022</b>									
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
<b>2023</b>									
Experience Adjustments	-	-	-	-	-	-	-	-	-
Value at December 31, 2023	50,302	19,016	3,558	45,906	44,687	28,738	8,261	122,307	322,775

Thousands of euros

Fair value of assets

	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 Spain Duero	Plan 2 Spain Duero	Plans BCLM	Cantabria Plans	Extremadur a Plans	Cajastur Plans	Total
<b>2018 financial year</b>									
Experience Adjustments	-	-	-	-	-	-	-	-	-
Value at December 31, 2018	87,386	25,834	6,298	62,059	-	-	-	-	181,577
<b>2019 financial year</b>									
Experience Adjustments	-	-	-	-	-	-	-	-	-
Value at December 31, 2019	86,684	27,219	6,421	62,588	-	-	-	-	182,912
<b>2020 financial year</b>									
Experience Adjustments	-	-	-	-	-	-	-	-	-
Value at December 31, 2020	83,398	27,207	5,955	60,137	-	-	-	-	176,697
<b>2021 financial year</b>									
Experience Adjustments	-	-	-	-	(416)	160	1	2,994	2,739
Value as of December 31, 2021	77,710	26,205	5,830	58,822	34,146	52,430	15,451	200,119	470,713
<b>2022</b>									
Experience Adjustments	-	-	-	-	-	-	-	-	-
Value at December 31, 2022	55,404	18,943	4,483	44,582	46,618	42,318	13,372	174,138	399,858
<b>2023</b>									
Experience Adjustments	-	-	-	-	-	-	-	-	-
Value at December 31, 2023	48,517	17,999	4,277	37,608	42,502	39,467	12,167	155,480	358,017

Below is a detail of the total expense recognized in equity in 2023 and 2022, and the items in which they have been included.

Definition	Income statement item
a) Service cost for the current year	Personnel expenses
b) Interest cost	Interest expense
c) Expected return on assets	Interest income
d) Cost of past service recognized in the year	Provisions/ reversal

Thousands of euros						2023
	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 España Duero	Plan 2 España Duero	Liberbank Origin Plans	Total
a) Service cost for the current year	-	-	-	-	-	-
b) Interest cost	84	627	5	559	334	1,609
c) Expected return on assets	(6)	(571)	(112)	(182)	(931)	(1,802)
d) Gains and losses recognized during the year	35	(187)	(122)	(1,571)	8,385	6,540
e) Past service cost recognized in the year	-	-	-	-	-	-

Thousands of euros						2022
	Plan 1 Unicaja	Plan 2 Unicaja	Plan 1 España Duero	Plan 2 España Duero	Liberbank Origin Plans	Total
a) Service cost for the current year	-	-	-	-	-	-
b) Interest cost	23	77	1	59	12	172
c) Expected return on assets	(1)	(75)	250	(14)	(369)	(209)
d) Gains and losses recognized during the year	3,273	1,436	(244)	(5,676)	18,825	17,614
e) Past service cost recognized in the year	-	-	-	-	-	-

The main actuarial assumptions used by the Bank at December 31, 2023 are presented below.

*Actuarial assumptions of Plan 1 Unicaja:*

- Updated tables: PERMF 2020 first order
- Type of update:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the eurozone high credit rating corporate bonds.
  - The duration for each commitment ranges from 15.33 to 7.34 years for bonds and 10.54 to 1.92 years for assets.
  - The rates applied for each commitment range from 3.6288% to 3.5991% for bonds and 3.6206% to 3.5991% for assets.
- Rate of increase in salaries: 2.5% for No. 505003000038.
- Type of pension revaluation: 2024 maximum 2.5% and the remainder maximum 1.5%.
- Type of expected return on plan assets:
  - For assets subject to the coverage of obligations insured in the Collective III policy (Defined Benefit. Employees from Banco Urquijo), the rate applied is 3.1450% (no. 505003000038).
  - For assets assigned to the coverage of obligations insured in the Collective VI policy (Plan Beneficiaries) with cash-flow matching, the rate applied is 3.1207% (No. 505203000039).
  - For the assets assigned to the coverage of insured obligations in the policy of the Beneficiaries from Collective I (Mixed). General System), II and III that enjoy actuarial annuities, the rate applied is 3.1380% (No. 505203000046).
  - For assets assigned to the coverage of insured obligations in the policy corresponding to benefits not financed by the Plan due to contribution limits, the rate applied is 3.1303% (No. 505203000044).
- Rate of return on any recognized reimbursement rights: 0%.
- Estimated retirement age: 65 years of age, except for cases with knowledge of advance retirement age for No. 505003000038 and beneficiaries for the rest.
- Rotation: No.

*Actuarial assumptions of Plan 2 Unicaja:*

- Updated tables: PERMF 2020 first order.
- Type of update:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the eurozone high credit rating corporate bonds.
  - The duration for each commitment ranges from 10.96 to 6.15 years for both bonds and assets.
  - The rates applied for each commitment range from 3.6201% to 3.5889% for both bonds and assets.
- Type of pension revaluation: 2024 maximum 2.5% and the remainder maximum 1.5%.
- Type of expected return on plan assets:
  - For assets used to cover obligations insured under the policy covering commitments arising from the Savings Banks and Banks Collective Bargaining Agreements, the rate applied is 3.1381% (No. 505003000041).
  - For the assets assigned to the coverage of obligations insured in the policy for the early retirees' group (liabilities), the rate applied is 3.1299% (No. 505003000043).
  - The rate applied to the assets assigned to the coverage of insured obligations in the policy for the early retiree group (risk) is 3.1306% (No. 505003000042).
  - For assets assigned to the coverage of obligations insured in the annuity policy, the rate applied is 3.1103% (No. 505003000047).
- Rate of return on any recognized reimbursement rights: 0%
- Estimated retirement age: beneficiaries.
- Rotation: No.

*Actuarial assumptions of Plan 1 EspañaDueño:*

- Updated tables: PERMF 2020 first order.
- Type of update:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the eurozone 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 3.5805% and 5.55 years respectively for the obligations.
    - For beneficiary benefits covered under the Plan and insured under policy RV81 12000017, 3.6204% and 11.17 years respectively.
    - For benefits of participants and beneficiaries 3.6181% and 10.4 years respectively for the obligations and assets of the Pension Plan and the insured capital in policy respectively for the assets.
- Pension revaluation rate: between 0% and 1.5% (difference between 2024 at 2.5% / remainder at 2% and 1.5% in plan 2 policy 2/02).
- Type of expected return on plan assets:
  - For plan assets and liabilities 7.56%.
  - For liabilities insured within the plan 3.1382%.
  - For plan participants: 0%.
  - For the Plan Excess Policy 0%.
- Estimated retirement age: beneficiaries.
- Rotation: No.



*Actuarial assumptions of Plan 2 EspañaDuero:*

Commitments from Caja Duero:

- Updated tables: PERMF 2020 first order.
- Discount rate:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the eurozone high credit rating corporate bonds.
  - The interest rates and financial durations of each group are as follows:
    - For benefits of assets not adhered to the Pension Plan of the Caja Duero employment system (policy RD80 1/000002), in reference to the rates applied 3.6245% for bonds and 2.9360% for assets, as well as a financial duration of 12.14 years for bonds and 0.81 years for assets.
    - For the benefits of liability policy RV80 02/000002, with reference to the rates applied 3.5861% for bonds and assets, as well as a financial duration for both of 5.9 years.
    - For liability policy benefits 1440001, 3.5928% and 6.02 years respectively.
    - Internal Fund at 3.6395% and a financial duration of 6.87 years.
- Type of pension revaluation: 2% for policy 01/02, 2024 maximum 2.5% and the rest maximum 2%.
- Type of expected return on plan assets:
  - For non-plan assets 2.936%
  - For policy 02/02 - 3.1088%
  - For liability policy 1440001: 3.106%.
- Estimated retirement age: 65 years of age for policy 01/02 and beneficiaries for the rest
- Rotation: No.

*Commitments from Caja España:*

- Updated tables: PERMF 2020 first order.
- Discount rate:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the eurozone high credit rating corporate bonds.
  - The interest rates and financial durations of each group are as follows:
    - Beneficiary benefits policy 8.118: 3.6024% (financial duration of 7.76 years).
    - Beneficiary benefits policy PCP-1.001: 3.5898% (financial duration of 6.19 years).
- Type of pension revaluation: 2024 maximum 2.5% and the remainder maximum 2%.
- Type of expected return on plan assets:
  - For the assets subject to policy 8,118, it contemplates cash flow matching at a rate of 3.1228%.
  - For the assets subject to policy 1,001, it contemplates cash flow matching at a rate of 3.112%.
- Estimated retirement age: beneficiaries.
- Rotation: No.

*Actuarial assumptions of the Origen Liberbank Plans:*

*Commitments from Cajastur - Plan 1 (No. 14785):*

- Updated tables: PERMF 2020 first order.
- Discount rate:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the eurozone high credit rating corporate bonds.
  - The duration for each commitment is 9.01 years for both bonds and assets.
  - The rate applied for each commitment is 3.6109% for both bonds and assets.
- Type of pension revaluation: 2024 maximum 2.5% and the remainder maximum 1%.
- Expected rate of return on the accounting asset: 3.1291%.
- Rate of return on any recognized reimbursement rights: 0%.
- Estimated retirement age: beneficiaries.
- Rotation: No.

Commitments from Extremadura - Plan 1:

- Updated tables: PERMF 2020 first order.
- Type of update:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the eurozone high credit rating corporate bonds.
  - The interest rates and financial durations of each group are as follows:
    - Number 1035: 3.5981% and 7.13 years respectively for both bonds and assets.
    - Number 1002: 3.5953% and 6.68 years respectively for both bonds and assets.
    - Number 53579: 3.5882% and 6.27 years respectively for both bonds and assets.
    - Number 54282: 3.6335% and 18.4 years respectively for both bonds and assets.
- Pension revaluation rate: no revaluation for No. 54282, 2% for No. 53579 and for No. 1035 and No. 1002, 2024 maximum 2.5% and the rest maximum 1%.
- Expected rate of return on the accounting asset: 3.1164% for No. 1035, 3.1135% for No. 1002, 3.1117% for No. 53579 and 3.148% for No. 54282.
- Rate of return on any recognized reimbursement rights: 0%.
- Estimated retirement age: beneficiaries.
- Rotation: No.

---

*Commitments from Cantabria - Plan 1:*

- Updated tables: PERMF 2020 first order.
- Type of update:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the eurozone high credit rating corporate bonds.
  - The interest rates and financial durations of each group are as follows:
    - Number 52493: 3.5943% and 6.73 years respectively for both bonds and assets.
    - Number 52907: 3.6013% and 7.68 years respectively for both bonds and assets.
    - Number 53083 (deferred): 3.6290% and 14.83 years respectively for both bonds and assets.
- Type of pension revaluation: 2% for number 53083 (deferred) and for numbers 52493 and 52907, 2024 maximum 2.5% and the rest maximum 1%.
- Expected rate of return on the accounting asset: 3.1148% for No. 52493, 3.1217% for No. 52907 and 3.1459% for No. 53083 (deferred).
- Rate of return on any recognized reimbursement rights: 0%.
- Estimated retirement age: beneficiaries.
- Rotation: No.

#### Commitments from BCM - Plan 1:

- Updated tables: PERMF 2020 first order.
- Type of update:
  - Market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to the eurozone high credit rating corporate bonds.
  - The interest rates and financial durations of each group are as follows:
    - Number 303 and other insured liabilities: 3.6139% and 9.58 years respectively for both bonds and assets.
    - Self-insured: 3.6139% and 9.58 years respectively for both bonds and assets.
    - Additions 2021/2022 (pending assurance): 3.6139% and 9.58 years respectively for both bonds and assets.
    - Internal fund: 3.5932% and 6.37 years respectively for both bonds and assets.
- Type of pension revaluation: 0% for the Internal Fund and for the remainder, 2024 maximum 2.5% and remainder maximum 1.6%.
- Expected rate of return on the accounting asset: 3.1314%.
- Rate of return on any recognized reimbursement rights: 0%.
- Estimated retirement age: beneficiaries.
- Rotation: No.

Sensitivity data on the present value of the obligations at December 31, 2023 with respect to changes in the interest rate and salary growth are as follows:

Fiscal Year 2023 - Unicaja Plans	Percentage variation	
	Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0.01%	0.01%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(3.81)%	4.09%

Fiscal year 2023 - EspañaDuero Plans	Percentage variation	
	Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(3.26)%	3.71%

Fiscal Year 2023 - BCLM Plans	Percentage variation	
	Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(3.44)%	3.71%

Fiscal Year 2023 - Cantabria Plans	Percentage variation	
	Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(3.68)%	1.66%

Fiscal Year 2023 - Extremadura Plans	Percentage variation	
	Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(3.31)%	3.97%

Fiscal year 2023 - Cajastur Plans	Percentage variation	
	Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(4.29)%	4.49%

Data on the sensitivity of the present value of the obligations at December 31, 2022 with respect to changes in the interest rate and salary growth are as follows:

Fiscal Year 2022 - Unicaja Plans	Percentage variation	
	Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0.01%	(0.01)%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(4.03)%	4.34%

Fiscal year 2022 - EspañaDuero Plans	Percentage variation	
	Increase	Decrease
Change in the present value of obligations due to a 0.5% variation in salaries	0%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(3.94)%	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%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(4.8)%	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%	0%
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%	0%
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%	0%
Change in the present value of obligations due to a 50 b.p. variation in the interest rate	(4.45)%	4.82%

At year-end 2023, based on the mortality tables used, the estimated life expectancy for a person retiring at year-end 2023 is 28.18 years for women and 24.46 years for men.

At year-end 2022, based on the mortality tables used, the estimated life expectancy for a person retiring at year-end 2022 was 28.05 years for women and 24.32 years for men.

At the end of 2023, for Unicaja and EspañaDuero Plans, the life expectancy since retirement for a person who would retire 20 years after the end of the 2023 financial year is 30.51 years in the case of women and 26.87 years in the case of men.

At the end of 2022, for Unicaja and EspañaDuero Plans, the life expectancy since retirement for a person who would retire 20 years after the end of the 2022 financial year was 30.41 years in the case of women and 26.99 years in the case of men.

The estimated payment of the various post-employment benefits for the next ten years is as follows:

Unicaja	Thousands of euros					
	2024	2025	2026	2027	2028	2029-2033
Post-employment benefits	6,506	6,356	6,174	5,979	5,767	25,138
Other long-term benefits	36,551	28,008	18,104	8,449	2,415	879
<b>Total benefits</b>	<b>43,057</b>	<b>34,364</b>	<b>24,278</b>	<b>14,428</b>	<b>8,182</b>	<b>26,017</b>

	<i>Thousands of euros</i>					
<b>EspañaDuero</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029-2033</b>
Post-employment benefits	4,945	4,669	4,490	4,300	4,100	17,000
Other long-term benefits	63	-	-	-	-	-
<b>Total benefits</b>	<b>5,008</b>	<b>4,669</b>	<b>4,490</b>	<b>4,300</b>	<b>4,100</b>	<b>17,000</b>

	<i>Thousands of euros</i>					
<b>Liberbank</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029-2033</b>
Post-employment benefits	18,057	17,685	17,117	16,510	15,876	68,515
Other long-term benefits	22,800	16,446	10,746	4,207	73	31
<b>Total benefits</b>	<b>40,857</b>	<b>34,131</b>	<b>27,863</b>	<b>20,717</b>	<b>15,949</b>	<b>68,546</b>

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.

### 34.2. Death and disability

The amount of premiums paid for insurance policies covering the contingencies of death and disability of employees in the fiscal period 2023 amounted to 3,077,000 euros (3,654,000 euros in 2022) and is recorded under "Administrative Expenses - Personnel Expenses" in the consolidated income statement (Note 2.12.3 and Note 40.1).

### 34.3. Seniority awards

The amounts recorded for the commitments reached with the employees in the event that they reach 20 and 35 years of service with the Bank at the end of 2023 and 2022 amount to 4,433,000 euros and 4,804,000 euros, and are recorded under "Provisions - Pensions and defined benefit post-employment obligations" in the balance sheets at those dates.



### 34.4. Agreed Compensated Leaves of Absence

On June 1, 2016, Liberbank, S.A. reached a labor agreement with the main trade unions with the aim of establishing the conditions so that the workers could take advantage of the agreed compensated leave of absence 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 (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 proprietary directors.

Prior to the merger of Liberbank with Unicaja, a total of 636 employees of the Liberbank Group had taken this type of compensated leave of absence, while another 90 employees who had previously been on leave of absence had returned to work due to organizational needs.

The provision recorded by the Unicaja Group in this connection at 31 December 2023 and 2022 amounts to 51,641,000 euros and 81,353,000 euros respectively.

### 34.5. Assumptions used in other long-term commitments

The amount of the commitments has been determined by qualified actuaries, who have applied the following criteria to quantify them:

#### *Criteria for Unicaja:*

- Updated tables: PERMF 2020 first order.
- Actuarial assumptions used: to calculate the commitments to employees arising from the aforementioned agreement, the Bank has applied the market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to high credit rating corporate bonds in the eurozone.
- The duration for each commitment ranges from 9.18 years to 0.58 years.
- The rates applied for each commitment range from 3.6221% to 3.6006%.
- Estimated retirement age: according to agreement with the Bank.

#### *Criteria for España Duero:*

- Updated tables: PERMF 2020 first order.

- Actuarial assumptions used: to calculate the commitments to employees arising from the aforementioned agreement, the Bank has applied the market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to high credit rating corporate bonds in the eurozone.
- The duration for each commitment is 0.31 years.
- The rates applied for each commitment are 3.621%.
- Estimated retirement age: according to agreement with the Bank.

*Criteria for Liberbank:*

- Updated tables: PERMF 2020 first order.
- Actuarial assumptions used: to calculate the commitments to employees arising from the aforementioned agreement, the Bank has applied the market rate according to the financial duration of the commitment flows and according to the IBOXX AA Corporate curve at November 30, 2023, corresponding to high credit rating corporate bonds in the eurozone.
- The rate and duration associated with the Long-Term commitments from Liberbank for the Compensated Agreed Leave (EPC) group is 3.611% and 1.35 years respectively.
- The special agreement growth rate is 3%
- Estimated retirement age: pursuant to agreement with the Bank.

## 35. Other administration expenses

### 35.1. Breakdown of general expenses

The breakdown of the balance of this heading on the income statements for 2023 and 2022 is as follows:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Real estate and facilities	28,644	30,963
Leasing	1,061	1,001
Computing	70,863	67,758
Communications	22,413	21,745
Advertising	14,799	13,834
Legal expenses	2,528	2,231
Technical reports	35,082	23,578
Surveillance services	12,605	11,620
Insurance premiums	1,090	1,128
By governing bodies	3,052	2,666
Representation expenses	2,774	2,594
Association dues	18,149	15,026
Outsourced services	22,504	23,987
Taxes	36,723	36,464
Other	7,889	10,411
	<b>280,176</b>	<b>265,006</b>

### 35.2. Audit fees

The fees paid by Unicaja to PricewaterhouseCoopers Auditores, S.L. for audit services during the 2023 fiscal year amount to 2,101,000 euros (2,033,000 euros for audit services for 2022). In addition, during the 2023 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 637,000 euros (895,000 euros in 2022), and other services amounting to 13,000 euros (10,000 euros in 2022).

### 36. Impairment in value or reversal of impairment in value of investments in joint ventures or associates and non-financial assets

The breakdown of these headings on the Bank's income statements for 2023 and 2022 is as follows:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
<b>Impairment or reversal of investments in subsidiaries, joint ventures and associates</b>	<b>184,172</b>	<b>109,240</b>
<b>Impairment of value or reversal of non-financial assets</b>	<b>4,548</b>	<b>(12,832)</b>
Tangible assets	716	(435)
Other assets	3,832	(12,397)
	<b>188,720</b>	<b>96,408</b>

The following details the "Impairment or reversal of non-financial assets" item by balance sheet item for the years 2023 and 2022:

<i>Thousands of euros</i>	<b>2023</b>	<b>2022</b>
Impairment losses on tangible fixed assets (Note 12.1.3)	(15)	(84)
Impairment losses on investment property (Note 12.1.3)	731	(351)
Impairment losses on the other assets	3,832	(12,397)
	<b>4,548</b>	<b>(12,832)</b>

### 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 income statements for 2023 and 2022 is as follows:

<i>Thousands of euros</i>	2023		2022	
	Profit	Loss	Profit	Loss
For sale of tangible assets	4,908	(2,302)	7,504	(2,014)
For sale of investments	1,301	(341)	2,269	(81)
From the sale of other assets	-	-	117	(91)
	<b>6,209</b>	<b>(2,643)</b>	<b>9,890</b>	<b>(2,186)</b>

### 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 heading for 2023 and 2022 is as follows:

<i>Thousands of euros</i>	<b>2023</b>		<b>2022</b>	
	<b>Profit</b>	<b>Loss</b>	<b>Profit</b>	<b>Loss</b>
Results from sales or disposal of property, plant and equipment	35,320	(27,456)	20,591	(14,178)
Provisions for value adjustments due to impairment of non-current assets held for sale	-	(39,551)	-	(16,329)
Provisions to value corrections for impairment of financial assets classified as non-current assets held for sale	6,831	(554)	-	-
Other	3,577	-	17,000	(27)
	<b>45,728</b>	<b>(67,561)</b>	<b>37,591</b>	<b>(30,534)</b>

In 2023, "Provisions for impairment losses on non-current assets held for sale", amounting to 39,551,000 euros, include provisions made for adjustments to the fair value of foreclosed assets, classified under "Non-current assets held for sale", in addition to the hedges derived from the Bank's internal impairment models (Note 2.17), to consider certain circumstances observed in the real estate market and in Unicaja's most recent experience of foreclosed asset sales (Note 13).

Likewise, the line "Profit or loss on sale or disposal of tangible fixed assets" in 2023 includes an amount of 3,275,000 euros corresponding to the net book value of foreclosed assets removed from the balance sheet because no future economic benefits are expected to be obtained from their disposal (Note 13).

In fiscal year 2022, the item "Other items", in the amount of 17,000,000 euros includes the capital gain recorded in 2022 for the sale of 50% of Liberbank Vida y Pensiones, Seguros y Reaseguros, S.A. and CCM Vida y Pensiones de Seguros y Reaseguros, S.A. (previously classified as non-current assets held for sale) as part of the process of reorganization of the Bank's insurance business formalized in 2022.



### 39. Related 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, 2023 and 2022 and transactions recorded in the income statement for 2023 and 2022 arising from related party transactions are presented below:

Thousands of euros

2023

	Significant shareholders	Administrators and Managers	Individuals, companies or group entities	Other associates	Total
<b>Expenses</b>					
Financial expense	(879)	(26)	(24,916)	(491)	(26,312)
Management or collaboration contracts	(1,547)	-	(85,039)	-	(86,586)
R&D transfers and licensing agreements	-	-	-	-	-
Leasing	-	-	(1,453)	-	(1,453)
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	-	-	(97,937)	-	(97,937)
Other expenses	-	-	-	-	-
<b>Total Expenses</b>	<b>(2,426)</b>	<b>(26)</b>	<b>(209,345)</b>	<b>(491)</b>	<b>(212,288)</b>
<b>Income</b>					
Financial income	14	26	24,513	1,536	26,089
Management or collaboration contracts	-	-	64	-	64
R&D transfers and licensing agreements	-	-	-	-	-
Dividends received	-	-	-	-	-
Leasing	-	-	850	-	850
Provision of services	-	-	-	-	-
Sale of goods (finished or in process)	-	-	-	-	-
Gains on retirement or disposal of assets	-	-	83,188	-	83,188
Other income	-	-	-	-	-
<b>Total Earnings</b>	<b>14</b>	<b>26</b>	<b>108,615</b>	<b>1,536</b>	<b>110,191</b>
<b>Assets</b>					
Purchase of tangible, intangible or other assets	-	-	8,284	-	8,284
Financing agreements: credits and contributions from capital (lender)	-	1,230	338,387	104,871	444,488
Other transactions	-	-	-	-	-
<b>Total assets</b>	<b>-</b>	<b>1,230</b>	<b>346,671</b>	<b>104,871</b>	<b>452,772</b>
<b>Liabilities</b>					
Financing agreements, loans and contributions from capital (borrower)	31,840	3,605	2,335,679	36,761	2,407,885
Dividends and other distributed income	38,876	-	-	-	38,876
<b>Total liabilities</b>	<b>70,716</b>	<b>3,605</b>	<b>2,335,679</b>	<b>36,761</b>	<b>2,446,761</b>
<b>Guarantees and commitments</b>					
Guarantees and collateral provided	5	215	126,904	19,246	146,370
Financing commitments	-	-	-	-	-
<b>Total guarantees and commitments</b>	<b>5</b>	<b>215</b>	<b>126,904</b>	<b>19,246</b>	<b>146,370</b>



### 39. Related parties

Thousands of euros

2022

	Significant shareholders	Administrators and Managers	Individuals, companies or group entities	Other associates	Total
<b>Expenses</b>					
Financial expense	-	(9)	(296)	(43)	(348)
Management or collaboration contracts	(1,464)	-	(126,629)	-	(128,093)
R&D transfers and licensing agreements	-	-	-	-	-
Leasing	-	-	(1,193)	-	(1,193)
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	-	-	-	-	-
<b>Total Expenses</b>	<b>(1,464)</b>	<b>(9)</b>	<b>(128,121)</b>	<b>(43)</b>	<b>(129,637)</b>
<b>Income</b>					
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	-	-	-	-	-
<b>Total Earnings</b>	<b>-</b>	<b>6</b>	<b>31,468</b>	<b>398</b>	<b>31,872</b>
<b>Financial</b>					
Purchase of tangible, intangible or other assets	-	-	519	-	519
Financing agreements: credits and contributions from capital (lender)	-	1,414	1,700,403	23,418	1,725,235
Other transactions	-	-	-	-	-
<b>Total assets</b>	<b>-</b>	<b>1,414</b>	<b>1,700,922</b>	<b>23,418</b>	<b>1,725,754</b>
<b>Liabilities</b>					
Financing agreements, loans and contributions from capital (borrower)	54,505	8,198	969,360	15,675	1,047,738
Dividends and other distributed income	20,391	-	-	-	20,391
<b>Total liabilities</b>	<b>74,896</b>	<b>8,198</b>	<b>969,360</b>	<b>15,675</b>	<b>1,068,129</b>
<b>Guarantees and commitments</b>					
Guarantees and collateral provided	-	213	387,020	1,755	388,988
Financing commitments	-	-	-	-	-
<b>Total guarantees and commitments</b>	<b>-</b>	<b>213</b>	<b>387,020</b>	<b>1,755</b>	<b>388,988</b>

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. Transparency of information regarding financing for construction, real estate development, financing for home purchases and assets acquired in payment of debts**

### **40.1. 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 Bank of Spain being able to provide, at a later date, the details of the minimum information on financing and liquidity needs).

Unicaja, 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 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 Group's website [www.unicajainmuebles.com](http://www.unicajainmuebles.com) is one of the main tools used to inform the public interested in these assets.

## 40.2. Quantitative information

As of December 31, 2023 and 2022, the detail of financing for construction and real estate development and its hedges (1) is as follows:

Thousands of euros				2023
	Gross book value (2)	Excess on the value of collateral (3)	Accumulated impairment losses (4)	Net amount
<b>Financing for construction and property development (including land) (business in Spain)</b>	<b>748,567</b>	<b>175,886</b>	<b>(37,877)</b>	<b>710,690</b>
Of which: Doubtful/ Stage 3 (5)	72,271	20,581	(21,918)	50,353

### Pro memoria

Non-performing assets (6)	346,802
---------------------------	---------

Thousands of euros				2022
	Gross book value (2)	Excess on the value of collateral (3)	Accumulated impairment losses (4)	Net amount
<b>Financing for construction and property development (including land) (business in Spain)</b>	<b>987,878</b>	<b>254,731</b>	<b>(96,287)</b>	<b>891,591</b>
Of which: Doubtful/ Stage 3 (5)	145,488	54,988	(84,273)	61,215

### Pro-memoria

Non-performing assets (6)	445,537
---------------------------	---------

			Book value	
Pro memoria: Consolidated group data			2023	2022
Loans to customers, excluding general government (business in Spain) (carrying amount) (7)			44,644,719	48,312,348
Total assets (total business) (amount in books)			97,152,650	98,968,984
Impairment and provisions for normal classified exposures (total business) (8)			339,783	429,935

(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) It includes all financing, in the form of loans, with or without mortgage guarantee, and debt securities, for construction and real estate development, corresponding to the activity in Spain (business in Spain).

(6) Gross amount of financing for construction and real estate development (business in Spain) written off as a result of having been classified as write-off.

(7) Amount recorded on the asset side of the balance sheet after deducting, if applicable, the amounts set up for hedging purposes.

(8) Total amount of value adjustments and provisions having the nature of generic coverage for credit risk constituted for risks classified as normal as 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, 2023 and 2022 is as follows:

<i>Thousands of euros</i>	<b>Gross book value (1)</b>	
	<b>2023</b>	<b>2022</b>
<b>Without real estate guarantee (*)</b>	<b>264,160</b>	<b>330,326</b>
<b>With real estate guarantee (2)</b>	<b>484,405</b>	<b>657,552</b>
Finished buildings and other constructions (3)	275,530	369,352
Housing	197,341	261,792
Others	78,189	107,560
Buildings and other constructions under construction (3)	104,745	154,410
Housing	95,119	127,605
Others	9,626	26,805
Land	104,130	133,790
Consolidated urban land	23,647	64,605
Other land	80,483	69,185
<b>Total (4)</b>	<b>748,565</b>	<b>987,878</b>

(\*) At December 31, 2023 the carrying amount of the financing identified as "Without real estate guarantee" includes 113,377,000 Euros corresponding to transactions with a real estate guarantee that do not fully cover the exposure excluding the Public Administration; (209,205,000 euros at December 31, 2022). It also includes secured transactions with public authorities amounting to 142,710,000 euros (165,038,000 euros at December 31, 2022).

(1) Amount before deducting accumulated impairment losses, if any.

(2) All transactions with real estate collateral are included, regardless of the form in which the collateral is instrumented, regardless of the percentage that the amount of the transaction represents of the amount of the latest available appraisal (loan to value).

(3) If a building has both residential (housing) and other purposes, the financing is included in the category of the predominant purpose.

(4) This amount coincides with the gross carrying amount of the row "Construction and real estate development financing, including land (business in Spain)".

Below is a detail of the guarantees received and financial guarantees granted in connection with financing for construction and real estate development, in the transactions recorded by credit institutions (business in Spain) as of December 31, 2023 and 2022:

<i>Thousands of euros</i>	<b>Guarantees received</b>	
	<b>2023</b>	<b>2022</b>
Value of collateral	549,480	627,597
<i>Of which: guarantees doubtful risks</i>	38,728	92,176
Value of other guarantees	35,638	60,641
<i>Of which: guarantees doubtful risks</i>	5,364	4,527
<b>Total value of guarantees received</b>	<b>585,118</b>	<b>688,238</b>

**40. Transparency of information regarding financing for construction, real estate development, financing for home purchases and assets acquired in payment of debts**

Thousands of euros

Financial guarantees granted

	2023	2022
Financial guarantees granted in relation to real estate construction and development	-	96
Amount recorded as a liability on the balance sheet	-	-

As of December 31, 2023 and 2022, the breakdown of loans to households for home purchases, transactions recorded by credit institutions (business in Spain), is as follows:

Thousands of euros

2023

2022

	Gross amount (2)	Of which: Non-compliant / Doubtful	Gross amount (2)	Of which: Non-compliant / Doubtful
Home purchase loans (1)	30,467,998	729,900	31,848,805	827,373
No real estate mortgage	167,371	2,460	189,499	2,405
With real estate mortgage (3)	30,300,627	727,440	31,659,306	824,968

(1) Loans, with or without real estate mortgage guarantee, to households for home purchases corresponding to businesses in Spain.

(2) Amount before deducting accumulated impairment losses, if any.

(3) All transactions secured by real estate mortgages are included, regardless of the percentage of the 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, 2023 and 2022, is as follows:

December 31, 2023 (1)

	LTV≤40%	40%<LTV≤60%	60%<LTV≤80%	80%<LTV≤100%	LTV>100%	Total
Gross book value (2)	7,020,392	8,879,101	13,479,462	535,101	386,571	30,300,627
Of which: Non-compliant / Doubtful (2)	116,957	169,752	240,049	91,901	108,781	727,440

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

(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, 2023 and 2022, the detail is as follows:

	2023			2022		
	Gross book value (2)	Accumulated impairment losses	Net amount	Gross book value (2)	Accumulated impairment losses	Net amount
<b>Property awarded or received in payment of debts</b>	<b>1,253,495</b>	<b>(926,118)</b>	<b>327,377</b>	<b>1,833,068</b>	<b>(1,174,712)</b>	<b>658,356</b>
Real estate assets from financing for construction and real estate development companies (3)	744,870	(627,517)	117,353	1,136,099	(777,363)	358,736
Finished buildings and other constructions	118,201	(103,479)	14,722	214,313	(136,050)	78,263
Housing	78,929	(74,355)	4,574	155,191	(102,873)	52,318
Others	39,272	(29,124)	10,148	59,122	(33,177)	25,945
Buildings and other constructions under construction	224,837	(176,786)	48,051	230,809	(161,211)	69,598
Housing	213,334	(167,188)	46,146	202,056	(141,974)	60,082
Others	11,503	(9,598)	1,905	28,753	(19,237)	9,516
Land	401,832	(347,252)	54,580	690,977	(480,102)	210,875
Consolidated urban land	347,852	(304,840)	43,012	597,149	(405,228)	191,921
Other land	53,980	(42,412)	11,568	93,828	(74,874)	18,954
Real estate assets from mortgage financing to households for house purchase	266,202	(149,464)	116,738	361,864	(192,792)	169,072
Rest of real estate assets foreclosed or received in payment of debts (4)	242,423	(149,137)	93,286	335,105	(204,557)	130,548
<b>Equity instruments awarded or received in payment of debts</b>	<b>10,234</b>	<b>(3,684)</b>	<b>6,550</b>	<b>8,768</b>	<b>(4,319)</b>	<b>4,449</b>
<b>Investments in real estate entities</b>	<b>163,370</b>	<b>(8,789)</b>	<b>154,581</b>	<b>157,843</b>	<b>(3,616)</b>	<b>154,227</b>
Equity instruments of entities holding real estate assets foreclosed or received in payment of debts (5)	124,562	-	124,562	108,520	-	108,520
Financing to entities holding real estate assets foreclosed or received in payment of debts (5)	38,808	(8,789)	30,019	49,323	(3,616)	45,707
	<b>1,427,099</b>	<b>(938,591)</b>	<b>488,508</b>	<b>1,999,679</b>	<b>(1,182,647)</b>	<b>817,032</b>

(1) This includes real estate assets foreclosed or received in payment of debts from financing granted in relation to businesses in Spain, as well as equity investments and financing to entities holding such assets, regardless of how ownership was acquired and the balance sheet item in which they are classified, except for those classified as property, plant and equipment for own use.

(2) Amount at which the assets are recorded in the consolidated balance sheet, as established in point 164 of Annex 9 of Circular 4/2017 of November 27, before deducting accumulated impairment.

(3) This includes all real estate assets from financing for construction and real estate development, regardless of the sector and main economic activity of the company or individual entrepreneur that delivered the asset.

(4) This includes real estate assets that do not derive from financing for construction and real estate development or mortgage financing to households for the acquisition of housing.

(5) All participations in the capital and financing to entities holding real estate assets awarded or received in payment of debts will be recorded.

As can be seen in the table above, at December 31, 2023 the gross acquisition cost of foreclosed real estate, therefore excluding equity instruments and investments in real estate entities, amounts to 1,253,495,000 euros, with a total coverage of provisions of 926,118,000 euros, representing a coverage level of 51% (1,833,068,000 euros at December 31, 2022, with a total coverage of 1,174,712,000 euros, which represented a coverage level of 59%).

#### **41. Information on payment deferrals made to suppliers. Third additional provision - Duty of information of Law 15/2010 of July 5, 2010**

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 to suppliers exclusively for the rendering of services and the supply of sundry services during 2023 amounted to 367,445,000 euros (435,177,000 euros in 2022), which were made within the legally and contractually established terms. The balance pending payment to suppliers at December 31, 2023 and 2022 is not significant and has a shorter term than that established by Law 15/2010 of July 5, 2010.

In accordance with the provisions of the second final provision of Law 31/2014 of December 3, 2014 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 2023 and 2022 is 9.29 days and 14.22 days respectively, while the ratio of transactions paid for said fiscal years amounts to 9.31 days and 14.22 days respectively, and the ratio of transactions pending payment amounts to 7.5 days and 14.27 days respectively.

The average payment period was within the legal limits set in the regulations, so the inclusion in the management report of the measures provided for in Section 1 of Article 262 of the Consolidated Text of the Capital Companies Act does not apply.

Additionally, Law 18/2022 requires trading companies to provide additional information as of 2022 regarding the monetary volume and number of invoices paid in a period shorter than the maximum legally established (30 days), as well as the percentage they represent of the total. In this regard, Unicaja paid a total of 156,565 invoices during 2023, of which 154,305 invoices were paid within the legal maximum term (98.56% of the total). In terms of monetary volume, Unicaja paid a total of 367,445,000 euros during 2023, of which 344,577,000 euros were paid in a period less than the legal maximum (93.78% of the total). Unicaja 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 paid a total of 435,177,000 euros during 2022, of which 366,997,000 euros were paid in a period less than the legal maximum (84.33% of the total).

## 42. Customer service

In compliance with the provisions of Article 17.2 of Order ECO/734/2004 of March 11, 2004 on customer service departments and services and the ombudsman of financial institutions, it should be noted from the contents of the report of the Bank's Customer Service Department that of the complaints and claims received in fiscal year 2023 76.17% were resolved in said period (87.88% in fiscal year 2022). The rest, pending at the end of 2023, are expected to be resolved within the maximum term established by current legislation and the Bank's Customer Protection Regulations.

## ANNEX I

### AGENCY AGREEMENTS AT DECEMBER 31, 2023

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
A&C TIERRA SUR INVERSIONES, S.L.	RAMBLA (LA)
A. FINANCIERO LA TALLERA, S.L.	SPAIN
ABELLAN BERRUEZO, MARIA DOLORES	MOJACAR
ACOSTA GONZALEZ, RAUL	CANDELEDA
ACTIVIDADES FINANCIERAS Y SERVICIOS MJ, S.L.	SPAIN
AFINANZAS SERVICIOS FINANCIEROS E INMOBILIARIOS, S	PALMA DEL CONDADO (LA)
AFORU NORIEGA, 2016 S.L.	SPAIN
AGENCIA FINANCIERA FJ RAMIREZ, S.L.	VELEZ-RUBIO*MARIA*VELEZ-BLANCO
AGG AGENTES, S.L.U.	SPAIN
AGUDO ROMERO, ANA	BAÑOS DE LA ENCINA
ALAMO ESCALADA, MARIA DEL PILAR	SPAIN
ALBARRACIN GARRIDO, ISABEL MARIA	TURRE
ALCARAZ FORTE, JOSE MANUEL	RAGOL
ALFONSO Y CHEMA ASESORES, S.L.	LAHIGUERA
ALGABA MACIAS, GEMA	SPAIN
ALONSO ARIENZA, ELENA	GRADEFES
ALONSO CRUZ, MARIA ISABEL	VIATOR
ALONSO GARCIA, AITOR	CARRIZO
ALONSO SALCEDO, PATRICIA	SPAIN
ALQIMAT OPORTUNIDADES DE NEGOCIO, S.L.	POZOBLANCO
ALVAREZ DEVESA, DAVID	VIANA DE CEGA
AMADOR ROJO, CAROLINA	VALDERRUEDA
ANTUNEZ CABELLO, LUIS SALVADOR	ANTEQUERA
ANTUNEZ PEREIRA, MARIA	SPAIN
APARICIO COB, VICTOR MANUEL	LANGA DE DUERO
APLAGEST CONSULTING, S.L.	CAMPO DE CRIPTANA
ARAGON JIMENEZ, JOSE MANUEL	ZAHARA
ARDINES BLANCO, ALBA	SPAIN
ARGUDO ATIENZA, LUCIA	SPAIN
ARROYO BLANCO, JUAN ANGEL	VILLAMANRIQUE*COZAR
ARROYO PANIAGUA, MARIA CRISTINA	SPAIN
ASENJO ISABEL, JULIO	SPAIN
ASENSIO AGUILA, MARIA DOLORES	PATERNA DEL RIO
ASESORIA FISCAL FERNANDEZ LOPEZ, S.L.	VILCHES
ASESORIA TREMP, S.L.	FREGENAL DE LA SIERRA
ASISTENCIA TRIBUTARIA KOGARASHI, S.L.	SPAIN
ATEEX SEGURIDAD, S.L.	SPAIN
AYALA LOPEZ, GEMA	ALHABIA
AYALA SALGUERO, DOLORES	PRUNA
AYUSO SERRANO, ANTONIO	TORRE DE JUAN ABAD
AZUER INSURANCE, S.L.	MEMBRILLA
BALLESTEROS ENCINAS, MARIA DEL CARMEN	SPAIN
BARBA CIUDAD, CRISTINA	TORRALBA DE CALATRAVA
BARBA REDONDO, ESMERALDA	SACERUELA
BARBERO MERINO, CESAR	VILLAMAYOR
BAREA JIMENEZ, ISMAEL	VILLALUENGA DEL ROSARIO



FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
BARRA SALAS, SEBASTIANA	SPAIN
BARRERA BODES, RAMON	CASAR DE CACERES
BECERRA TABUYO, BLANCA	MONTEJAQUE
BELTRAN PEREZ, MIGUEL ANGEL	PRADO DEL REY
BENIJERO, S.L.	SPAIN
BENITEZ MONTERO, MARIA LUZ	ZAHARA
BENZADONMUÑOZ, S.L.	YUNQUERA*BURGO (EL)
BERNARDO FAUS, DANIEL	ASTORGA
BERRON HERNANDEZ, JOSE MIGUEL	MUÑANA
BESANA GESTION S.L.	SPAIN
BLANCO DEL RIO, JAVIER	VECILLA (LA)*MATALLANA DE TORIO
BLANCO SAN EMETERIO, BARBARA	SPAIN
BLUE VALUE 1990, S.L.	CAMAS
BONIFACIO SANCHEZ, JULIO	SPAIN
BOTELLO BARRERO, ROSA MARIA	OLIVENZA
BRAVO FERNANDEZ, VICTOR ALONSO	SPAIN
BRETON SOLUCIONES FINANCIERAS, S.L.	SPAIN
BRUNA CEREZO, JOSE MANUEL	LOPERA
C.L.T. ASESORES, S.L.	SPAIN
CABRERO BENEITEZ, LUIS FERNANDO	FERMOSELLE
CACHOLAS SERVICIOS FINANCIEROS, S.L.	SPAIN
CALDERON CORDERO, MARIA TERESA	ALARAZ
CAMPIÑA ASESORES, S.R.L.	VILLANUEVA DE LOS CASTILLEJOS*BEAS
CANIEGO MONREAL, CARLOS	SPAIN
CANO ACEITUNO, ANTONIO JESUS	FRAILES
CARNERO SALVADOR, MARIA ISABEL	VILLANUEVA DEL CAMPO
CARRETERO MADRID, JAVIER	SPAIN
CARRION CORRAL, MARIA DEL PILAR	PURCHENA
CARRION MARTINEZ, JUAN CARLOS	SPAIN
CARTAS HUESO, ISABEL MARIA	RUS
CASTELLANO YESTE, ANTONIA	SERON
CASTRO EXTREMERA, MARIA	VALDEPEÑAS DE JAEN
CAVAR MEDIACION S.L.	PEÑARROYA-PUEBLONUEVO
CAYFRA AGENTES FINANCIEROS, S.L.	SPAIN
CEBRIAN MONTEAGUDO, MARIA ENCARNACION	SPAIN
CELDRAN CANALES, JESUS JAVIER	SPAIN
CHECA GARRIDO, PALOMA	VINUESA
CHICA JIMENEZ, ANA	PEGALAJAR
COLLADO FERNANDEZ, ENRIQUE	SPAIN
COLLADO SAINZ, MARIA	SPAIN
CONSTRUC.Y PROM.TABERNO GESTI.INMOLIBILIARIAS,S.L	VELEZ-RUBIO
CORCHERO RETORTILLO, JULIO PEDRO	SPAIN
CORRAL PEREIRA, SOFIA	SAN EMILIANO
COUSIDO SANDOVAL, RAQUEL	TORRES DE ALBANCHEZ
CRIDO 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

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
DE ARRIBA ALONSO, BEATRIZ	BARRUECOPARDO
DE LUIS GARCIA, ELIAS	SPAIN
DEFERRE CONSULTING, S.L.	MAYORGA
DELPUEYO JUSTO, RAUL	BURGANES DE VALVERDE
DIAZ DIEZ, HECTOR	CAMPONARAYA
DIAZ FERNANDEZ, JESUS	SPAIN
DIAZ SILVA, NANCY	PARAMO DEL SIL
DIAZ TABUENCA, MARIA TERESA	SPAIN
DINAMEDIA ASISTENCIA DE GESTION TRIBUTARIA, S.L.	SPAIN
DOBLE ZETA EUROPA, S.L.	SPAIN
DOMINGUEZ CASTRILLO, MARTIN ANGEL	ALMANZA
DOMINGUEZ HOYAS, RODRIGO	DELEITOSA
DOMINGUEZ Y PERRINO, S.L.	FUENTES DE OÑORO
DURAN LOPEZ, LAURA	VEGA DE ESPINAREDA
ECN SERVICIOS DE CAPITAL FINANCIERO, S.L.	SPAIN
ENCABO OBREGON, BENJAMIN BORJA	CABEZON DE PISUERGA
ENCABO SANTOS, NATALIA	SPAIN
ESCANDELL&ESCRHUELA, S.L.	SPAIN
ESTEBAN RODRIGUEZ, CECILIO	MAYA (LA)
ESTEVEZ HERNANDEZ, CARLOS	SOTOSERRANO*LEDRA
EXPOSITO ORCERA, TANYA	CHICLANA DE SEGURA
FERNANDEZ CORRAL, OSCAR PEDRO	QUINTANA DEL PUENTE
FERNANDEZ ENRIQUEZ, PABLO	ALCOLEA
FERNANDEZ GIRALDO, MARIA INMACULADA	SPAIN
FERNANDEZ LARA, JESUS	SPAIN
FERNANDEZ MARQUEZ, DANIEL	BOVEDA DE TORO (LA)*LAGUNA DE NEGRILLOS
FERNANDEZ RAMOS, AMELIA	SPAIN
FERNANDEZ REDONDO, JESUS	FUENCALIENTE
FERNANDEZ RIVERA, PABLO	FONDON
FERNANDEZ SALVADOR, JESUS	MANGANESES DE LA LAMPREANA
FERNANDEZ SANCHEZ, ANTONIO JOSE	ALMOGIA
FIDALGO VELASCO, MARIA DEL CAMINO	BECERRIL DE CAMPOS
FINANCAJA PELIGROS, S.L.	PELIGROS
FINANCECO 3006, S.L.	SPAIN
FINANCIERA VALLE DEL JERTE, S.L.	SPAIN
FINISTROSA MONTES, YENNIFER	RIAÑO
FRAILE GARCIA, MARIA CARMEN	SPAIN
FRESNEDA CASTRO, ALICIA	VILLANUEVA DE LA FUENTE*VILLAHERMOSA
GALCA-16, S.L.	SPAIN
GALERA MASEGOSA, ENCARNACION MARIA	ARBOLEAS
GARCIA ALVAREZ, SANDRA OFELIA	SPAIN
GARCIA CABAS, RHUT SEHILA	SPAIN
GARCIA CABRERO, JORGE MANUEL	CAMPASPERO
GARCIA DIEZ, VICTOR	QUINTANILLA DE ONESIMO
GARCIA DOMINGUEZ, FRANCISCA	SETENIL DE LAS BODEGAS
GARCIA FERNANDEZ, ENRIQUE	SPAIN
GARCIA GOMEZ, CARLOS	VILLAFRANCA DEL BIERZO
GARCIA GONZALEZ, ALVARO	VALDERAS

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
GARCIA HERNANDEZ, VANESA	SAN PEDRO MANRIQUE
GARCÍA MERINO, BENITO JAVIER	SPAIN
GARCIA MONTOYA, JOSE MANUEL	GUARROMAN
GARCIA PRIETO, ALICIA	BRAZATORTAS
GARCIA PRIETO, RAQUEL	VALDEPOLO
GARCIA RUIZ, YOLANDA	SPAIN
GARCIA SANCHO, CRISTINA	SPAIN
GARCIA SERRANO, JAVIER ENRIQUE	SPAIN
GARDUÑO CALVO, JOSE	SERRADA
GARRIDO SOLANA, CESAR	SPAIN
GESTION 3 ULEILA, S.L.	SORBAS*ULEILA DEL CAMPO
GESTORES FINANCIEROS Y TRIBUTARIOS FEGO 2021,S.L.	BENAVIDES*VILLAQUILAMBRE
GESTORIA DEL POZO SANCHEZ, S.L.	CARBAJOSA DE LA SAGRADA
GESTORIA INTERCAZORLA, S.L	IRUELA (LA)
GIL PRIETO, CARLOS ANTONIO	SPAIN
GJA FRESBAN, S.L.	SPAIN
GOMEZ ASENSIO, LUIS DANIEL	POZUELO DE CALATRAVA
GOMEZ COLLAZOS, ANA ISABEL	SPAIN
GOMEZ COLLAZOS, JOSE VIDAL	SPAIN
GOMEZ SANCHEZ, FRANCISCO GUILLERMO	CANTALPINO*CANTALAPIEDRA
GONZALEZ ARIAS, MARIA DEL MAR	OHANES
GONZALEZ CARCELEN, ANTONIO	SPAIN
GONZALEZ GARCIA, ANTONIO	OJEN
GONZALEZ HERNANDEZ, DAVID	SPAIN
GONZALEZ IBAÑEZ, MANUEL	SPAIN
GONZALEZ MARTIN, JUDITH	CERVERA DE PISUERGA
GONZALEZ MARTINEZ, YASMINA	GENAVE*PUENTE DE GENAVE
GONZALEZ PLAZA, MARIA ISABEL	CALVARRASA DE ABAJO
GONZALEZ RODRIGUEZ, FRANCISCO	SPAIN
GONZALVEZ PEREZ, NEFTALI	PECHINA
GORDO MUÑOZ, MIGUEL	CORTEGANA
GRANADOS LOPEZ, MARIA DE LOS ANGELES	ALCALA LA REAL
GUTIERREZ ANTOLIN, ANA ISABEL	SPAIN
GUTIERREZ GARCIA, JAVIER	VILLAMURIEL DE CERRATO
HARO RODRIGUEZ, DOMINGA PILAR	CARRIZOSA
HERNANDEZ NIEVES, JUAN CARLOS	SPAIN
HERNANDEZ PINTOR, JUAN CARLOS	MOJADOS
HERRERA PEREZ, MOISES	NAVAS DE SAN JUAN
HERRERO HERRERO, RICARDO	SPAIN
IGLESIAS DIAZ, CARLA	SPAIN
INDA SERVICIOS FINANCIEROS, S.L.	SPAIN
INDALHOME INVERSIONES,S.L.	GALLARDOS (LOS)
INTERMEDIARIOS DE PRODUCTOS PARA EMPRESAS, S.L.	SPAIN
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

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
J.M.GESTION Y SERVICIOS, S.C.A	LAUJAR DE ANDARAX
JIMENEZ JIMENEZ, FRANCISCO	SPAIN
JIMENEZ ROMERO, FRANCISCO JESUS	GUARDIA DE JAEN (LA)
JIMENEZ SANCHEZ, ESTIVALIZ	SPAIN
JM MACHON82 INVERSIONES, S.L.	SPAIN
JODAR CASTRO, RAMON	CARBONERAS
JUAREZ PADILLA, MARIA ISABEL	RIOJA
LARA CORDOBA, BENITA	ARJONILLA
LEDESMA GUTIERREZ, JESUS	MUGA DE SAYAGO
LEON MINAYA, JESUS	ESCAÑUELA
LIEBANA JIMENEZ, JUAN	JAMILENA
LOGROSAN MORENO, SERGIO	SPAIN
LOMO SANCHEZ, SANTIAGO	ZARATAN
LOPEZ FELIX, LAURA	ALDEA DEL REY*VILLAMAYOR DE CALATRAVA
LOPEZ LOPEZ, MARTA	FONTIVEROS
LOPEZ SANCHEZ, JUAN CARLOS	CABRERIZOS
LORENZO MACHO, LUIS ANGEL	ASTUDILLO*VILLARRAMIEL
LOZANO QUIJADA, CRISTOBAL	SPAIN
MACADALEO, S.L.	SPAIN
MACIAS RABANAL, MIGUEL ANGEL	VILLAMANIN*RIOSECO DE TAPIA
MAF GLOBAL XXI, S.L.	SPAIN
MAIQUES RASCON, JUAN CARLOS	HERRERA DE PISUERGA
MANSO SANCHEZ, ANTONIA MARIA	TARIFA
MANUEL JESUS JIMENEZ LARA S.L	BRENES
MAQUEDA MUÑOZ, RAQUEL	SPAIN
MARCEM CONSULTORES, S.L.	SPAIN
MARCOS SANCHEZ, SEVERO ENRIQUE	NAVA DEL REY
MAROTILLA SERVICIOS FINANCIEROS, S.L.	SPAIN
MARQUEÑO ROSA, JOSE MARIA	SPAIN
MARTIN HERNANDEZ, MARIA DE LOS ANGELES	SPAIN
MARTIN LANCH, 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
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

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
ML GESTION FINANCIERA Y FORMACION, S.L.	CISTERNIGA
MOLINA ARTERO, PILAR	ARQUILLOS
MOLINA TORO, MONICA	VILLANUEVA DE TAPIA
MONTALVO GARRIDO, JUAN MIGUEL	TORREPEROGIL
MONTEJANO LOPEZ, FERNANDO JESUS	SPAIN
MORA MALDALA, S.L.	BENAMARGOSA
MORENO ALCAÑIZ, JOSE LUIS	SPAIN
MORENO DE LA FUENTE, EMILIO JOSE	SPAIN
MORENO HERNANDEZ, JORGE FRANCISCO	SPAIN
MORENO MORENO, JESUS	IBROS
MORENO RUBIO, RAQUEL	SPAIN
MORENO SANCHEZ, PABLO JOSE	NIJAR
MPF TORCAL, S.L.	ANTEQUERA*CUEVAS BAJAS
MUÑOZ MUÑOZ, CARLOS RUFINO	SPAIN
MUÑOZ MUÑOZ, JOSE	GAUCIN*JUBRIQUE
MUROS GESTION INTEGRAL, S.L.	SPAIN
NAFORE GESTION FINANCIERA, S.L.U.	CORTIJOS (LOS)*PORZUNA
NAJERA IGLESIAS, CAROLINA	LINARES DE RIOFRIO
NARANJO FERNANDEZ, NATALIA	BOSQUE (EL)
NAVARRO LAO, FRANCISCA	GERGAL
NAVARRO LATORRE, ANTONIA	CUEVAS DEL ALMANZORA
NAVARRO MOLINA, FRANCISCO ALEJANDRO	GABIAS (LAS)*SALOBREÑA
NER ASESORAMIENTO Y GESTION, S.L.	SPAIN
NEVADO CHAMORRO, FRANCISCO MIGUEL	SPAIN
NICODEMUS INVERSIONES, S.L.	SPAIN
NIETO MARTIN, FRANCISCO	MOJONERA (LA)
NOGUES & SORIANO, S.L.	SPAIN
NOVA GOMEZ, BEATRIZ	PUERTA DE SEGURA (LA)*ARROYO DEL OJANCO
NOVENTA Y TRES AFI INNOVATION, S.L.	SPAIN
NUKA LA CUISINE, S.L.	SPAIN
OACHES, BIANCA IOANA	SPAIN
OJEDA CAZORLA, MARIA DEL SOL	SEGURA DE LA SIERRA
OMLOBE FINANCE, S.L.	SPAIN
OREJA MARTIN, PILAR	FUENTEGUINALDO
OROZCO PASTOR, JOSE MANUEL	CORRIPE
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
PELAGIO GARCIA, JOSE ENRIQUE	OSUNA
PEÑA BECERRA, ALEJANDRO	ESTEPONA
PEREZ ALARCON, PATRICIA	SPAIN

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
PEREZ GARCIA, MERCEDES	VILLABLINO
PEREZ GARCIA, RAQUEL	VILLANUEVA DE LAS MANZANAS
PEREZ GEMAR, FRANCISCO ANTONIO	CANILLAS DE ACEITUNO
PEREZ JIMENEZ, SONIA	BENALUP-CASAS VIEJAS
PEREZ LOPEZ, LAURIA	CANTORIA
PEREZ MORA, CRISTINA	ABENOJAR*BALLESTEROS DE CALATRAVA
PEREZ RAMOS, MARIA DE LA LUZ	TORRE DEL BIERZO
PEREZ RIVERA, JOSE JAVIER	SPAIN
PEREZ RUBIO, MARIA JESUS	SIERRO
PINAR MARTIN,S.L.	VILLANUEVA DE LA VERA
PINTADO ZAMORA, BELINDA	MOMBUEY
POMARES MOLINA, MARIA DEL CARMEN	GADOR
POZUELO DIAZ, OLGA	VILLADANGOS DEL PARAMO
PRIETO FERNANDEZ, DANIEL	VILLATURIEL
PRIETO MIGUEL, SONIA	CORRALES
PROFESSIONAL BANKING SERVICES S.L.	PEDRAJAS DE SAN ESTEBAN
PUENTE LEGUINA, ANGEL	SPAIN
PUERTAS MARTIN, ESTHER	ZARZA DE GRANADILLA
PUNTO EMPRESARIAL INTEGRAL MP, S.L.	SPAIN
QUESADA BLANCO, MARIA PILAR	CAMPILLO DE ARENAS
RAMIREZ CARMONA, MARIA DOLORES	CAROLINA (LA)
RAMIREZ SANCHEZ, FRANCISCO ANTONIO	VALLE DE ABDALAJIS
RANGEL TORRES, FRANCISCO JAVIER	CAZALILLA
RECIO ORTEGA, BEATRIZ	PERIANA
REDONDO MARCOS, JOSE LUIS	GOMARA
REDONDO&RUIZ ASOCIADOS, S.L.	COVALEDA
REQUEJO FERNANDEZ, BELEN	SPAIN
RIVAS DOMINGUEZ, MARIA DE LA PEÑA	SPAIN
RIVERO ORTEGA, PATRICIA	ALCAUCIN
ROBLES GALLARDO, JOSE JESUS	ILLORA
RODRIGUEZ ALONSO, RENE	PUENTE DE DOMINGO FLOREZ
RODRIGUEZ ANGEL, MIRIAM	SPAIN
RODRIGUEZ CARTON, MARIA NIEVES	CASTROCONTRIGO
RODRIGUEZ GARCIA, JOSE MANUEL	JEREZ DE LOS CABALLEROS
RODRIGUEZ LAHIGUERA, EVANGELINA INES	VILLANUBLA
RODRIGUEZ MARTIN, SARA ALMUDENA	RIOFRIO DE ALISTE
RODRIGUEZ SAEZ, LAURA	SPAIN
RODRIGUEZ SANCHEZ, MAGALI	PEDROSO DE LA ARMUÑA (EL)
RODRIGUEZ SIMON, ESPERANZA	FUENTES DE NAVA
ROJAS TELLEZ, JOSEFA	JEREZ DE LA FRONTERA
ROJO FLORES, ALVARO	MOTA DEL MARQUES
ROJO FRUCTUOSO, CARLOS	VILLABRAGIMA
ROJO HERNANDEZ, MARIA CRUZ	SPAIN
ROMAN GARCIA, MARIA	SIERRA DE YEGUAS*FUENTE DE PIEDRA
ROMERA SORIA, MARIA EVA	SILES
ROMERO BALETA, EULALIA	SANTIAGO-PONTONES
ROSADO CHAPARRO, VERONICA	SPAIN
ROSARIO RIVERO, S.L.	SPAIN

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
ROYUELA MORA, SARA	SPAIN
RUBIO MAESTRO, ALBERTO	BABILAFUENTE
RUEDA VELASCO, FRANCISCO JOSE	BOLLULLOS DE LA MITACION
RUIZ LISBONA, CARMEN	ALMACHAR*BENAMOCARRA
RUIZ MORENO, JUAN	OLVEGA
RUIZ RODRIGUEZ, ANTONIO JAVIER	TOLOX
RUIZ SANCHEZ, JOSE MARIA	MESTANZA
SAINZ PASCUAL, CARLOS	BERLANGA DE DUERO
SAIZ DE LA PARTE, MURIEL	ALAR DEL REY
SALAMANQUES RANDO, MARIA CRISTINA	CASTRONUÑO
SALAS GARCIA, MARIA DEL PILAR	TORRE ALHAQUIME*GASTOR (EL)
SANCHEZ BARTOL, YOLANDA	ALDEADAVILA DE LA RIBERA
SANCHEZ BERJAGA, MARIA EUGENIA	ORCERA
SANCHEZ GARCIA, LUCIA	FRIGILIANA
SANCHEZ MENDEZ, MIGUEL	SPAIN
SANCHEZ MENENDEZ, FRANCISCO MANUEL	SPAIN
SANCHEZ PEREZ, MIGUEL	OLMEDO
SANCHEZ RUIZ, ANTONIO	VILLARRODRIGO
SANCHEZ SANZ, DAVID	SAN PEDRO DEL ARROYO*MINGORRIA
SANCHO JIMENEZ, DAVID	SAUCEJO (EL)
SANCLE AGENTES, S.L.	SPAIN
SANDOVAL MARIN, FAUSTO	SPAIN
SANTAMARIA VIZAN, ANA BELEN	MORALEJA
SANTIAGO PEREZ, ALBERTO	GALENDE
SEGURA RODRIGUEZ, LUIS MIGUEL	BENATAE
SEGURADO HERNANDEZ, PABLO	CARBAJALES DE ALBA
SEGURSEÑORIO 2018, S.L.	SPAIN
SEGURTOJAR, S.L.	FUENTE-TOJAR
SERRANO ALONSO, ANDRES	RUEDA
SERRANO BIENER, SILVIA	SPAIN
SERRANO MARTIN, FRANCISCO JAVIER	SPAIN
SERVICIOS AGENCIADOS DEL NORTE, S.L.	SPAIN
SERVICIOS FINANCIEROS BAZA AGUADO,S.L.	ZARATAN
SERVICIOS FINANCIEROS MARTIN & ASOCIADOS, S.L.	SPAIN
SILIO Y CARREÑO, S.L.	SPAIN
SIMON & GARCIA SERVICIOS FINANCIEROS,S.L.	LUBRIN
SIÑERIZ DE PAZ, GONZALO	SPAIN
SOLA GARCIA, EMMA	CHIRIVEL
SOLIS FERRETE, DOLORES	CAÑETE LA REAL
SORIA ARROYO, PEDRO	MONTIEL
TALAVERA GOMEZ, ANGEL	SPAIN
TAMARGO PELAEZ, MARIA JESUS	SPAIN
TAPIAS & BELLIDO INVESTMENT, S.L.	CUELLAR*CEBREROS
TEGEAN 78, S.L.	SPAIN
TEJERO JIMENEZ, FERNANDO	SPAIN
TERESA PEREZ, MARIA DEL CARMEN	SAN LEONARDO DE YAGÜE
TIRADOR GUTIERREZ, RAUL	SPAIN
TORAÑO FERNANDEZ, BORJA	SPAIN

FINANCIAL AGENTS	GEOGRAPHIC SCOPE OF ACTION
TORRES TEJERINA, VICTOR MANUEL	ASPARIEGOS
TORRES TORRES, JUAN FRANCISCO	SPAIN
TRANDAL SWING, S.L.	ALMERIA
TSC FINANZAS, S.L.	SPAIN
UREÑA ASENSIO, ANA MARIA	VALENZUELA DE CALATRAVA
V.R.FINANCIAL 3093, S.L.	SPAIN
VALDES MARTINEZ, MARIA DOLORES	SANTIBAÑEZ DE VIDRIALES
VALERO LOZANO, MARIA BELEN	FRESNO EL VIEJO
VALLEZ GOMEZ, ESMERALDA DE ZUQUECA	GRANATULA DE CALATRAVA
VALOR RODRIGUEZ, LORENA	SPAIN
VELASCO PALOMO, JOSE	CABEZARRUBIAS DEL PUERTO
VICENTE HERRERA, JOSE	CALZADA DE VALDUNCIEL
VIEJO RODRIGUEZ, CRISTINA	SPAIN
VIJANDE QUINTANA, MANUEL	SPAIN
VILLALABEITIA ELGUERO, MERCEDES	SPAIN
VILLAMOR RODRIGUEZ, ANGEL	PORTILLO
VILLAREJO BECERRA, INMACULADA	CUEVAS DEL BECERRO
VILLASCLARAS FERNANDEZ, JAVIER	ROBLA (LA)*VEGAS DEL CONDADO
YUGUEROS LEONARDO, ANA ISABEL	ALOZAINA



## ANNEX II GROUP ENTITIES AS AT DECEMBER 31, 2023

Company name	Tax ID number	Registered office	Activity	% of capital owned by the group		
				% of equity interest		Total holding
				Direct	Indirect	
Administradora Valtenas, S.L.U.	B33473737	Plaza de la Escandalera, 2, Oviedo	Advice	100%	0%	100%
Alqlunia Duero, S.L.U. (in liquidation)	B45541786	C/ Titán 8-2º, Madrid	Real estate development	100%	0%	100%
Análisis y Gestión de Innovación Tecnológica, S.L.U.	B91774422	Plaza de Santa María, 8, Cáceres	Parking lots	100%	0%	100%
Analistas Económicos de Andalucía, S.L.U.	B29714045	C/ San Juan de Dios, 1-2	Economic activity study and analysis	100%	0%	100%
Andaluza de Tramitaciones y Gestiones, S.A.U.	A29600178	C/ Compositos Lehmborg Ruiz, 5, Málaga	Management and settlement of documents and deeds	100%	0%	100%
Arco Explotaciones, S.L.U.	B10486348	Plaza de Santa María, 8, Cáceres	Farming	100%	0%	100%
Asturiana de Administración de Valores Mobiliarios, S.L.U.	B33473760	Plaza de la Escandalera, 2, Oviedo	Advice	100%	0%	100%
Banco Europeo de Finanzas, S.A.U.	A78963816	C/ La Bolsa, 4, piso 1 Málaga	Banking, financial activities	100%	0%	100%
Briareo Gestión, S.A.U.	A86081718	Camino Fuente de la Mora, 5, Madrid	Business consulting	100%	0%	100%
Caja Castilla La Mancha Iniciativas Industriales, S.L.U.	B45664224	Camino Fuente de la Mora, 5, Madrid	Holding company activities	100%	0%	100%
Camín de la Mesa, S.A.U.	A74014085	C/ San Francisco, 14, Planta 4, Oviedo	Advice	100%	0%	100%
Camping Alto Gallego, S.L.U.	B10488286	Plaza de Santa María, 8, Cáceres	Catering	100%	0%	100%
Cánovas Explotaciones, S.L.U.	B10488294	Plaza de Santa María, 8, Cáceres	Catering	100%	0%	100%
Cantábrica de Inversiones de Cartera, S.L.U.	B33473729	Calle Alvarez Garaya, 2, Planta 7, Gijón	Holding company activities	100%	0%	100%
CCM Brokers 2007 Correduría de Seguros, S.A.U.	A45652260	C/ Sillería, 18, Planta 3, Toledo	Insurance broker	100%	0%	100%
Concejo Explotaciones, S.L.U.	B10488328	Plaza de Santa María, 8, Cáceres	Catering	100%	0%	100%
Corporación Empresarial Caja Extremadura, S.L.U.	B10255404	Plaza de Santa María, 8, Cáceres	Holding company activities	100%	0%	100%
Ercávica Desarrollos, S.L.U.	B10490464	Plaza de Santa María, 8, Cáceres	Real estate development	100%	0%	100%
Explotaciones Santa Isabel, S.L.U.	B10485043	Plaza de Santa María, 8, Cáceres	Catering	100%	0%	100%
Factoría de Transformación de Operaciones y Servicios, S.L.U.	B45847837	C/ Ocaña, 1, Toledo	Other consulting activities	100%	0%	100%
Finca Las Huelgas, S.A.U.	A33363920	Villamayor, Piloña	Farming	100%	0%	100%
Gestión de Inmuebles Adquiridos, S.L.U.	B92954197	C/ Mauricio Moro Pareto nº 6, 6ª planta, Edf. Eurocom, Málaga	Real estate development	0%	100%	100%
Grafton Investments, S.L.U.	B87977476	Camino Fuente de la Mora, 5, Madrid	Catering	100%	0%	100%
Hoteles Layos, S.L.U.	B10485472	Plaza de Santa María, 8, Cáceres	Catering	100%	0%	100%
Instituto de Economía y Empresa, S.L.U.	B02109999	Camino Fuente de la Mora, 5, Madrid	Business consulting	100%	0%	100%
La Algara Sociedad de Gestión, S.L.U.	B91933523	C/ Mauricio Moro Pareto nº 6, 4ª, Edf. Eurocom, Málaga	Real estate development	0%	100%	100%
Liberbank Capital, S.A.U.	A74188988	C/ San Francisco, 14, Planta 4, Oviedo	Other auxiliary activities to financial services	100%	0%	100%
Liberbank Contact, S.L.U. (in liquidation)	B02656924	Camino Fuente de la Mora, 5, Madrid	Call center activities	100%	0%	100%
Liberbank I.T. S.L.U.	B74365115	C/ San Francisco, 14, Planta 4, Oviedo	IT Consulting	100%	0%	100%
Liberbank Pensiones, Sociedad Gestora de Fondos de Pensiones, S.A.U.	A81553398	Camino Fuente de la Mora, 5, Madrid	Pension fund manager	0%	100%	100%

Company name	Tax ID number	Registered office	Activity	% of capital owned by the group		
				% of equity interest		Total holding
				Direct	Indirect	
Liberbank Servicios Financieros, S.A.U.	A81404592	Camino Fuente de la Mora, 5, Madrid	Holding company activities	100%	0%	100%
Norteña Patrimonial, S.L.U.	B33473745	Plaza de la Escandalaria, 2, Oviedo	Advice	100%	0%	100%
Parque Industrial Humilladero, S. L.	B92503432	C/ Miguel Hernández, 1, Humilladero, Málaga	Industrial land development	0%	92.38%	92.38%
Peña Rueda, S.L.U.	B74022872	C/ San Francisco, 14, Planta 4, Oviedo	Advice	100%	0%	100%
Pico Cortés, S.L.U.	B74022898	C/ San Francisco, 14, Planta 4, Oviedo	Advice	100%	0%	100%
Pico Miravalles, S.L.U.	B74022880	C/ San Francisco, 14, Planta 4, Oviedo	Advice	100%	0%	100%
Planes e Inversiones CLM, S.A.U. (in liquidation)	A16144917	Camino Fuente de la Mora, 5, Madrid	Real estate development	100%	0%	100%
Pomarada Gestión, S.L.U.	B01800796	Camino Fuente de la Mora, 5, Madrid	Business consulting	100%	0%	100%
Procesa Recuperación de Activos, S.A.U.	A33516410	C/ San Francisco, 14, Planta 4, Oviedo	Legal activities	100%	0%	100%
Propco Blue 1, S.L.U. (in liquidation)	B93597904	C/ Mauricio Moro Pareto nº 6, 6ª planta, Edf. Eurocom, Málaga	Real estate development	0%	100%	100%
Puntida, S.L.U.	B39557269	Pasaje Puntida, 1, Santander	Holding company activities	100%	0%	100%
Segóbriga Desarrollos, S.L.U.	B10490449	Plaza de Santa María, 8, Cáceres	Catering	100%	0%	100%
Segurandalus Mediación, Correduría de Seguros, S.A.U.	A48484232	C/ Cuarteles nº 51 Ptl.1 Entreplanta Málaga	Insurance broker	100%	0%	100%
Sierra del Acebo, S.L.U.	B74014077	C/ San Francisco, 14, Planta 4, Oviedo	Advice	100%	0%	100%
Sociedad de Gestión San Carlos, S.A.	A11504842	Avda. San Juan Bosco,46. San Fernando - Cádiz	Real estate development	0%	63.61%	63.61%
Tiatorodos, S.A.U.	A74022864	C/ San Francisco, 14, Planta 4, Oviedo	Advice	100%	0%	100%
U Market Ebusiness, S.L.U. (*)	B10490431	Camino Fuente de la Mora, 5, Madrid	Business consulting	100%	0%	100%
Unicaja Gestión de Activos Inmobiliarios, S.A.U.	A93229516	Avda. Andalucía, 10-12, Málaga	Real estate activities	100%	0%	100%
Unicartera Gestión de Activos, S.L.U.	B84537356	C/ Bolsa nº 4, planta 5ª, Málaga	Auxiliary activities to financial services	100%	0%	100%
Unicorp Patrimonio, Sociedad de Valores, S.A.U.	A92067131	C/ Bolsa, Nº 4, 1ª planta, Málaga	Asset management	100%	0%	100%
Unigest,S.G.I.I.C., S.A.U.	A29558798	Avda. Andalucía, 10-12, Málaga	Collective investment institution manager	100%	0%	100%
Unimediación Operador Banca Seguros, S.L.U.	B92802271	C/ Bolsa nº 4, planta 2, Málaga	Insurance broker	100%	0%	100%
Unión del Duero Seguros de Vida, S.A.U.	A37042975	C/ Titán 8-11, Madrid	Insurance	100%	0%	100%
Uniwindet, S.L.U.	B18602680	C/ Bolsa, Nº 4, 5ª planta, Málaga	Renewable energies	100%	0%	100%
Viacava – Incós de Energía, S.A.U.	A74235227	C/ San Francisco, 14, Planta 4, Oviedo	Catering	0%	100%	100%
Viproelco, S.A.U. (in liquidation)	A24501561	Av. Madrid 120, León	Real estate development	100%	0%	100%

(\*) Before, Liberbank Ebusiness, S.L.U.

### ANNEX III JOINTLY CONTROLLED ENTITIES AT December 31, 2023

Company name	Tax ID number	Registered office	Activity	% of capital owned by the group			Individual results as of the analysis date	Non-current asset	Current asset	Non-current liability	Current liability	Total earnings	Total expenses
				% of EQUITY INTEREST		Total holding							
				Direct	Indirect								
Dolun Viviendas Sociales, S.L. (1)	B91701854	C/ Muñoz Olivé 1, portal 1-1-C - Seville	Real estate development	0%	40%	40%	-	140	125	-	-	-	-
Muelle Uno-Puerto Málaga, S.A. (3)	A92674522	Avda. de Andalucía 21-Entreplanta, Málaga	Real estate development	0%	39.74%	39.74%	2,219	37,311	9,593	19,256	2,237	10,507	(8,288)
Lares Val de Ebro, S.L. (4)	A84076975	Avda. Talgo 155 Madrid	Real estate development	33.33%	0%	33.33%	(292)	-	19,277	2	21,381	-	(292)
Madrigal Participaciones, S.A. (3)	A47538301	Avda. Madrid, 120 Ed.El Portillo - León	Investment in assets, securities and financial companies	75.7%	0%	75.7%	(36)	-	20	-	-	64	(100)
Rochduero, S.L. (5)	B11824430	C/ Armas 10-A Jerez de la Frontera (Cádiz)	Real estate development	54.09%	0%	54.09%	(359)	-	35,758	420	36,535	25	(385)
Polígono Romica, S.A. (1)	A02182715	C/ Parque San Julián, 20, Cuenca	Real estate development	0%	50%	50%	(17)	-	815	-	-	-	(17)
Promociones 2020 San Lázaro, S.L. (2)	B10488302	C/ López del Vallado, 2, Oviedo	Real estate development	0%	20%	20%	-	-	3,876	3,870	5	83	(83)

1. Financial data as of December 31, 2023.
2. Financial data as of November 30, 2023.
3. Financial data as of October 31, 2023.
4. Financial data as of June 30, 2016. Company in liquidation.
5. Financial data as of August 31, 2016. Company in liquidation.

Note: The financial information used for the equity method for the equity interest in the jointly controlled entities listed herein is the latest information available to the Bank as of the date of preparation of these consolidated financial statements. When this financial information does not correspond to December 31, 2023, it is because information relating to a date very close to the end of 2023 has been used instead or because the jointly controlled entity has no relevant activity that could have a significant bearing on these consolidated financial statements (either because it is in liquidation or for other reasons with similar effects).

## ANNEX IV ASSOCIATED COMPANIES AS AT DECEMBER 31, 2023

Company name	Tax ID number	Registered office	Activity	% of capital owned by the group			Financial statements as of the analysis date				
				% of equity interest		Total holding	Total assets at end of year	Equity	Company results	Liabilities	Operating income
				Direct	Indirect						
Ala Ingeniería y Obras, S.L. (12)	B85294536	Crta. de la Estación, naves 7 y 8 - Meco (Madrid)	Manufacture of metal structures	0%	26.49%	26.49%	8,889	(5,005)	(1,178)	13,894	(1,275)
Alanja Desarrollos, S.L. (3)	B10490191	C/ Albacete, 3, Planta 5, Cáceres	Real Estate Activities	2.07%	17.93%	20%	363	279	(202)	84	(202)
Andalucía Económica, S.A. (3)	A41397514	C/ Diego de Riano nº 11, Piso 2º, Seville	Publishing, graphic arts and television	23.8%	0%	23.8%	624	554	28	70	28
Área Logística Oeste, S.L. (9)	B85273514	C/ Príncipe de Vergara, 15, Madrid	Real estate development	0%	27.28%	27.28%	4	(1,793)	(2,081)	1,797	(2,081)
B.I.C. Euronova, S.A. (2)	A29534765	Avenida Juan López Peñalver, 21 (Parque Tecnológico Andalucía), Campanillas, Málaga	Other professional, scientific, and technical activities	20%	0%	20%	1,728	1,443	148	285	148
Baraka Home 20, S.L. (6)	B01998855	Carretera de Fuencarral, Campus Tribeca, Edificio 6, Alcobendas	Real Estate Activities	0%	29.96%	29.96%	27,527	14,642	(138)	12,885	(66)
Camping El Brao, S.A. (10)	A33357484	C/ Uría, 6 - 2 C, Oviedo (Asturias)	Camping	25%	0%	25%	5	(10)	(4)	15	(4)
Cartera de Activos H&L, S.L. (6)	B88625686	C/ Zurbano, 76, Planta 8, Madrid	Real Estate Activities	5.69%	21.85%	27.54%	7,617	5,041	58	2,576	82
Convivencia Projet, S.L. (6)	B01993781	Plaza Nueva, 8, Planta 4, Seville	Real estate and construction	43.26%	6.68%	49.94%	6,123	5,849	(15)	274	(12)
Desarrollo Urbanísticos Cerro de Medianoche, S.L. (2)	B23532252	Plaza Jaén por la Paz, 2, Jaén	Real estate development	0%	24.72%	24.72%	3,517	3,512	11	5	11
Desarrollos Inmobiliarios Navalcan, S.L. (6)	B01674704	Carretera Nacional V, Kilometro 107.5, Toledo	Real estate development	0%	48.79%	48.79%	9,232	9,226	(12)	6	(20)
Desarrollos Inmobiliarios Peña Vieja, S.L. (6)	B39889258	Paseo Pereda, Planta 1, Santander	Real estate activities	15.16%	33.78%	48.94%	32,609	26,033	(234)	6,576	(215)
Desarrollos Inmobiliarios Ronda Sur, S.L. (3)	B74469313	C/ López del Vallado, 9, Oviedo	Real estate development	0%	37.14%	37.14%	7,095	6,955	-	140	1
Digital Finance & Insurance Services, S.L. (2)	B44884161	C/ Velazquez 100, 3º dcha., Madrid	Commercialization of banking and insurance products, creation of digital platforms	0%	30%	30%	1,060	687	(16)	373	(16)
Druet Real Estate, S.L. (6)	B02871390	C/ Príncipe de Vergara, 15, Madrid	Real estate and construction	0%	49.23%	49.23%	21,303	16,191	(116)	5,112	84

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						
Euro 6000, S.L. (3)	B87990552	C/ Alcalá 27, Madrid	Auxiliary activities to financial services	23.2%	0%	23.2%	3,581	2,963	618	618	576
Experiencia Peñíscola, S.L. (3)	B02975605	Avenida de España, 17, Peñíscola	Real estate and construction	47.63%	0%	47.63%	11,343	10,425	(20)	918	(20)
Gestión e Investigación de Activos, S.A. (3)	A79332367	Paseo General Martínez Campos, 46-2ª planta, Madrid	Real estate rental	31.71%	18.29%	50%	500	496	8	4	(15)
Global Berbice, S.L. (3)	B87959219	C/ Albacete, 3, Madrid	Holding company activities	5.28%	14.72%	20%	20,476	18,924	(1,978)	1,552	(1,978)
Griffin Real Estate Developments, S.L. (6)	B52579299	C/ Alvarez Garaya, 12, Gijón	Real estate development	0%	40.83%	40.83%	12,455	10,099	80	2,356	111
Hidralia, Gestión Integral de Aguas de Andalucía, S.A. (2)	A41461856	C/ Alisios. Edf Ocaso, nº 1, Seville	Comprehensive water cycle management	20%	0%	20%	167,418	90,670	11,401	76,748	7,912
Hormigones y Áridos Aricam, S.L. (4)	B83221598	Carretera de Fuenlabrada, Kilometro 18.500, Pinto	Sand and gravel mining	25%	0%	25%	-	(61)	-	61	-
Hostelería Asturiana, S.A. (2)	A33013160	C/ Gil de Jaz, 16, Oviedo	Catering	40.42%	0%	40.42%	7,101	5,606	3	1,495	99
Industrializaciones Estratégicas, S.A. (4)	A45601580	Cuesta Carlos V, 5, Planta 2, Madrid	Real estate development	0%	35%	35%	3,735	2,354	(13)	1,381	(33)
Ingeniería de Suelos y Explotación de Recursos, S.A. (5)	A21102157	Paseo del Coso S/N, Minas de Riotinto, Huelva	Mining industry	30%	0%	30%	107,802	52,743	13,995	55,059	18,374
Inversiones Alaris, S.L. (3)	B31881055	Avda. Diagonal, 621, Barcelona	Share holdings	33.33%	0%	33.33%	7,623	5,255	(72)	2,368	(72)
Kenta Capital Investment Management, S.A. (2)	A10592426	c/ Miguel Ángel, 11 28010-Madrid	Auxiliary activities to financial services	36%	0%	36%	8,205	5,078	1,095	3,127	1,379
La Reserva de Selwo Golf, S.L. (7)	B18671784	Pasaje Linaje 3, Planta 1, Piso 1, Málaga	Real estate development	0%	35%	35%	63	(3,875)	-	3,938	-
Leche del Occidente de Asturias, S.A. (1)	A33411109	C/ Arguelles, 27, Oviedo	Food industry	33.34%	0%	33.34%	-	-	-	-	-
Lico Leasing, S.A. (3)	A28167799	Pº General Martínez Campos, 46 - 2, Madrid	Financial leasing	34.16%	0%	34.16%	15,061	11,178	(3,976)	3,883	(3,440)
Mastercajas, S.A. (3)	A81584369	C/ Alcalá 27, Madrid	Other financial services	78.77%	0%	78.77%	3,769	3,727	222	42	200
Mejor Campo Abonos y Cereales, S.A. (10)	A24371866	Callejón de San Francisco, 1 - Bajo, Medina del Campo, Valladolid	Fertilizer and feed sales	27%	0%	27%	3	(58)	-	61	-

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						
Oppidum Capital, S.L. (3)	B74341678	C/ Cimadevilla, 8, Oviedo	Holding company activities	44.13%	0%	44.13%	1,317,941	904,949	30,928	412,992	(8,687)
Parque Científico-Tecnológico de Almería S.A. (2)	A04418067	Avda. de la Innovación, nº 15, Edificio Pitágoras, Almería	Real estate development	0%	30.13%	30.13%	34,591	26,106	(713)	8,485	(449)
Participaciones Estratégicas del Sur, S.L. (3)	B90471350	C/ Luis Montoto Nº 65, 1º B	Other financial services	0%	30%	30%	15,379	13,420	566	1,959	3
Patrimonio Inmobiliario Empresarial, S.A. (11)	A83458067	C/ Santa Engracia, 69, Madrid	Real Estate Activities	29.09%	0%	29.09%	26,857	(21,423)	(566)	48,280	-
Propco Eos, S.L. (3)	B93673291	C/ Goya, 6, 2ª planta, Madrid	Real estate development	0%	20%	20%	40,645	38,087	233	2,558	233
Propco Epsilon, S.L. (3)	B93673283	C/ Goya, 6, 2ª planta, Madrid	Real estate development	0%	20%	20%	33,114	30,474	(163)	2,640	(163)
Propco Malagueta, S.L. (2)	B93562940	C/ Mauricio Moro Pareto (Edificio Eurocom Norte), 6, Málaga	Real estate development	0%	25%	25%	1,253	1,209	(828)	44	(828)
Propco Orange 1 S.L. (2)	B93597896	C/ Mauricio Moro Pareto (Edificio Eurocom Norte), 6, Málaga	Real estate development	0%	49%	49%	37,354	8,482	107	28,872	192
Proyecto Lima, S.L. (2)	B93562957	C/ Mauricio Moro Pareto (Edificio Eurocom Norte), 6, Málaga	Real Estate Activities	0%	25%	25%	836	645	(1,518)	191	(1,518)
Pryconsa- Ahijones, S.L. (6)	B88560768	Glorieta de Cuatro Caminos, 6, Madrid	Real estate development	0%	32.94%	32.94%	60,803	51,311	-	9,492	(250)
Santa Justa Residencial, S.L. (2)	B93514453	C/ Mauricio Moro Pareto (Edificio Eurocom Norte), 6, Málaga	Real estate development	0%	49.5%	49.5%	1,018	558	(4)	460	(5)
Sedes, S.A. (3)	A33002106	C/ Arquitecto Galán, 2, Oviedo	Real estate and construction	39.9%	0%	39.9%	21,016	5,898	(1,335)	15,118	(981)
Sociedad Astur-Castellano Leonesa de Navegación, S.A. (1)	A33685306	Puerto del Musel, Gijón	Maritime transportation	23.05%	0%	23.05%	-	-	-	-	-
Sociedad de Gestión y Promoción de Activos, S.L. (6)	B74453432	C/ Fruela, 5, Oviedo	Real estate development	8.96%	40.77%	49.73%	83,258	58,451	(2,351)	24,807	(1,628)
Sociedad Municipal de Aparcamientos y Servicios, S.A. (3)	A29178902	Plaza Jesús "El Rico" 2-3, Málaga	Parking lots	24.5%	0%	24.5%	70,290	49,512	3,956	20,778	6,109
Sociedad Regional de Promoción del Principado de Asturias, S.A. (3)	A33055138	Parque Tecnológico de Asturias (Edificio Idepa), Llanera	Regional development company	29.33%	0%	29.33%	91,556	74,060	59	17,496	(175)
Unema Promotores Inmobiliarios, S.A. (8)	A92078013	C/ Strachan, nº1, planta 1. Málaga	Real estate development	0%	40%	40%	37	(1,669)	-	1,706	-

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						
Unicorp Vida, Compañía de Seguros y Reaseguros, S.A. (3)	A78804390	C/ Bolsa, N°4, 3ª planta. Málaga	Insurance	50%	0%	50%	5,350,542	474,650	118,028	4,875,892	152,671
World Trade Center Santander, S.A. (13)	A39348156	C/ Carlos Haya, 23, Santander	Real estate activities	31.5%	0%	31.5%	214	212	(12)	2	(13)
Zedant Desarrollos, S.L. (5)	B02865129	Calle Fernandez de la Hoz, 62, Madrid	Real Estate Activities	40.3%	4.81%	45.11%	11,412	6,716	(233)	4,696	(112)

1. Company in liquidation.
2. Financial data as of December 31, 2023.
3. Financial data as of November 30, 2023.
4. Financial data as of November 30, 2022. Company in liquidation.
5. Financial data as of October 31, 2023.
6. Financial data as of September 30, 2023.
7. Financial data as of December 31, 2020. Company in liquidation.
8. Financial data as of September 30, 2017. Company in liquidation.
9. Financial data at December 31, 2017. Company in liquidation.
10. Financial data as of December 31, 2016. Company in liquidation.
11. Financial data as of March 31, 2014. Company in liquidation.
12. Financial data as of December 31, 2013. Company in liquidation.
13. Financial data 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 consolidated financial statements. When this financial information does not correspond to December 31, 2023, it is because information relating to a date very close to the end of 2023 has been used instead or because the associate has no relevant activity that could have a significant bearing on these consolidated financial statements (either because it is in liquidation or for other reasons with similar effects).

**UNICAJA BANCO, S.A.****MANAGEMENT REPORT FOR FISCAL YEAR 2023****1. Evolution of Unicaja's business performance****1. 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, 2013. Likewise, the merger by absorption of Liberbank S.A. (as absorbed entity) by Unicaja (as absorbing entity) took place on July 31, 2021.

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](http://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, 2014 on the regulation, supervision and solvency of credit institutions, and which comprise its object, may be carried out in part or 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, 2015 implementing Law 10/2014 of June 26, 2014 on the regulation, supervision, and solvency of credit institutions.

As of December 31, 2023, 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 Málaga, subject to Spanish law, and file their financial statements with the Mercantile Registry of Málaga.

The Bank is also the head of a subgroup of subsidiaries engaged in various activities that make up the Unicaja Group.



*The profit for the year amounts to 273 million euros, after increasing by 43.1% in the year, discounting the impact of the temporary levy on banks.*

In terms of results, at the close of the 2023 financial year, Unicaja presents a net profit of 273 million euros compared to 235 million euros recorded in the 2022 financial year. Excluding the impact of the new temporary bank levy, which amounted to 63.8 million euros and was fully computed in the first quarter, net income would have amounted to 336 million euros, 43.1% higher than in December 2022.

Income statement. Unicaja					
Figures in millions of euros	Dec-23	Dec-22	V.Abs.	I.R.C.	I.R.C. *
<b>Net interest margin</b>	<b>1,355.6</b>	<b>1,059.1</b>	<b>296.5</b>	<b>28%</b>	<b>28%</b>
% S/ATM	1.4%	1%			
Net commissions	482.3	468.4	13.9	3%	3%
<b>Net interest margin + Net commissions</b>	<b>1,837.9</b>	<b>1,527.5</b>	<b>310.4</b>	<b>20.3%</b>	<b>20.3%</b>
% S/ATM	1.8%	1.4%			
Dividends	112.3	92.8	19.5	21%	21%
RFO + exchange rate differences	19.3	56.8	(37.5)	-66%	-66%
Other products/operating expenses	(262.5)	(140.1)	(122.4)	87.4%	41.8%
<b>Gross margin</b>	<b>1,707</b>	<b>1,537</b>	<b>170</b>	<b>11.1%</b>	<b>15.2%</b>
% S/ATM	1.7%	1.4%			
Operating expenses	806.8	815.8	(9)	-1.1%	-1.1%
<b>Operating margin (before write-downs)</b>	<b>900.2</b>	<b>721.2</b>	<b>179</b>	<b>24.8%</b>	<b>33.7%</b>
Write-downs and other results	438.4	386.4	52	13.5%	13.5%
Negative difference in business combinations (Badwill)	-	-	-		
<b>Income before tax</b>	<b>461.8</b>	<b>334.8</b>	<b>127</b>	<b>37.9%</b>	<b>57%</b>
Income tax	189.2	99.8	89.4	89.6%	89.6%
<b>Profit or (loss) for the year</b>	<b>272.6</b>	<b>235</b>	<b>37.6</b>	<b>16%</b>	<b>43.1%</b>
% S/ATM	0.3%	0.2%			
<i>Pro memoria:</i>					
<b>Average balance</b>	<b>99,443</b>	<b>111,293</b>	<b>(11,850)</b>	<b>-10.6%</b>	<b>-10.6%</b>
Temporary levy on banks	(63.8)	-	(63.8)	-	

\* Excluding the impact of the temporary bank levy, which amounts to 63.8 million euros and was recorded in the first quarter.

The net interest margin increased 28% year-on-year. The retail business increased its contribution by 425 million euros. On the one hand, financial income from credit increased by 689 million euros, mainly as a result of the increase in interest rates of +141 b.p. from 1.39% to 2.8%. On the other hand, retail financing costs increased by 264 million euros due to a moderate increase in deposit remuneration. The granularity of the bank's deposits, and the high weight of those from individual customers (75% of the total), has allowed us to adapt their remuneration to their characteristics (low unit volume, high transaction volume and wide dispersion), which has led to a moderate increase in their cost, amounting to 40 b.p. on average in the year. All this has caused the spread between the average yield on loans to customers and the average cost of retail deposits to improve from 1.38% in 2022 to 2.4% in 2023. This commercial margin does not yet reflect the full impact of the increase in interest rates.

On the other hand, the wholesale business had a negative year-on-year variation 109 million euros. Higher revenues from fixed income do not offset the increased costs of issuance and TLTROs.

*Commissions* grew 3% year-on-year. This income statement line was boosted by the marketing of securities products.

The heading *Other operating income and expenses* includes the contribution to the Deposit Guarantee Fund (88 million euros), the capital contribution for monetizable deferred tax assets (23 million euros), the annual contribution to the Single Resolution Fund (44 million euros) and the temporary levy on credit institutions (64 million euros). The latter two items account for most of the increase in costs (122.4 million euros) compared to the previous year.

Gross income increased by 15.2% compared to the previous year (11.1% excluding the impact of the new temporary banking levy), due both to the improvement in the core banking business (net interest income and net fee and commission income) and to the higher contribution from dividends (up 20 million euros). As a result, gross margin increased by 170 million euros to 1,707 million euros, representing 1.7% of average total assets.

On the other hand, operating expenses, comprising personnel expenses, administrative expenses, and depreciation, totaled 807 million euros, a decrease of 1.1% compared with the previous year, or, what is the same thing, a total saving of 9 million euros during the year, over 2022. These savings are the result of the adjustments from the merger with Liberbank. 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 47.3%.

Finally the calculation of write-downs and other income of 438 million euros, resulted in a pre-tax profit of 462 million euros. As a result, and after considering the tax effect, net income for the year was 273 million, 16% higher than the previous year. Excluding the impact of the new temporary bank levy, which amounted to 63.8 million euros, net income would have amounted to 336 million euros, 43.1% higher than in December 2022.

### Loans and advances to individuals fell by 4.3% due to early repayments in response to rising interest rates

The volume of administered funds managed by Unicaja amounted to 99,581 million euros at year-end 2023.

#### Managed resources. Unicaja

Figures in millions of euros - Does not include valuation adjustments.

	Dec-23	Compos.	Dec-22	Annual Var.	% Var. Var.
<b>Total Balance sheet resources</b>	<b>78,486</b>	<b>78.8%</b>	<b>78,651</b>	<b>(165)</b>	<b>-0.2%</b>
<b>Customer deposits</b>	<b>72,655</b>	<b>73.0%</b>	<b>75,188</b>	<b>(2,533)</b>	<b>-3.4%</b>
<b>Public Administration Bodies</b>	<b>5,454</b>	<b>5.5%</b>	<b>6,888</b>	<b>(1,434)</b>	<b>-20.8%</b>
<b>Private sector</b>	<b>67,201</b>	<b>67.5%</b>	<b>68,300</b>	<b>(1,099)</b>	<b>-1.6%</b>
Demand deposits	52,875	53.1%	57,771	(4,896)	-8.5%
Term deposits	14,326	14.4%	10,529	3,797	36.1%
Of which: mortgage securities	4,198	4.2%	4,655	(457)	-9.8%
<b>Temporary assignment of assets</b>	<b>1,589</b>	<b>1.6%</b>	<b>20</b>	<b>1,569</b>	
<b>Issuances</b>	<b>4,242</b>	<b>4.3%</b>	<b>3,443</b>	<b>799</b>	<b>23.2%</b>
Mortgage bonds	1,185	1.2%	1,185	-	-%
Other values	2,458	2.5%	1,659	799	48.2%
Subordinated liabilities	599	0.6%	599	-	-%
<b>Off-balance sheet funds</b>	<b>21,095</b>	<b>21.2%</b>	<b>20,262</b>	<b>833</b>	<b>4.1%</b>
<b>TOTAL FUNDS MANAGED</b>	<b>99,581</b>	<b>100%</b>	<b>98,913</b>	<b>668</b>	<b>0.7%</b>

#### Of which:

<b>Customer funds managed (retail)</b>	<b>89,655</b>	<b>90%</b>	<b>90,795</b>	<b>(1,140)</b>	<b>-1.3%</b>
On-balance sheet	68,560	68.8%	70,533	(1,973)	-2.8%
Off-balance sheet	21,095	21.2%	20,262	833	4.1%
<b>Markets</b>	<b>9,926</b>	<b>10%</b>	<b>8,118</b>	<b>1,808</b>	<b>22.3%</b>

The bulk of funds under management are customer deposits (72.654 billion euros, excluding valuation adjustments), of which 52.875 billion euros are demand deposits from private-sector customers, 14,326 million euros are time deposits from the private sector (including 4.198 billion euros of non-negotiable issues of covered bonds) and 5.454 billion euros are deposits from public administrations. Resources managed through off-balance sheet instruments and insurance amounted to 21.095 billion euros, the main product being investment funds (11.412 billion euros), followed by savings insurance (4.926 billion euros), pension funds (3.611 billion euros) and other assets under management (1.146 billion euros).

In terms of the origin of the funds, 90% (89.655 billion euros) corresponds to retail business, while the remaining 10% (9.926 billion euros) is made up of funds raised in wholesale markets through issues, multi-seller bonds or asset repurchase agreements.

During the year 500 million euros of senior preferred debt was issued as was 300 million euros of senior non-preferred bonds, in order to comply with MREL's sectoral regulatory requirements.

Performing loans (excluding reverse repurchase agreements) amounted to 48.499 billion euros at year-end 2023 and maintained a low risk profile, with a high weight of mortgages to individuals (61.9%) and loans to public administrations (9.9%).

During the year, lending declined by -10.9% due to a significant reduction in demand for credit, an increase in early repayments in the variable rate portfolio and a concentration of maturities of ICO-backed loans granted during the pandemic period.

**Loans and advances to customers.  
Unicaja**
*Figures in millions of euros without valuation adjustments.*

	Dec-23	Compos.	Dec-22	Annual Var.	Annual Var.
<b>PERFORMING CREDIT</b>	<b>48,666</b>	<b>100%</b>	<b>54,424</b>	<b>(5,758)</b>	<b>-10.6%</b>
<b>1. Performing credits to public administration bodies</b>	<b>4,799</b>	<b>9.9%</b>	<b>5,767</b>	<b>(968)</b>	<b>-16.8%</b>
<b>2. Private sector loans not in doubt</b>	<b>43,700</b>	<b>89.8%</b>	<b>48,657</b>	<b>(4,957)</b>	<b>-10.2%</b>
<b>Companies</b>	<b>10,678</b>	<b>21.9%</b>	<b>14,166</b>	<b>(3,488)</b>	<b>-24.6%</b>
Real estate development and construction	508	1%	663	(155)	-23.4%
SMEs and self-employed workers	4,808	9.9%	6,233	(1,425)	-22.9%
Other companies	5,362	11%	7,270	(1,908)	-26.2%
<b>Individuals</b>	<b>33,022</b>	<b>67.9%</b>	<b>34,491</b>	<b>(1,469)</b>	<b>-4.3%</b>
Housing	30,134	61.9%	31,617	(1,483)	-4.7%
Others	2,888	5.9%	2,874	14	0.5%
<b>3. Temporary assignments of assets (TAAAs)</b>	<b>167</b>	<b>0.3%</b>	<b>-</b>	<b>167</b>	
<b>PERFORMING CREDIT without TAAAs</b>	<b>48,499</b>		<b>54,424</b>	<b>(5,925)</b>	<b>-10.9%</b>
<i>Pro memoria:</i>					
<b>TOTAL CREDIT without ATAS</b>	<b>50,076</b>		<b>56,357</b>	<b>(6,281)</b>	<b>-11.1%</b>

During the year, 7.022 billion new loans and credits were granted, including 2.291 billion mortgages and 3.12 billion euros of loans and credits for companies.

*Improved balance sheet quality and a significant increase in coverage, particularly in real estate, which will allow us to continue with the accelerated reduction of non-performing assets and substantially improve profitability.*

Unicaja's balance of doubtful assets decreased during the year by 355 million euros, amounting to 1,577 million euros at year-end 2023 and translating into an NPL ratio of 3.1%. Likewise, Unicaja maintains a level of coverage for doubtful risks of 64%, one of the highest in the sector.

At year-end 2023, the balance of foreclosed assets, net of provisions, amounts to 86 million euros (313 million in gross value), representing only 0.32% of Unicaja's total assets.

### *Increase in CET 1 fully loaded to 14.7% and strong liquidity position*

At December 31, 2023, Unicaja had a liquid and discountable asset position with the European Central Bank, net of assets used, of 29,238 million euros, representing 30% of the balance sheet total.

#### **Discountable liquid assets**

*Figures in millions of euros*

	<b>Dec-23</b>
<b>Liquid Assets</b>	
Short-term cash surplus (1)	6,580
Reverse purchase agreements of bankable assets	1,437
Fixed-income portfolio and other bankable assets at the ECB	29,165
<b>Total liquid assets (discounted value at the ECB)</b>	<b>37,182</b>

#### **Liquid Assets Used**

Taken out at the ECB	954
Assets sold under temporary assignments of assets and other pledges	6,990
<b>Total liquid assets used</b>	<b>7,944</b>

#### **Available bankable liquid assets**

**29,238**

(1) Interbank deposits + surplus balance at the ECB and operating accounts

Short-term issuance maturities are not significant.

#### **Upcoming market issuance maturities (\*)**

*Figures in millions of euros*

	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>&gt;2026</b>	<b>TOTAL</b>
AT1	-	-	500	-	500
Tier 2	300	-	-	300	600
Senior preferred debt	500	660	-	500	1,660
Non-preferred senior debt	-	-	500	300	800
Mortgage-backed securities	-	1,282	-	3,940	5,222
<b>TOTAL</b>	<b>800</b>	<b>1,942</b>	<b>1,000</b>	<b>5,040</b>	<b>8,782</b>

(\*) It includes multi-seller covered bonds.

Unicaja 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 Group. At year-end 2023, the total computable own funds of the Unicaja Group reached 5,624 million euros.

The highest quality capital, CET 1 Common Equity Tier 1, in the phased-in transient period was 15%, the Level 1 Capital ratio was 16.8% and the Total Capital ratio was 18.8%. These ratios represent some leeway above the bank's required levels of 6.7 ppt in CET 1 and 6.1 ppt in total capital. Capital ratios include net income, net of accrued dividends, computability pending approval by the European Central Bank.

In the fully loaded period, CET 1 Common Equity Tier 1 amounts to 14.7%, the Tier 1 Capital ratio to 16.5% and the Total Capital ratio to 18.5%.

Thanks to the significant generation of capital, authorization has been requested for a share buyback of up to 100 million euros, or 3.8% of the share capital, and a dividend of around 130 million euros can be proposed.

#### **Branch Network**

Unicaja operates exclusively in Spain, and principally in Andalucía, Asturias, Cantabria, Castilla y León, Castilla-La Mancha, Extremadura, and Madrid.

Unicaja concentrates 90% of its branches in the regions of Andalusia (39%), Castilla y León (14%), Castilla-La Mancha (13%), Madrid (9%), Asturias (9%) and Extremadura (7%), with the provinces of Málaga (13%), Madrid (9%), Asturias (9%) and Toledo (6%) having the greatest specific weight.

The network comprised 958 branches as of December 31, 2023: 957 branches in Spain and 1 foreign branch office in the U.K. (the branches open to the public according to the criteria of the Bank of Spain include itinerant customer service desks and offices open abroad).

DISTRIBUTION OF THE BUSINESS NETWORK					
Country	Autonomous Community	Operational branches as at 12/31/2022		Operational branches as at 12/31/2023	
		Number of branches	Distribution (%)	Number of branches	Distribution (%)
SPAIN	Andalusia	372	38.9%	374	38.6%
	Aragón	2	0.2%	2	0.2%
	Asturias	85	8.9%	85	8.8%
	Cantabria	47	4.9%	47	4.9%
	Castilla y León	131	13.7%	130	13.4%
	Castilla-La Mancha	129	13.5%	128	13.2%
	Catalonia	9	0.9%	9	0.9%
	Ceuta	1	0.1%	1	0.1%
	Valencian Community	10	1%	11	1.1%
	Extremadura	64	6.7%	65	6.7%
	Galicia	10	1%	10	1%
	La Rioja	1	0.1%	1	0.1%
	Madrid	84	8.8%	93	9.6%
	Melilla	3	0.3%	3	0.3%
	Murcia	4	0.4%	4	0.4%
	Navarra	1	0.1%	1	0.1%
	Basque Country	4	0.4%	4	0.4%
Total Number of Offices in Spanish Territories		957	99.9%	968	99.9%
Country	City	Operational branches as at 12/31/2022		Operational branches as at 12/31/2023	
		Number of branches	Distribution (%)	Number of branches	Distribution (%)
U.K.	London	1	100%	1	100%
Total Number of Branches Abroad		1	0.1%	1	0.1%
TOTAL NUMBER OF BRANCHES		958		969	

As of September 30, 2023, according to Statement FI-132 published by the Bank of Spain, the market share of deposits to the private sector was 4.9% in the country as a whole, and as follows by autonomous community: Andalusia (12.1%), Asturias (22.2%), Cantabria (21%), Castilla y León (18.7%), Castilla-La Mancha (16.3%) and Extremadura (19.8%).

Regarding the share of credit to the private sector, according to Statement FI-132 published by the Bank of Spain, it amounted to 4.1% in the country as a whole and to 10.2% in Andalusia, 18.5% in Asturias, 22.8% in Cantabria, 11.2% in Castilla y León, 14.9% in Castilla-La Mancha and 13.6% in Extremadura.

With respect to branches, the Unicaja Group's presence in Andalusia corresponded to 12% of its branches, in Asturias, 18.5%, in Cantabria, 22.4%, in Castilla y León, 10.7%, in Castilla-La Mancha, 11.7% and in Extremadura, 9.6%, according to the latest available information from the Bank of Spain as of September 30, 2023. Its branches in the country as a whole represented 5.5% of all branches from all banks.

## 2. Risk Management

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

- A system of governance and organization of the risk function based on the active involvement and supervision of the Top Management, which approves the Bank's general policies and business strategies and lays down the overall risk management and control guidelines.
- A Risk Appetite Framework (RAF), which the Group considers a fundamental instrument for the implementation of its risk policy.
- A prudent risk exposure management model to which the Unicaja Group pays close attention so as to keep a prudent, balanced risk profile at all times in order to meet its solvency, profitability and appropriate liquidity objectives, which translates into a solid, consistent risk culture.
- A selection of suitable methodologies for the identification, measurement, management and control of risks, which undergo a continuous process of improvement and are in line with regulatory requirements. At the same time, the Group matches its equity requirements to the level of actual risks stemming from its banking activity.
- A supervisory model based on three lines of defense, something which is in line with the expectations of regulatory and supervisory authorities.

The Unicaja Group's overall risk management and control policies, methods and procedures are approved and periodically revised its Board of Directors.

Based on the current regulatory framework, Unicaja's organizational structure includes the Risk Control and Supervisory Relations Department (CRO), which is functionally separate from the areas that generate exposures. One of the functions of this unit is to take control, from a global perspective, of all the risks for the Bank. The organization of the Unicaja Group's 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 Group's risk management and control is arranged via, among others, the Risk Appetite Framework (RAF), which is approved by the Bank's Board of Directors.

The Unicaja Group uses this RAF as an instrument for implementing its risk policy and as a key management and control tool that allows it to: (i) Formalize its risk appetite statement; (ii) specify its risk objectives in line with its corporate strategy, whereby it acts as a reference for guiding the activities that are carried out; (iii) formalize the risk supervision and monitoring mechanism so as to ensure compliance with its risk appetite; (iv) integrate all risk control and management processes into a common framework; and (v) strengthen and disseminate its risk culture.

Developing this Framework as the Group's general risk policy is a key aspect to the Bank's management and control, thus providing the Board of Directors and the Top Management with a comprehensive framework for determining the risks that the Bank is willing to assume.

Therefore, the main aim of Unicaja'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 is willing to assume and maintain, both in terms of its type and its quantity, as well as its tolerance level, and must be oriented towards achieving the objectives of its strategic plan in accordance with the lines of action established therein.



The main goal in managing the different risks is to achieve a risk profile that falls within the desired risk appetite level, which is defined on the basis of the established limits, those management measures that are considered most appropriate to achieve this being taken.

In addition, this Framework establishes different metrics for the quantification, control and monitoring of risks, which permit reacting to certain levels or situations. These metrics characterize the objective behavior of the Unicaja Group, are cross-functional to the organization, and make it possible to convey the risk-prone culture to all levels in the organization in a systematized and understandable way. In turn, they summarize the Group's objectives and limits, can be communicated, where appropriate, to its stakeholders and are homogeneous since they are applied throughout the organization.

The Group has a process for identifying material risks, in which methodologies for the quantification of all risks to which the Bank is exposed are used. Likewise, it defines a criterion for selecting those risks which are material and hence must be managed and controlled more proactively. This management and control involves, among other things, the allocation of capital within a Internal Capital Adequacy Assessment Process (ICAAP) or, in the case of the liquidity risk, the allocation of a liquidity management buffer, which is assessed within an Internal Liquidity Adequacy Assessment Process (ILAAP). The process of quantification and identification of material risks is carried out on a recurring basis, which allows the Bank to identify emerging risks at all times.

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

The Risk Control and Supervisory Relations Department (CRO) monitors compliance with the Risk Appetite Framework through 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 Bank has integrated its Risk Appetite Framework with its strategy, its ICAAP and ILAAP, its corporate risk policies and its Recovery Plan, among others. The Bank ensures the observance of the established risk culture through the approval of the management framework, the development of strategies and policies and the monitoring of the limits established for managing each type of risk.

## 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 Bank'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 Bank's Board of Directors. Thus, with respect to this area, the main functions conferred on this body are as follows:

- Approving the risk control and management policy, including tax risks, as well as periodically monitoring all internal information and control systems.
- Approving the RAF and its subsequent modifications, at the Risk Committee's proposal.
- Taking the RAF into consideration in the day-to-day management of the Bank and, especially, in the making of strategic decisions.
- Being informed, at least on a quarterly basis, of the monitoring of the RAF by the Risk Committee, without prejudice to the information that it may request of the latter at any given time.

- Taking all relevant corrective measures when deemed appropriate.
- Specifically approving, where appropriate, the maintenance of situations that involve an exceedance of a limit.

#### The Risk Committee

The following are among its main functions:

- Advising the Board of Directors on the Bank's overall risk appetite—current and future—and its strategy in this area and helping it to monitor the implementation of this strategy.
- Ensuring that all risk control and management systems work properly and, in particular, that any significant risks that affect the Company are properly identified, managed, and quantified.
- Ensuring that all risk control and management systems properly mitigate the risks within the framework of the policy defined by the Board of Directors.
- Actively taking part in drawing up the Company's risk management policy, ensuring that it identifies at least the following:
  - The different types of financial and non-financial risks (including, among others: operational, technological, legal, social, environmental, political and reputational) that the Company faces, contingent liabilities and other off-balance sheet risks being counted among the financial and economic risks.
  - The level of risk that the Company considers acceptable.
  - The measures envisaged to mitigate the impact of the risks identified, should they materialize.
  - The information and internal control systems that will be used to control and manage the aforementioned risks, including all contingent liabilities and off-balance sheet risks.
- In particular, within the RAF:
  - Proposing to the Board of Directors the approval of the RAF and its subsequent modifications.
  - Informing the Board of Directors, at least quarterly or at any time at it requests it, on the monitoring of the RAF.
  - Requesting, when it deems it convenient, information about the RAF from the various units.
  - Propose the appropriate remedial measures according to the protocol established in the event of a limit violation.
  - Proposing to the Board of Directors, where appropriate, the maintenance of situations that involve the exceedance of a limit.

#### The Regulatory Audit and Compliance Committee

This Commission has functions pertaining to:

- Information and internal control systems, supervising, among others, the effectiveness of the internal financial information control system (IFICS).
- Internal audits.
- Accounts audits.
- Observance of corporate governance rules.

- Regulatory compliance-
- Structural and corporate modification operations planned by the Bank

Among these functions, in relation to financial and non-financial risks, the supervision of the risk control and management system as a whole, in coordination, as necessary, with the Risk Committee and the Sustainability Committee, stands out.

#### The Technology and Innovation Commission

Among the functions conferred on this Commission is the monitoring of the technological risk in general.

#### Sustainability Committee

Among the functions attributed to this Committee is the monitoring of the processes of identification, evaluation, control and management of risks in the area of sustainability.

#### The Steering Committee

Among its functions, the following related to the RAF stand out:

- Validating and, where appropriate, submitting to the Governing Bodies proposals for documents relating to the Bank's strategic planning, among which is the RAF.
- Conveying the RAF's main criteria, whether they be the initial criteria or their subsequent adaptations, to the rest of the Bank, through the units that are in charge of each area, with the aim of having a solid "risk culture" at Unicaja.
- Evaluating the implications of the RAF, in their respective areas of competence, in coordination with the Bank's internal Committees, which will in turn inform the competent units of them if necessary.

### 2.3. Risk Control Model

The risk management and control model adopted by the Bank contemplates both financial and non-financial risks, among which the following risks should be mentioned:

- Credit risk, 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 the concentration and management of nonperforming loans

Credit risk is defined as the risk of incurring losses as a result of a default on payments due to the Company. This risk is inherent to its operation.

Unicaja has a document approved by the Board of Directors entitled Customer Credit Risk Policies which it has established as the framework for properly controlling and managing the credit risks inherent to its credit investment.

It defines the mandatory risk policies and procedures, details the activities and tasks to be performed, delimits the responsibilities of the different areas involved in the processes of granting and monitoring operations, establishes the risk predisposition decided by the Company and its articulation through risk limits and types of operations, and documents in a structured and unified manner all of the general and specific aspects related to a large part of the credit investment operations.

Likewise, the Unicaja Group has scoring and rating models integrated in its approval, monitoring and recovery processes. The PD (probability of default), LGD (loss given default) and EAD (exposure at default) estimates are taken into account in different uses, such as the granting of operations, the calculation of provisions or the classification of credit transactions.

Additionally, it should be noted that in 2021 Unicaja received authorization from the European Central Bank to use internal models relating to the retail portfolio (not SMEs) to calculate its solvency ratios. At the end of 2023, approval has been received to extend this authorization to the perimeter of exposures originated in Liberbank, S.A. prior to the integration.

Regarding the granting of credit transactions, Unicaja 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 currency. Interest rate variability. The Interest rate risk cover.
- The exceptions policy on the terms and conditions of transactions.
- A warning to the customer about their failure to compliance with their payment obligations.
- A debt renegotiation policy.
- Information on the cost of services related to the granting of the credit transaction.
- The obligation to provide information to home buyers by subrogation of a developer loan.
- Other aspects of responsible lending policies and procedures.

On the other hand, the Unicaja Group has implemented systems for compliance with Law 5/2015 on the promotion of business activity, which recognizes inalienable rights for SMEs and the self-employed in those cases in which a credit institution decides to cancel or reduce the flow of finance. In addition, the granting of credit operations must be subject, depending on their beneficiaries, nature, amount, term, guarantees, and characteristics, to a decentralized approval process based on the joint powers of the following decision-making bodies:

- The Board of Directors
- Credit Risk Committee.

- Risk Admission Committee
- Corporate Banking and Specialized Financing Risk Analysis Committee.
- Individuals Analysis Committee
- Mortgage Analysis Committee
- Territorial Risk Committee
- Territorial Analysis Committee
- Office Risk Committee.

Likewise, the credit risk control functions and methodologies are applied both during the credit transaction approval phase and the credit transaction follow-up and recovery phases. Follow-up consists in monitoring the evolution of the risk of the transaction itself and of the customer or, where applicable, the economic group. Thus, the credit risk of the financial investment is controlled and monitored by means of various checks:

- The preventive supervision of operations and credit receivers.
- The supervision of all impaired, doubtful or unpaid transactions.

Pursuant to the provisions of the regulations in force, the Unicaja Group has a policy for refinancing, restructuring, renewing and renegotiating transactions.

In addition, the Unicaja Group has methodologies, procedures, tools and rules of action for controlling and recovering irregular assets.

Unicaja has adapted its policies, processes and tools for the identification and measurement of credit risk in the context derived from the COVID-19 pandemic.

#### Market risk

Market risk is defined as the possibility of the Bank incurring a negative impact from holding positions in the portfolio as a result of adverse movements of the financial variables or of risk factors that determine the value of such positions.

Even though market risk is assigned to trading positions for solvency purposes, the Unicaja Group has developed policies, processes and tools for managing the market risk corresponding to its entire portfolio of securities entered at a fair value for accounting purposes.

For the adequate management of market risk, the Bank has tools for measuring, calculating and controlling market risks and the limits authorized by the Board of Directors. The most important of these are Value at Risk (VaR) and the operating limits for credit/counterparty risk that affect the Unicaja Group's operations in capital markets, serving as a means of diversification in order to avoid excessively concentrated exposures to market risk.

The Unicaja Group carries out the measurement and control function by establishing a structure of quantitative limits and a delegation scheme in financial market operations. The Group has detailed information on the different subrisks and has assigned limits within its Risk Appetite Framework that allow it to adequately monitor and, if necessary, mitigate such risks.

The ultimate responsibility for risk identification and control lies with the Governing Bodies of the Unicaja Group. Executive management is therefore responsible for and actively participates in the entire risk management process (planning, approval, assessment and control of all risks inherent in the positions taken by the Bank in financial markets).

### Interest rate risk in the banking book (IRRBB)

**Interest rate risk in the banking book (IRRBB)** is defined as the current or future risk to both the earnings and economic value of the Bank arising from adverse interest rate fluctuations affecting interest rate sensitive instruments.

The control functions performed and methodologies employed by the Bank also include the control of the effectiveness of balance sheet coverages as mitigation instruments and the use of stress testing measures. Thus, in the analysis, measurement and control of the interest rate risk assumed by the Group, it uses sensitivity measurement and analysis techniques of a wide range of scenarios that could significantly affect it to capture the different sources of risk.

Based on the results of the structural interest rate risk exposure the Unicaja Group obtained on each analysis date, a series of actions aimed at mitigating such exposure are implemented until it is brought back to the acceptable levels defined by the Bank's risk profile, should this be necessary.

The Board of Directors approves the Bank's overall risk management strategy and laid down the general and control guidelines of this management.

The Assets and Liabilities Committee (ALC) develops the strategy within the framework and limits established by the Board of Directors.

### Liquidity risk

**Liquidity risk** can be defined differently since it is not a mono-dimensional concept. Typically liquidity risk has three different meanings, which we will define hereinbelow as:

- The cost of unwinding a position in a real or financial asset. It refers to the difficulties that may arise when unwinding or closing a position in the market, at a particular point in time, without impacting the market price of the instruments or the cost of the transaction (market or asset liquidity).
- A mismatch between the degree of enforceability of liability operations and the degree of performance of asset operations (funding liquidity).
- A mismatch between the capabilities for growth of the investment activity arising from the impossibility of finding financing commensurate with the risk appetite to leverage asset growth strategies (strategic or structural liquidity).

The Bank establishes prudent policies and goals that contemplate not only normal market conditions but also contingency plans for stress or crisis situations, both its own and of the market.

The Unicaja Group has set limits to the liquidity risk to control its exposure thereto and maintain such exposure within authorized levels.

Generally speaking, liquidity is considered adequate if potentially liquid assets and funding capacity are greater than the needs arising from the business and the costs of refinancing in the markets. The greater this difference, the greater the available liquidity.

The Unicaja Group also practices a diversification policy in order to avoid excessively concentrated exposures to the structural liquidity risk. 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 Bank's balance sheet.

The Unicaja Group sets limits to the real estate risk relating to assets received in payment for debts in order to control this exposure and keep it within adequate levels.

These assets are managed in the Bank with the ultimate purpose of divesting or leasing them. To this end, the Unicaja Group has holding companies specializing in the management of urban development projects, the marketing of real estate and the leasing of real estate assets.

It also has specific units to develop these strategies and coordinate the actions of the instrumental subsidiaries.

In addition, the Bank has a decentralized governance structure that, through a framework of attributions, ensures this risk is properly managed and controlled.

### Operational risk

**Operational risk** is defined as the risk of suffering losses due to the unsuitability or failure of company procedures, people or systems or to external events, including the legal risk.

Unicaja assumes the following types of operational risk, pursuant to Regulation 575/2013 (CRR), in order to maintain a uniform and parameterized management of risk, in accordance with the standards defined in the New Basel Capital Accord (NBCA):

- Internal fraud
- External fraud
- Employment and occupational health and safety practices
- Customers, products and business practices
- Damage to tangible physical assets
- Interruption of the activity and system failures
- Process execution, delivery and management

The emergence in recent years of new potential risks for financial institutions is driving the transition towards an Operational Risk management model in Unicaja that contemplates an expanded taxonomy that addresses new emerging or potential risks, incorporating 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.

The Unicaja Group has established a series of procedures for capturing operational loss events.

These provide the Group with the necessary information to be able to implement the corresponding mitigation instruments of its operational risk management policy. Likewise, it has a Board of Directors-approved Operational Risk Policy.

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 Group uses other operational risk mitigation measures to manage the operational risk. These measures include (i) the performance of self-assessment exercises and (ii) the system of key risk indicators (KRI) for measuring the evolution of risk factors.

Since December 2017, the Company has been using the Standardized Approach as its methodology for the quantification of Operational risk in terms of capital, with the objective of improving its operational risk management, in line with the Company's risk culture.

Among the types of risks included within operational risk are technology risk, defined as the risk arising from system, network and hardware or software failures; and information security risk (including cybersecurity), which considers the risk arising from information security incidents, including the loss, theft or misuse of information (of all types, customers, employees, owned by the organization), as well as non-compliance with rules relating to information security. In relation to these risks, Unicaja has a catalog of metrics for their quantification, control and monitoring within the Bank's Risk Appetite Framework. It also ensures the proper governance of these risks to provide resilient and quality services to its customers, shareholders, and other stakeholders.

Furthermore, model risk is also included, which includes losses arising as a consequence of decisions based mainly on the result of (internal) models, due to errors in the development, implementation or use of such models. The Models Committee is the governing body responsible for the supervision, approval and ratification of all those processes in the life cycle of the corporate models that require it.

Within operational risk there is also conduct risk, defined as risk caused by inadequate practices in the relationship of the Bank or its employees with its customers, the treatment and the products offered and their suitability. The Unicaja Group ensures the correct creation, issuance and distribution of products and the proper provision of services while ensuring compliance with current legislation. One of the Bank's aims is to ensure that new products are subjected to the necessary analysis and review procedures in order to mitigate the risk of litigation as far as possible.

#### Reputational risk

Reputational risk is defined as the probability of incurring losses in value as a consequence of a deterioration in the perception that its *mainstakeholders* have of its corporate reputation.

The Unicaja Group has traditionally been very demanding as regards aspects relating to reputational risk management.

Customer satisfaction and the good image of the Bank are permanent goals of all its employees and of the Company's highest levels of governance and management.

This constant effort to maintain and reinforce its good image is rooted in its global culture and is embodied in, among other concrete manifestations:

- The Bank's strategic objectives.
- The Code of Conduct, the Corporate Social Responsibility Policy, the Sustainability Policy, Environmental, the Energy and Climate Change Policy and the Criminal Risk Prevention Program approved by the Board of Directors.
- The actions of the three lines of defense.
- Compliance with the general regulatory framework and, in particular, with the Markets in Financial Instruments Directive (MiFID) and financial service user protection regulations.
- The process of continuously training employees in all areas in which they work, including, specifically, training in ethical aspects, as established in the "Code of Conduct".

#### Business and strategic risk

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 Group analyzes potential vulnerabilities through sensitivities and stress exercises. In addition, through the Risk Appetite Framework, metrics related to business and strategic risk are defined and monitored on a recurring basis.

*Risks related to environmental, social and governance factors.*

Environmental, social and governance (ESG) factors may have a significant short-, medium- and long-term impact on the Bank's financial and non-financial risks, as any of these factors may have a material adverse impact on the Group's financial position, business and operating results.

Climate-related and environmental risks (environmental ESG factor) are risks arising from the Bank's exposure to counterparties that might potentially contribute to or be adversely affected by environmental factors, including factors resulting from climate change and other types of environmental degradation. These risks are generally considered to comprise two main risk factors affecting economic activities, which in turn have an impact on the financial system. These are:

- Physical risk, which refers to the financial impact of a changing climate, including more frequent extreme weather events and gradual changes in climate, as well as environmental degradation, such as air, water and land pollution, loss of biodiversity and deforestation.

Physical risk is 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 Bank's financial losses that might arise directly or indirectly from the process of adapting to a lower carbon and more environmentally sustainable economy.<sup>1</sup> 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 Bank 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.

In order to properly manage ESG risks (which encompasses climate-related and environmental risks), the Bank launched a series of initiatives, including an Action Plan on Sustainable Financing, approved in June 2020, revised in April and November 2021 and completed in 2023, whose purpose is to measure in depth the impact of such risks on its financial structure and to enable it to act efficiently in this area in the medium and long term.

In 2023, the Bank continued to incorporate climate and environmental factors into risk decision-making, with a special focus on the risk admission process in the corporate segment.

<sup>1</sup> The European Union aims to achieve a neutral balance of greenhouse gas emissions by 2050 (see, for example, the "European Green Pact," published by the European Commission in December 2019). This purpose has materialized in a binding normative text known as the "European Climate Law:" Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) 41/2009 and (EU) 2018/1999. As far as Spain is concerned, Law 7/2021, of May 20, on climate change and energy transition, which affects, among other aspects, transparency and disclosure of information by financial institutions, in general, and by banks, in particular, is worth highlighting.

### 3. Post-Year-End Events

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

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

In the period from year-end on December 31, 2023, 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.

#### 4. Research and development

In 2023 and 2022, the Bank did not carry out research and development activities of significant amount.

## 5. Environmental impact

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. The Bank did not made any significant investments of an environmental nature in 2023 and 2022 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. Treasury shares

As of December 31, 2023, the Bank holds 2,840,973 treasury shares (198,770 treasury shares as of December 31, 2022).

The breakdown of own shares at December 31, 2023 and 2022 is as follows:

	2023		2022	
	Number of shares	Thousands of euros	Number of shares	Thousands of euros
<b>Balance of treasury shares at the beginning of the period</b>	<b>198,770</b>	<b>148</b>	<b>4,331,832</b>	<b>3,359</b>
Effect of the merger by absorption of Liberbank	-	-	-	-
Acquisitions by Unicaja	9,231,783	9,056	62,346	15
Sales made by Unicaja	(6,589,580)	(6,522)	(4,195,408)	(3,226)
<b>Balance of treasury shares at the end of the period</b>	<b>2,840,973</b>	<b>2,682</b>	<b>198,770</b>	<b>148</b>

The net acquisitions of treasury shares acquired by Unicaja in 2023 were for a nominal amount of 2,534,000 euros (3,211,000 euros in 2022).

## 7. Deferral of payments to suppliers

Payments made by the Unicaja Group to suppliers exclusively for the rendering of services and the supply of sundry services during 2023 amounted to 367,445,000 euros (435,177,000 euros in 2022), which were made within the legally and contractually established terms. The balance pending payment to suppliers at December 31, 2023 and 2022 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, 29014 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 2023 and 2022 is 9.29 days and 14.22 days respectively, while the ratio of transactions paid for said fiscal years amounts to 9.31 days and 14.22 days respectively, and the ratio of transactions pending payment amounts to 7.5 days and 14.27 days respectively.

The average payment period was within the legal limits set in the regulations, so the inclusion in the management report of the measures provided for in Section 1 of Article 262 of the Consolidated Text of the Capital Companies Act does not apply.

Additionally, Law 18/2022 requires trading companies to provide additional information as of 2022 regarding the monetary volume and number of invoices paid in a period shorter than the maximum legally established (30 days), as well as the percentage they represent of the total. In this regard, Unicaja paid a total of 156,565 invoices during 2023, of which 154,305 invoices were paid within the legal maximum term (98.56% of the total). In terms of monetary volume, Unicaja paid a total of 367,445,000 euros during 2023, of which 344,577,000 euros were paid in a period less than the legal maximum (93.78% of the total). Unicaja 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 paid a total of 435,177,000 euros during 2022, of which 366,997,000 euros were paid in a period less than the legal maximum (84.33% of the total).

## **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, 2010 and Law 22/2015 of July 20, 2015 on Auditing of Accounts, regarding non-financial information and diversity, the Unicaja Group has prepared the Consolidated Statement of Non-Financial Information regarding fiscal year 2023, which is included as a separate document attached to the Consolidated Management Report for fiscal year 2023, pursuant to the provisions of Article 44 of the Code of Commerce. The individual information corresponding to Unicaja has been included in this separate document attached to the consolidated management report, which will be filed with the Mercantile Registry of Málaga.

## **ANNUAL CORPORATE GOVERNANCE REPORT**

The Annual Corporate Governance Report of Unicaja Banco, S.A. for the fiscal year ended on December 31, 2023 has been appended hereto as an integral part of this consolidated management report.



---

ISSUER'S IDENTIFICATION DETAILS

---

End date of the year concerned:

12/31/2023

Tax identification number

A93139053

Company Name:

UNICAJA BANCO, S.A.

Registered office:

AV. ANDALUCIA N.10-12 (MALAGA)

## A. OWNERSHIP STRUCTURE

- A.1.** Complete the following table on the share capital and voting rights attributed, including, if applicable, those corresponding to shares with loyalty voting rights, as of the closing date of the fiscal year:

State whether the Company's bylaws contain a provision for double voting for loyalty:

☐ Yes

☒ No

Date last modified	Share capital (euros)	Number of shares	Number of voting rights
1/14/2022	663,708,369.75	2,654,833,479	2,654,833,479

Are there various classes of shares with different associated rights?

☐ Yes

☒ No

- A.2.** List the direct and indirect holders of significant shareholdings at the end of the year, excluding directors:

Name or company name of the shareholder	% voting rights attributed to shares		% voting rights through financial instruments		% total voting rights
	Direct	Indirect	Direct	Indirect	
FUNDACIÓN BANCARIA UNICAJA	30.24	0	0	0	30.24
TOMÁS OLIVO LÓPEZ	0	9.1	0	0	9.1
INDUMENTA PUERI, S.L.	0	8.54	0	0	8.54
NORGES BANK	7.44	0	0.03	0	7.47
FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	6.67	0	0	0	6.67
SANTA LUCÍA, S.A. CIA DE SEGUROS	5.03	0.14	0	0	5.17

Breakdown of the indirect stake:

Name or company name of the indirect owner	Name or company name of the direct owner	% voting rights attributed to shares	% voting rights through financial instruments	% total voting rights
TOMÁS OLIVO LÓPEZ	DESARROLLOS LA CORONELA, S.L.	9.1	0	9.1
INDUMENTA PUERI, S.L.	GLOBAL PORTFOLIO INVESTMENTS, S.L.	8.54	0	8.54

Indicate the most significant movements in the shareholding structure during the year.

#### Most significant movements

- On March 17, 2023, NORGES BANK announced that its direct and indirect shareholding had exceeded 3% of the share capital.
  - On June 22, 2023, NORGES BANK announced that its direct and indirect shareholding had exceeded 5% of the share capital.
  - On August 9, 2023, SANTA LUCIA, S.A. CIA DE SEGUROS announced that its direct and indirect shareholding had exceeded 3% of the capital stock.
  - On October 25, 2023, SANTA LUCIA, S.A. CIA DE SEGUROS announced that its direct and indirect shareholding had exceeded 5% of the capital stock.
  - On March 9, 2023, OCEANWOOD CAPITAL MANAGEMENT LLP announced that its shareholding, both direct and indirect, had exceeded 7% of the share capital.
- On August 5 and 7, 2023, OCEANWOOD CAPITAL MANAGEMENT LLP announced the transfer of its entire direct and indirect shareholding in Unicaja Banco.

**A.3.** Regardless of the percentage, list the shareholding at year-end of the members of the Board of Directors who hold voting rights attributed to shares of the Company or through financial instruments, excluding the directors identified in section A.2 above:

Name or company name of the director	% of voting rights attributed to shares (including loyalty voting rights)		% voting rights through financial instruments		% total voting rights	Of the total % of voting rights attributed to the shares, indicate, if applicable, the % of additional voting rights attributed to loyalty voting shares	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
MANUEL AZUAGA MORENO	0.01	0	0	0	0.01	0	0
ISIDRO RUBIALES GIL	0	0	0	0	0	0	0
RAFAEL DOMÍNGUEZ DE LA MAZA	0	0	0	0	0	0	0

Name or company name of the director	% of voting rights attributed to shares (including loyalty voting rights)		% voting rights through financial instruments		% total voting rights	Of the total % of voting rights attributed to the shares, indicate, if applicable, the % of additional voting rights attributed to loyalty voting shares	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
FELIPE FERNÁNDEZ FERNÁNDEZ	0.01	0	0	0	0.01	0	0

% total voting rights held by members of the Board of Directors	0.02
---	------

The shareholdings of Isidro Rubiales Gil and Rafael Domínguez de la Maza do not reach the percentage of voting rights of two decimal places over the total.

Breakdown of the indirect stake:

Name or company name of the director	Name or company name of the direct owner	% of voting rights attributed to shares (including loyalty voting rights)	% voting rights through financial instruments	% total voting rights	Of the total % of voting rights attributed to the shares, indicate, if applicable, the % of additional voting rights attributed to loyalty voting shares
No data					

State the total percentage of voting rights represented on the board:

% total voting rights held by the Board of Directors	45.47
--	-------

The total percentage of voting rights held by the Board of Directors includes: (i) the percentage of the total voting rights held, directly or indirectly, by the directors of the company (0.02%), regardless of whether they are significant shareholders and (ii) the percentage represented by the proprietary directors appointed by significant shareholders who do not directly hold the status of director and who are: Fundación Bancaria Unicaja (30.24%), Fundación Caja Asturias (6.67%), and Global Portfolio Investments, S.L. (8.54%).

- A.4.** Where appropriate, specify any family, business, contractual or corporate relationships among significant shareholders that the company is aware of, unless they are immaterial or are the result of the normal course of business and except those reported in Section A.6:

Related party's name or company name	Type of relationship	Brief description
--------------------------------------	----------------------	-------------------

No data		
---------	--	--

**A.5.** Indicate, where appropriate, any business, contractual or corporate relationship among significant shareholders, and the company and/or group thereof, unless they are immaterial or are the result of the normal course of business:

Related party's name or company name	Type of relationship	Brief description
FUNDACIÓN BANCARIA UNICAJA	Corporate	Management Protocol for the financial stake of Fundación Bancaria Unicaja (FBU) in Unicaja Banco. This protocol regulates, among other areas, the following aspects: Basic strategic criteria governing FBU's management of its stake in Unicaja Banco. Relations between the FBU Board of Trustees and Unicaja Banco's governing bodies. General criteria for transactions between FBU and Unicaja Banco and mechanisms to avoid possible conflicts of interest.
FUNDACIÓN BANCARIA UNICAJA	Contractual	Tax consolidation agreement entered into between Fundación Bancaria Unicaja and Unicaja Banco on December 23, 2015. Its purpose is to regulate the rules and criteria applicable to the tax consolidation regime between FBU and Unicaja Banco.
FUNDACIÓN BANCARIA UNICAJA	Contractual	Trademark use license agreement between FBU and Unicaja Banco, entered into on December 23, 2015 and last updated on January 11, 2024. The purpose of this agreement is the assignment by FBU to Unicaja Banco of a license to use the trademark "Unicaja" in all its forms and manifestations.
FUNDACIÓN BANCARIA UNICAJA	Commercial	Internal Protocol of Relations between FBU and Unicaja Banco signed on December 1, 2016. Its purpose is (a) to establish the general criteria that will govern the transactions or the provision of services between the parties and (b) to ensure that Unicaja Banco's financial activity is managed independently of the social charity activities or other activities of FBU, avoiding in all cases conflicts of interest.
FUNDACIÓN BANCARIA UNICAJA	Contractual	Protocol on information flows signed on February 24, 2017 between FBU and Unicaja Banco, which aims to set forth the information flows between both entities, linked to their participation in accordance with Law 26/2013.

Related party's name or company name	Type of relationship	Brief description
FUNDACIÓN BANCARIA UNICAJA	Contractual	Lease agreement for the use of works of art in the Company's facilities, signed on December 30, 2021.
FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	Contractual	Agreement for the provision of services and collaboration on certain matters, last updated on July 1, 2021.
FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	Contractual	Lease agreement for a multipurpose pavilion located at the Luis Adaro fairgrounds in Gijón, in which Unicaja Banco is the lessee. Formalized on July 1, 2015.
FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	Contractual	Master lease agreement for non-housing use, in which Unicaja is the lessor. Contract signed on August 1, 2021 and renewed on December 15, 2023.

- A.6.** Describe any relationships, unless they are immaterial for both parties, between significant shareholders or shareholders represented on the board and the directors or the representatives thereof, in the case of directors that are legal entities.

Explain, where appropriate, how significant shareholders are represented. Specifically, indicate any directors who were appointed as representatives of significant shareholders, any whose appointments were promoted by significant shareholders or who were associated with significant shareholders and/or entities from their group. Also specify the nature of such relationships. In particular, indicate, where appropriate, the existence, identity and position of directors or director representatives of the listed company that are also members of the board of directors or director representatives of companies that hold significant shareholdings in the listed company or in entities in said significant shareholders' group.

Name or company name of the related director or representative	Name or company name of the related significant shareholder	Name of the significant shareholder's group company	Description of the relationship/position
RAFAEL DOMÍNGUEZ DE LA MAZA	INDUMENTA PUERI, S.L.	MAYORAL MODA INFANTIL, S.A.U.	GENERAL MANAGER
RAFAEL DOMÍNGUEZ DE LA MAZA	INDUMENTA PUERI, S.L.	WILMINGTON CAPITAL, S.L.	SOLE ADMINISTRATOR
RAFAEL DOMÍNGUEZ DE LA MAZA	INDUMENTA PUERI, S.L.	GLOBAL PORTFOLIO INVESTMENTS, S.L.	SOLE ADMINISTRATOR
RAFAEL DOMÍNGUEZ DE LA MAZA	INDUMENTA PUERI, S.L.	N/A	CEO
NATALIA SÁNCHEZ ROMERO	FUNDACIÓN BANCARIA UNICAJA	N/A	N/A
JOSE RAMÓN SÁNCHEZ SERRANO	FUNDACIÓN BANCARIA UNICAJA	N/A	N/A
MIGUEL GONZÁLEZ MORENO	FUNDACIÓN BANCARIA UNICAJA	N/A	N/A
JUAN ANTONIO IZAGUIRRE VENTOSA	FUNDACIÓN BANCARIA UNICAJA	N/A	N/A
FELIPE FERNÁNDEZ FERNÁNDEZ	FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	N/A	N/A

- A.7.** State whether shareholders' agreements affecting it have been communicated to the company in accordance with the provisions of articles 530 and 531 of the Capital Companies Act. If applicable, briefly describe them and list the shareholders that are bound by the agreement:

☐ Yes  
☒ No

State whether the company is aware of the existence of concerted actions by its shareholders. If applicable, please describe them briefly:

☐ Yes

☒ No

Specifically state any modification or breach of these covenants, agreements or concerted actions that took place during the fiscal year:

**A.8.** State whether there is any individual or legal person that exercises or may exercise control over the company in accordance with Article 5 of the Securities Market Law. If so, please identify them:

☐ Yes

☒ No

**A.9.** Fill in the following table regarding the company's treasury stock:

At the end of the year:

Number of direct shares	Number of indirect shares (*)	% total share capital
2,840,973	86,293	0.11

(\*) Through:

Name or company name of the direct owner of the shares	Number of direct shares
UNIÓN DEL DUERO COMPAÑÍA DE SEGUROS DE VIDA, S.A.	86,293
Total	86,293

As of December 31, 2023, Unicaja Banco directly owns 100% of Unión del Duero Compañía de Seguros de Vida, S.A.

Explain any major changes that took place in the year:

#### Explain the significant variations

As announced through Other Relevant Information on November 24, 2023, the Bank entered into a Liquidity Agreement with Renta 4 Banco, S.A. on November 6, 2023, by virtue of which, once the prior share acquisition period had concluded, 2,425,000 shares were deposited in the securities account associated with the Liquidity Agreement.

**A.10.** Describe the conditions and duration of the authorization by the shareholder meetings of the Board of Directors to issue, repurchase or transfer treasury shares:



Pursuant to the resolutions adopted by the Ordinary General Shareholders' Meeting held on March 31, 2021, the Board of Directors is authorized, as broadly as required by law, for the derivative acquisition and/or acceptance as guarantee of own shares of Unicaja Banco, S.A., in compliance with the requirements and limitations established in the legislation in force from time to time, under the following terms:

- Methods of acquisition: On one or more occasions, the acquisition may be made by purchase and sale or any other onerous title admitted by law.
- 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.
- Maximum and minimum countervalues: The equivalent value at which the aforementioned transactions may be carried out will be the listed value of the shares of Unicaja Banco, S.A. (the "Company") in the last transaction in which the Company did not act on its own account on the Continuous Market (including the block market), with a maximum change of ten percent (increase or decrease).
- Duration of the authorization: five (5) years from the date of this agreement, terminating on March 31, 2026.

It is expressly stated for the record that the shares acquired as a result of this authorization may be used both for their disposal under any title or redemption and for the application of the remuneration systems discussed in the third paragraph of Article 146, Point 1, (a) of the Capital Companies Act or to cover any remuneration plan based on shares or linked to the share capital.

Furthermore, the Controlled Companies are authorized for the purposes of the second paragraph of Article 146, Section (a) of the Capital Companies Act, to acquire shares in the Parent Company, under the same terms and with the same limits as those set out in the preceding agreement.

The Ordinary General Shareholders' Meeting on March 31, 2021 also delegated the power to issue securities convertible into Company shares, for a maximum amount of 500,000,000 euros or its equivalent in another currency to the Board of Directors, with powers to increase the capital by the necessary amount and exclude the shareholders' preemptive. These securities may be issued on one or more occasions, at any time, within a maximum period of five years, where at the date of the approval of this report this option had not been exercised.

#### A.11. Estimated floating capital:

	%
Estimated floating capital	32.68

The Company's estimated floating capital, after subtracting from the Company's share capital at December 31, 2023, the capital held by the direct and indirect holders of significant shareholdings (Section A.2), the members of the Board of Directors (Section A.3) and the capital held by the Company in treasury stock (Section A.9).

**A.12.** State whether there are any restrictions (statutory, legislative or any other nature) on the transmission of securities and/or any restrictions on voting rights. Specifically, mention any type of restrictions that might hinder a company take over through the acquisition of its shares on the market, as well as any prior notice or authorization schemes that cover acquisitions and transfers of the company's financial instruments and are applicable under sectoral legislation.

- ☐ Yes  
☒ No

#### Description of restrictions

There are no statutory restrictions on the free transferability of the Company's securities.

Regarding legal restrictions, Law 10/2014, of June 26, on the regulation, supervision and solvency of credit institutions, establishes in its Article 17 "Duty of notification of the acquisition or increase of significant shareholdings: Any natural or legal person (hereinafter, the potential acquirer) who, acting alone or jointly with others has decided either to directly or indirectly acquire a significant shareholding in a Spanish credit institution, or to directly or indirectly increase their shareholding in same in such a way that the percentage of voting rights or capital held is equal to or greater than 20%, 30% or 50%, or that, by virtue of the acquisition, could come to control the credit institution (hereinafter, the proposed acquisition) should notify the Bank of Spain in advance, indicating the amount of the intended shareholding and including all of the information that may be determined by regulations. This information will be relevant to the assessment and proportionate and appropriate to the nature of the prospective acquirer and the proposed acquisition."

Article 25 of Royal Decree 84/2015, of February 13, 2015, implementing Law 10/2014, of June 26, 2014 on the regulation, supervision and solvency of credit institutions, states that the Bank of Spain will evaluate proposed acquisitions of significant shareholdings and will submit a proposal for a decision to the European Central Bank for the latter to decide whether to oppose the acquisition. It also establishes the requirements and deadlines for the evaluation. There are no legal or statutory restrictions on the exercise of voting rights.

**A.13.** State whether the General Meeting has agreed to adopt neutralization measures against a takeover bid by virtue of the terms of Law 6/2007.

☐ Yes

☒ No

If applicable, explain the measures approved and the terms under which the inefficiency of the restrictions will occur:

**A.14.** State whether the company has issued securities that are not traded on a regulated market in the European Union.

☐ Yes

☒ No

If applicable, specify the different classes of shares and, for each class thereof, the rights and obligations to which they are entitled:

## **B. GENERAL SHAREHOLDERS' MEETING**

**B.1.** Give details, providing details where appropriate, of any differences vis-à-vis the rules of minimum requirements envisaged in the Capital Companies Act with regard to the quorum of the general meeting:

☐ Yes

☒ No

**B.2.** Specify, providing details where appropriate, any differences vis-à-vis the rules envisaged in the Capital Companies Act for the adoption of corporate resolutions.

☐ Yes

☒ No

**B.3.** Outline the regulations applicable to changes in the company's bylaws. Specifically, indicate the majorities established for changing the Company's bylaws, as well as, where appropriate, the regulations established for protecting the rights of shareholders in the face of changes to these bylaws.

The Bylaws and the Regulations of the General Meeting of the Company contain a to the to the system established in the Capital Companies Act with regard to the rules applicable to the modification of bylaws and, specifically, to the majorities required for modification and the protection of the rights of the shareholders.

It is hereby stated for the record that, being a credit institution, the amendment of the bylaws of the Entity is subject to the administrative authorization of the Bank of Spain, under the terms set forth in art. 10 of Royal Decree 84/2015, of February 13, implementing Law 10/2014, of June 26, on the regulation, supervision and solvency of credit institutions. However, having notified the Bank of Spain for registration in the Register of Credit Institutions, the following are exempt from this authorization: (a) changes to the registered office within the national territory, (b) share capital increases, (c) to incorporate textually legal or regulatory precepts of an imperative or prohibitive nature into the bylaws, or to comply with judicial or administrative resolutions and (d) those other amendments for which the Bank of Spain, in response to a prior consultation formulated to that effect by the bank concerned, has considered it unnecessary, due to their insignificance, to go through the authorization process.

As Unicaja Banco is a significant credit institution subject to the supervision of the ECB through the Single Supervisory Mechanism (SSM), Bank of Spain authorization needs to be previously submitted, except in cases that only require the aforesaid communication.

**B.4.** Enter the attendance data for the general meetings held in the year to which this report refers and those of the two previous years:

	Attendance data				
Date of the general meeting	% of physical presence	% represented	% voting remotely		Total
			Electronic	Others	
3/31/2021	0	23.45	0	51.24	74.69
Of which is floating capital	0	14.26	0	0.4	14.66
4/1/2021	0	23.84	0	50.14	73.98
Of which is floating capital	0	14.98	0	0.26	15.24
3/31/2022	4.03	72.63	0.01	0	76.67
Of which is floating capital	3.81	22.12	0.01	0	25.94
3/30/2023	12.55	73.53	0.01	0	86.09
Of which is floating capital	3.94	27.11	0.01	0	31.06
11/14/2023	9.53	62.69	0.01	0	72.23
Of which is floating capital	0.97	11	0.01	0	11.98

The data included corresponding to 03/31/2021 represents the attendance of the Extraordinary General Shareholders' Meeting held on March 31, 2021.

The data included corresponding to 04/01/2021 represents the attendance of the Ordinary General Shareholders' Meeting held on March 31, 2021, as a control on the National Securities Market Commission form does not allow the same date to be repeated.

The data relating to the shareholding in floating capital is approximate, as the holdings of significant foreign shareholders are held through nominees.

In relation to the participation data of the General Shareholders' Meetings held in 2021, it is reported that, pursuant to the provisions of Royal Decree-Law 8/2020 of March 17, 2020 on extraordinary urgent measures to face the economic and social impact of Covid-19 and Royal Decree-Law 34/2020 of November 17, 2020 on urgent measures to support the business solvency and the energy sector and on tax matters, the Board of Directors agreed that the General Shareholders' Meetings in those fiscal years would be held exclusively by telematic means, in other words, without the physical attendance of shareholders or proxies. Therefore, in the column "Others", for the data of the General Meetings held in 2021, the shareholders present by telematic means are included.

**B.5.** State whether there have been any items on the agenda at the general meetings held during the year that were not approved by the shareholders for any reason:

☒ Yes  
☐ No

**Agenda items that have not been approved and percentage of votes against or reason why the item was not approved**

At the Ordinary General Shareholders' Meeting held on March 30, 2023, items 5.5 and 5.6. relating to the ratification of two independent directors who had been appointed by the Board of Directors by cooptation were not approved.

**B.6.** State whether there is any restriction in the bylaws that states that a minimum number of shares need to be held in order to attend the general meeting or to vote remotely:

☒ Yes  
☐ No

Number of shares required to attend the general shareholders' meeting	1,000
Number of actions required to vote remotely	1

Pursuant to Article 9.3 of the Company's Bylaws, the General Shareholders' Meeting may only be attended by shareholders who hold at least 1,000 shares and have the shares representing such capital recorded in the corresponding registry at least five days prior to the date on which the meeting is to be held. Holders of smaller number of shares may group together until they reach at least that number, at which point they can appoint their representative.

**B.7.** State whether it has been established that certain decisions, other than those established by Law, that involve an acquisition, disposal, the contribution of essential assets to another company or other similar corporate operations must be submitted to the general shareholders' meeting for approval:

☒ Yes  
☐ No

**B.8.** Specify the address and how to access the information on corporate governance and other information on the general shareholders' meetings that must be provided to the shareholders on the Company's website:

Information about corporate governance is published by the Company on the corporate website [www.unicajabanco.com](http://www.unicajabanco.com). On the home page, under the heading "Corporate Governance and Remuneration Policy", sections with information on corporate governance are available at the following URL: <https://www.unicajabanco.com/es/gobierno-corporativo-y-politica-de-remuneraciones/gobierno-corporativo-y-politica-de-remuneraciones/junta-general-de-accionistas>.

Under the sub-heading "General Shareholders' Meeting" it is always possible to consult the Regulations of the General Shareholders' Meeting and obtain information about exercising the right to information and the requirements and procedures for accrediting ownership of shares, the right to attend the General Shareholders' Meeting and the exercise or delegation of the right to vote. Various information regarding the General Meetings held is also provided, including: The resolutions adopted and voting, calls to meeting, resolutions proposed, the total number of shares and the voting rights on the date of the call to meeting, attendance card and remote voting or proxy voting form. In accordance with the regulations on listed companies, the Company adds a direct access on the home page that provides specific information on the meeting from the announcement of the General Meeting.

## **C. STRUCTURE OF THE COMPANY'S MANAGEMENT**

### **C.1. Board of Directors**

**C.1.1** Maximum and minimum number of directors envisaged in the bylaws and the number set by the general meeting:

Maximum number of directors	15
Minimum number of directors	8
Number of directors set by the meeting	15

The Extraordinary General Shareholders' Meeting held on March 31, 2021 adopted the resolution to establish the number of members of the Board of Directors at 15. The Extraordinary General Shareholders' Meeting held on November 14, 2023 adopted the resolution to leave unfilled and temporarily maintain the vacancy caused by the resignation of David Vaamonde Juanatey, while the Company had initiated a process to select a new independent director, which could not be completed as of the date of this Extraordinary General Shareholders' Meeting. The Board of Directors was expressly authorized to coopt a new person to fill this vacancy, submitting their appointment to the next General Meeting of Shareholders for ratification, if necessary.

**C.1.2 Fill in the following table with the members of the board:**

Name or company name of the director	Representative	Type of director	Position on the board	Date of first appointment	Date of last appointment	Election procedure
MANUEL AZUAGA MORENO		Other external	CHAIR	12/1/2011	3/31/2022	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
ISIDRO RUBIALES GIL		Executive	CEO	9/19/2023	11/14/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
MIGUEL GONZÁLEZ MORENO		Proprietary director	VICE-CHAIRMAN	1/27/2023	3/30/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
NATALIA SÁNCHEZ ROMERO		Proprietary director	DIRECTOR SECRETARY	3/30/2023	3/30/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
ROCÍO FERNÁNDEZ FUNCIA		Independent	INDEPENDENT COORDINATING DIRECTOR	9/6/2023	11/14/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
NURIA ALIÑO PÉREZ		Independent	DIRECTOR	10/20/2023	11/14/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
MARÍA LUISA ARJONILLA LÓPEZ		Independent	DIRECTOR	4/29/2020	4/29/2020	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING

Name or company name of the director	Representative	Type of director	Position on the board	Date of first appointment	Date of last appointment	Election procedure
ANTONIO CARRASCOSA MORALES		Independent	DIRECTOR	9/5/2023	11/14/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
RAFAEL DOMÍNGUEZ DE LA MAZA		Proprietary director	DIRECTOR	3/31/2022	3/31/2022	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
FELIPE FERNÁNDEZ FERNÁNDEZ		Proprietary director	DIRECTOR	7/30/2021	7/30/2021	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
INÉS GUZMÁN ARRUE		Independent	DIRECTOR	9/21/2023	11/14/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
JUAN ANTONIO IZAGUIRRE VENTOSA		Proprietary director	DIRECTOR	3/30/2023	3/30/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
CAROLINA MARTÍNEZ CARO		Independent	DIRECTOR	3/31/2022	3/31/2022	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING
JOSE SANCHEZ RAMON SERRANO		Proprietary director	DIRECTOR	3/30/2023	3/30/2023	AGREEMENT BY THE GENERAL SHAREHOLDERS' MEETING

Total number of directors	14
---------------------------	----

State the dismissals that, either through resignation or by resolution of the general meeting, have occurred in the Board of Directors during the period reported:

Name or company name of the director	Type of director at the time of termination	Date of last appointment	Date of removal	Specialized committees on which they were a member	State whether the termination occurred before the end of the mandate
MANUEL MENÉNDEZ MENÉNDEZ	Executive	7/30/2021	9/19/2023		YES
JUAN FRAILE CANTÓN	Proprietary director	3/31/2022	3/30/2023	Appointment and Sustainability Committees	YES
TERESA SÁEZ PONTE	Proprietary director	3/31/2022	3/30/2023	Risk and Technology and Innovation Committees	YES
JORGE DELCLAUX BRAVO	Independent	7/30/2021	4/21/2023	Audit and Compliance, Risk and Sustainability Committees.	YES
MARÍA GARAÑA CORCES	Independent	7/30/2021	3/30/2023	Appointment, Remuneration and Technology and Innovation Committees.	YES
PETRA MATEOS-APARICIO MORALES	Proprietary director	3/31/2022	3/30/2023	Remuneration and Technology and Innovation Committees.	YES
MANUEL MUELA MARTÍN-BUITRAGO	Proprietary director	3/31/2022	3/30/2023	Audit and Compliance and Sustainability Committees.	YES
DAVID VAAMONDE JUANATEY	Independent	7/30/2021	8/1/2023	Risk Committee	YES

Reason for the termination when it has taken place before the end of the tenure and other observations, information on whether the director sent a letter to the other members of the board and, in the case of resignations of non-executive directors, an explanation or opinion regarding the director terminated by the general shareholders' meeting

On December 16, 2022, the Company, through the publication of Other Relevant Information announced that the Board of Directors had taken cognizance of and accepted the resignation that, in order to facilitate any process of renewal of the representatives of the shareholder in whose representation he was appointed (Fundación Bancaria Unicaja), had presented the proprietary director Juan Fraile Cantón. This would take effect at the moment in which the regulatory authorizations were obtained and the acceptance of the candidate to be appointed at the proposal of Fundación Bancaria Unicaja to replace him took place.

On January 19, 2023, the Entity announced through the publication of Other Relevant Information that by means of a letter addressed to all the members of the Board of Directors, the independent director María Garaña Corces had given notification of her resignation as a director of the Company, effective at the

conclusion of the following Ordinary General Shareholders' Meeting. The deferral of the effects of the resignation will allow the director to contribute to the operation of the Board and the Committees of which she was a member, in relation to the actions to be taken until the meeting is held. In her letter, she justified her resignation on the grounds of time availability and the need for increased additional dedication in order to perform her duties as a director.

In order to move forward in a more agile and efficient manner in the definition of the Bank's governance model, in line with the provisions of the common merger project between Unicaja Banco and Liberbank, on June 1, 2023, the Company announced through the publication of Inside Information that the Board of Directors had unanimously accepted the resignation of Manuel Menéndez Menéndez from the position of Chief Executive Officer, to become effective when the appointment of the person succeeding him as a board member takes place, at which time the resignation of Menéndez as member of the Board of Directors would also become active, thus guaranteeing the full functionality of the Bank's management until this appointment and immediately initiating the process for the selection and subsequent appointment of the new Chief Executive Officer. As a result, the resignation became effective on September 19, 2023, when Isidro Rubiales Gil accepted his appointment as executive director, once the regulatory authorizations were received.

(CONTINUED IN SECTION H.1)

C.1.3 Fill in the following tables regarding the members of the board and their different categories:

EXECUTIVE DIRECTORS		
Name or company name of the director	Position in the company's organization chart	Position
ISIDRO RUBIALES GIL	CEO	Rubiales holds a degree in Economics and Business Administration, specializing in Public Finance. With more than thirty years of extensive professional experience in the financial sector, he has developed his entire career in Unicaja Banco, occupying various senior management positions and with very diverse responsibilities in relevant areas of the Bank. Especially noteworthy is his work as Accounting Director, Control Division Manager. General Manager of Control, Strategy and Supervisory Relations, serving as Deputy General Manager to the Chairperson of Control and Supervisory Relations since July 2021. He has been a member of the Board of Directors of companies belonging to the Unicaja Banco Group, including Unicaja Gestión de Activos Inmobiliarios, S.L. Unigest SGIIC SAU, Gestión de Inmuebles Adquiridos, S.L. and Unicartera Internacional. He is currently represents Unicaja Banco's director on the Board of Directors of Caser, SA -,Caja de Seguros Reunidos, Compañía de Seguros y Reaseguros, S.A.



Total number of executive directors	1
% of the total members of the board	7.14

EXTERNAL PROPRIETARY DIRECTORS		
Name or company name of the director	Name or company name of the significant shareholder they represent or that proposed their appointment:	Position
RAFAEL DOMÍNGUEZ DE LA MAZA	GLOBAL PORTFOLIO INVESTMENTS, S.L.	Rafael Domínguez holds a degree in Business Management from the San Telmo International Institute as well as taking the Owner President Management OPM Program from Harvard Business School. He has held important positions on the Board of Directors of the listed companies CAVOLO Inversiones SICAV, Wilmington SICAV and Patton Investments SICAV. He has also been a proprietary director of Masmovil Ibercom, S.A. He has spent his entire professional career in the Mayoral Group, holding various positions of responsibility and management in different companies of the family group. He is also sole director of Global Portfolio Investments, S.L. and Wilmington Capital, S.L., managing director of Indumenta Pueri, S.L. since May 2022 and General Manager of Mayoral Moda Infantil, S.A.U., a company in which he has held various management positions since 1989, expanding the business in more than 50 countries.
MIGUEL GONZÁLEZ MORENO	FUNDACIÓN BANCARIA UNICAJA	Miguel González Moreno is Professor of Applied Economics (retired) at the University of Granada with a degree in Economics and Business Administration from the University of Málaga, and a PhD in Economics and Business Administration from the University of Alcalá de Henares. He has undertaken extensive academic and research activity in the Universities of Málaga, Alcalá and Granada and in other areas such as the National Institute of Public Administration of the Ministry of Public Administration, the Institute of Fiscal Studies of the Ministry of Finance and the FIES Foundation (now FUNCAS) of the Spanish Confederation of Savings Banks. In the financial sector, he has been a member of the Board of Directors of Caja Rural de Granada and of its Executive, Risk (of which he was also Chairman) and Audit and Regulatory Compliance Committees.
NATALIA SÁNCHEZ ROMERO	FUNDACIÓN BANCARIA UNICAJA	Natalia Sánchez Romero holds a degree in Economics and Business Administration from the University of Málaga and an AMP (Advanced Management Program) from the Instituto de Empresa. She is currently Executive Vice President and Secretary General of the Confederation of Entrepreneurs of Málaga (CEM), and Trustee and Secretary of the CEM Foundation, Culture, Economy and Environment. She is a member of the Executive Committee and the Board of Directors of the Andalusia Confederation of Businesspeople (CEA) and sits on the Boards of Directors of the Spanish Confederation of Small and Medium-Sized Enterprises (CEPYME) and the Spanish Confederation of Business Organizations (CEOE). She is also a member of the Executive Committee of the Málaga Chamber of Commerce and of the Andalusia Council of Chambers of

EXTERNAL PROPRIETARY DIRECTORS		
Name or company name of the director	Name or company name of the significant shareholder they represent or that proposed their appointment:	Position
		Commerce, among other bodies. She is also a member of the Board of Directors of the Port Authority of Málaga and a member of the Social Council of the University of Málaga, the Andalusia Economic and Social Council (CES Andalusia), the Social Council of the City of Málaga, the Executive Committee of the MADECA Foundation (for whom she is the Secretary), the Executive Committee of the CIEDES Foundation and the CIFAL Association. She was a member of the Avalunión SGR Board of Directors from 2013 until the creation of Garántia, SGR in 2017.
JUAN ANTONIO IZAGUIRRE VENTOSA	FUNDACIÓN BANCARIA UNICAJA	Juan Antonio Izaguirre Ventosa holds a degree in Economics and Business Administration from Universidad Complutense de Madrid, where he was awarded the extraordinary prize and the first national prize for the best academic career. His main professional experience stems from his positions as an inspector of credit institutions of the Bank of Spain and as an associate professor at the Universidad Autónoma de Madrid, teaching Cost Accounting and Financial Statements Analysis. In the academic field, he has taught and directed several courses and seminars at the Bank of Spain, the Madrid School of Economists, the Tax Inspection School and at a number of specialist companies in the sector. In the private banking sector, he has served as Financial Controller of the Chase Manhattan Bank Group. He has also been a professor at the National Institute of Public Administration, a member of the Auditors Registry and a certified public accountant.
JOSE RAMÓN SÁNCHEZ SERRANO	FUNDACIÓN BANCARIA UNICAJA	Jose Ramón Sánchez Serrano studied both Business Administration and Management and Tourism in parallel at the University of Málaga. He holds a Cum Laude PhD in Economics from the University of Málaga. He subsequently extended his studies with various postgraduate programs including a Master's Degree in Accounting Auditing at the Instituto de Empresa, a Specialist Degree in Business Auditing and Accounting at the University of Alcalá de Henares and a Master's Degree in International Cooperation and Development at the University of Málaga, among others. In terms of training, Mr. Sánchez Serrano has continued his academic preparation with other more recent executive programs, such as the Mergers and Acquisitions program at Columbia Business School and the EMBA program at the City University of London (Bayes Business School). At present, his professional experience in the private sector takes the form of his position as an Account Auditor in the firm EUDITA, having carried out numerous audit and economic-financial consultancy works for companies in both the private and public sectors. He is also a member of working groups of the Instituto de Contabilidad y Auditoría de Cuentas (ICAC), a Ministry of Economy, Trade and Enterprise body. Regarding his teaching and scientific research

EXTERNAL PROPRIETARY DIRECTORS		
Name or company name of the director	Name or company name of the significant shareholder they represent or that proposed their appointment:	Position
		experience at the university level, he is an Associate Professor of the Department of Finance and Accounting at the University of Málaga and previously at the University of Deusto and a regular collaborator of the Training Department of the General Council of Economists of Spain. He is also a member of several professional associations and research institutions, such as the Spanish Institute of Financial Analysts or the Chair of Economics and Sustainable Finance at the University of Málaga, among others, and is the author of numerous articles published in highly-regarded scientific journals and books on financial accounting and auditing published by prestigious publishers.
FELIPE FERNÁNDEZ FERNÁNDEZ	FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	Felipe Fernández holds a degree in Economics and Business Administration from the University of Bilbao. He was Professor of Statistics and Econometric Analysis at Oviedo University's School of Business and Economics. He has held the position of General Manager at Caja de Ahorros de Asturias as well as several executive positions in the Asturias Regional Administration. He has also been Director of Administration and Finance at EDP España, S.A.U. and director at Instituto Medicina Oncológica y Molecular de Asturias, S.A. and Lico Leasing, S.A. He currently holds the position of director in the following companies: EDP España S.L.U.; Cementos de Tudela Veguín, S.A.; Cimento Verde do Brasil, S.A.; Masaveu Inmobiliaria, S.A. In addition, he is also a member of the General Supervisory Board of EDP Energías de Portugal, S.A. and a trustee of Fundación Caser. At Liberbank he was Corporate Business Area Manager and has been a Company Director since 2013.

Total number of proprietary directors	6
% of the total members of the board	42.86

INDEPENDENT PROPRIETARY DIRECTORS	
Name or company name of the director	Position
MARÍA LUISA ARJONILLA LÓPEZ	<p>María Luisa Arjonilla holds a degree in Biological Sciences from the Universidad Complutense de Madrid. With extensive experience in the technology sector applied to banking and financial markets, she has held the position of Director of Technology and Commercial Banking Operations at Banco Santander, Director of Technology at Banco Popular and previously held the same position at Barclays Bank España. In Euro Automatic Cash, entidad de pago S.L. she was appointed non-executive Director. Part of her professional career has been in areas closely linked to technology, working as Product Manager at Alnova Technologies and as a consultant and manager at Accenture. She has also taught in the field of technology, as an associate professor in the Computer Science Department of the Polytechnic School (Universidad Carlos III) and as a lecturer on a Master's Program on Digital Transformation at the University of Salamanca, as well as working with the Instituto de Estudios Bursátiles. She continues to collaborate with AFI Escuela's specialized executive programs in technology. Recently, she has taken two specialization courses in the area of technology at Stanford University and Michigan University, respectively. She is currently Director of Corporate Technology at Proeduca Altus Group and a member of its Steering Committee.</p>
ROCÍO FERNÁNDEZ FUNCIA	<p>Rocio Fernández holds a degree in Economics and Business Administration from the Universidad Complutense de Madrid, with a double major in Auditing and Finance. Her professional career has been at PwC, joining the Audit Division in 1990 where she remained for 12 years before setting up a new business unit. She became the partner in charge of the Capital Markets and Accounting Advisory Services (CMAAS) group of PwC in Spain since 2005. As a specialist in international accounting standards, financial reporting and issuance in domestic and international securities markets, she has been part of the global executive of the Capital Markets and Accounting Advisory Services business and an executive manager of PwC EMEA's Transactions business. She was a member of the group of experts created by the Bank of Spain for the conversion process to International Financial Reporting Standards for the Spanish financial sector. She has participated in a large number of financing operations of Spanish entities, IPOs, private placements to foreign investors, capital increases and takeover bids, as well as bond issues and exchanges in both Spanish and international capital markets. She is a member of the Official Register of Auditors (ROAC), the Institute of Chartered Accountants (ICJC) and the Institute of Directors-Administrators (IC-A). She is currently an independent director on the Boards of Directors of Avanza Previsión, S.A., a Spanish insurance company, and Cofides, S.A., SME, a public-private company that finances the internationalization of the Spanish economy, promoting the development and reinforces the solvency of companies affected by COVID-19. She is chairwoman of the Avanza Previsión Audit Committee and the Cofides Audit and Risk Committee, as well as a member of the Cofides Sustainability Committee.</p>
NURIA ALIÑO PÉREZ	<p>Nuria Aliño holds a degree in Economics and Business Administration, with a specialization in Finance, as well as a law degree from Universidad Pontificia de Comillas (ICADE E-3). She has more than 25 years of experience in the financial industry in both developed countries (for BBVA) and developing countries (for IFC - World Bank Group and the Inter-American Development Bank), where her work involves mergers and acquisitions, structured finance, project finance, capital markets, venture capital, sustainable finance and impact investments, among other responsibilities. She has served as an advisor on digital strategy for Banco BHD and has accompanied the expansion of software companies such as Mambu, a cloud banking platform, and Veridas, a digital identity verification company. She has served on the Board of Directors of other technology companies such as Altitude Software and Social Point and was a member of the Advisory Board of venture capital firms such as Nauta Capital and Prax Capital Fund. She is currently an independent director and member of the Audit Committee and the Risk Committee of CREDICORP LTD and an independent director of SOLTEC POWER HOLDINGS, S.A., holding the positions of chairwoman of the Sustainable Development</p>

INDEPENDENT PROPRIETARY DIRECTORS	
Name or company name of the director	Position
	Committee and member of the Audit and Appointments and Remuneration Committees. She is also a senior consultant in Digital Finance and Sustainability at IFC-World Bank Group and teaches advanced seminars at the private IE University.
ANTONIO CARRASCOSA MORALES	Antonio Carrascosa holds a degree in Economics and Business Administration from Universidad Complutense de Madrid and a Master's degree in Public Administration from Harvard University. He is a commercial technician and State economist. He has had a long career in the financial sector, having held, among other relevant positions, those of executive director of the Single Resolution Board, European banking resolution authority, managing director of the Fund for Orderly Bank Restructuring, Director General of Economic Policy at the Ministry of Economy, Director General of Entities of the National Securities Market Commission and Deputy Director General of Financial-International Affairs of the Ministry of Economy. In the private sector, he was Director of Financial Sector Compliance at PricewaterhouseCoopers Spain. Representing the State, he has been a member of the Boards of Directors at ICEX, AENA, Expansión Exterior SA, the National Mint (FNMT), Caja Postal Argentaria and the Insurance Compensation Consortium. He is currently an associate professor at the University of Navarra and since 2022 he has been collaborating as an external advisor to the International Monetary Fund and the World Bank on advisory projects for authorities in various countries (Georgia, Iceland, Angola, Egypt, etc.) in financial crisis management. He is also a member of the Advisory Board of FUNCAS and contributes to several newspapers such as <i>Expansión</i> and <i>El País</i> , writing articles on economic and financial issues.
INÉS GUZMÁN ARRUE	Ms. Guzman is a professional with an outstanding track record in technology and business transformation. She holds a Bachelor's degree in Computer Engineering from the University of Deusto and a Master's degree in Executive MBA from IE Instituto de Empresa. She furthered her education through management development programs at IESE Business School and IMD in Lausanne, Switzerland and completed a Program for Board Members at ESADE, reflecting her ongoing commitment to learning and leadership. At Accenture, she has held various positions of responsibility at a national and international level, excelling in key sectors such as telecommunications, media, platforms and technology. She has led global and local units, contributing to notable achievements such as the opening of the European communications market and digital transformation through Artificial Intelligence. Her management experience has spanned different sectors, holding positions as General Manager with global responsibility for the Digital and Operations unit for the Telecommunications and Media sectors, as well as leading the UK and Ireland business for these sectors. She has also been the General Manager responsible for the Operations unit for Europe and Latin America in the Telecommunications, Media, Platforms and Technology sectors, as well as the General Manager of this unit for Spain and Portugal, as well as holding prominent roles as General Manager with global responsibility for the CRM (Customer Relationship Management) business. Ms. Guzman has actively participated in key Accenture committees, such as the Accenture Global Committee (GLC), the Global Steering Committee of the Operations unit, the Global Steering Committee of the Digital Unit, the Global Steering Committee of the Telecommunications and Media Sectors Unit, the Executive Committee of Spain, Portugal and Israel and others, showing her commitment to business excellence and corporate social responsibility. In addition to her career, she has been a Master of Ceremonies and speaker at industry events. She has also been the Keynote Speaker at the IE Business School MBA Graduation, sharing her knowledge with the next generation of leaders. Outside of work, she devotes time to the #HourOfCode initiative, promoting digital literacy and technology skills in future generations.

INDEPENDENT PROPRIETARY DIRECTORS	
Name or company name of the director	Position
CAROLINA MARTÍNEZ CARO	<p>Carolina Martínez Caro holds a degree in Law and a Diploma in Business Administration from the Universidad Pontificia de Comillas (ICADE, E-1) and a Master's degree in Community Law, specializing in Finance, from the Institut d'Etudes Européennes de Bruxelles. Throughout her career, she has continued her training through executive development programs in different business schools around the world, such as IESE (Barcelona), Wharton BS (Philadelphia), CEIBSS (Shanghai) or Haas BS (San Francisco). She has also participated in director programs organized by companies such as PwC, SPENCERS STUART and DELOITTE, among others. A professional with more than 30 years of experience in the financial industry, Ms. Martinez Caro contributed to the development in Spain of Merrill Lynch Private Banking, first, and then Bank of America, where she became Senior Vice President-Investments. She then joined the Swiss bank Julius Baer when it arrived in Spain, where, as its CEO, she led the implementation and subsequent growth of the parent company in the Spanish and Portuguese markets, positioning the brand as one of the first Wealth Management Banks in the Iberian market. In this capacity, she was a member of the Executive Committee of the organization at the European level. She is currently an independent director of the renewable energy company H2PLT, chairing its Audit Committee and of the Spanish Association Against Cancer (AECC). She is also an Advisor to the Board of Directors of Philippine conglomerate LH Paragon Inc, a member of the Advisory Board at law firm FinReg360, Senior Advisor to Forbes Global Properties and a member of the Board of Trustees of the ITER Foundation. Finally, Carolina Martinez Caro is an external and independent advisor to several Family Offices, both domestic and foreign, bringing her extensive experience to these Family Boards in areas as varied as M&amp;A, portfolio management, transfer to the next generation and the development of philanthropy.</p>

Total number of independent directors	6
% of the total members of the board	42.86

Indicate whether any director considered independent receives from the company, or from the group thereof, any sum or benefit for any reason beyond a director's remuneration, or whether any independent director has or has had, in the last year, a business relationship with the company or any company in the group thereof, be this on their own behalf or as a significant shareholder, director or senior manager of an entity that has or has had such a relationship.

If this is the case, a reasoned statement from the board should be included as to why it considers that this director is able to perform their duties as an independent director.

Name or company name of the director	Description of the relationship	Reasoned statement
No data		

OTHER EXTERNAL DIRECTORS			
External directors will be identified and the reasons why they cannot be considered proprietary or independent and their links with the company, its directors or its shareholders will be described:			
Name or company name of the director	Reasons	Company, manager or shareholder with whom they have a relationship	Position
MANUEL AZUAGA MORENO	In fiscal year 2023, Manuel Azuaga was promoted from Executive Chairman to non-executive Chairman, at which time he was upgraded to the category of Other External.	N/A	Azuaga holds a degree in Philosophy and Arts from the University of Málaga. He was formerly Risk Manager at Caja Rural de Málaga. He was also Director of Audit and Internal Control, Assistant Manager of Planning and Management Control, Organization and Human Resources of Caja de Ahorros y Préstamos de Antequera. He was Chairman of Aeropuertos Españoles y Navegación Aérea, S.A. (AENA) and a member of the Board of Directors of the following companies: Deóleo, S.A., Autopista del Sol Concesionaria Española, S.A., Lico Corporación, S.A., Cía. Andaluza de Rentas e Inversiones, S.A. (CARISA), Sacyr Vallehermoso, S.A., Unicorp Vida, Compañía de Seguros y Reaseguros, S.A. and Banco Europeo de Finanzas, S.A., among others. He assumed the positions of Assistant Manager of

**OTHER EXTERNAL DIRECTORS**

External directors will be identified and the reasons why they cannot be considered proprietary or independent and their links with the company, its directors or its shareholders will be described:

Name or company name of the director	Reasons	Company, manager or shareholder with whom they have a relationship	Position
			Planning and Management Control, General Secretary, Regional Business Director, Director of the Investee Companies Division and General Manager of Montes de Piedad and Caja de Ahorro de Ronda, Cádiz, Almería, Málaga, Antequera (UNICAJA). He was also Chairman of the Board of Directors of Banco de Caja España de Inversiones, Salamanca y Soria, S.A. and General Manager, Vice-Chairman and Chief Executive Officer of Unicaja Banco, S.A. He is currently Executive Chairman of Unicaja Banco since June 2016, having been a director since December 2011. He is also Chairman of the Board of Directors of Cecabank, S.A., Director of CECA, Trustee of the Fundación de las Cajas de Ahorro (FUNCAS) and representative of Unicaja Banco on the Board of Directors of the Asociación CIFAL Málaga.



Total number of independent directors	1
% of the total members of the board	7.14

State any changes to the position of each director that have occurred during the period:

Name or company name of the director	Date of the change	Previous category	Current category
MANUEL AZUAGA MORENO	9/29/2023	Executive	Other external

C.1.4 Fill in the following table with information on the women directors over the past four fiscal years, as well as their position:

	Number of women directors				% of the total number of directors in each category			
	2023	2022	2021	2020	2023	2022	2021	2020
Executive directors					0	0	0	0
Proprietary directors	1	2	2	2	16.67	28.57	28.57	40
Independent directors	5	4	3	3	83.33	66.66	50	60
Other external directors					0	0	0	0
Total	6	6	5	5	42.86	40	33.33	41.67

C.1.5 Does the company have diversity policies regarding the company's Board of Directors, for example in terms of age, gender, disability or training and professional experience? Small and medium-sized enterprises, according to the definition in the Account Auditing Act, must report, at least, the diversity policy they have established regarding gender.

- ☒ Yes  
☐ No  
☐ Partial policies

If so, describe these diversity policies, their targets, the measures thereof, how they are applied and what results they achieved in the year. The specific measures adopted by the Board of Directors and the appointments and remuneration committee to achieve a balanced and diverse group of directors must also be stated.

Should the company not use any diversity policies, explain why not.

A description of the policies, their targets, the measures thereof, how they are applied and their results.

The Company's Board of Directors has implemented a Diversity Policy, which recasts and develops the diversity-related provisions of the Bylaws, the Board Regulations and other policies in force at the Company in a single text.

The purpose of the Policy is to ensure that the procedure for the selection of directors promotes a diverse and balanced composition of the Board of Directors and its Committees, taking into account, among others, issues such as professional training and experience, age, gender and disability and the measures to be adopted for their implementation, if applicable.

(CONTINUED IN SECTION H.1)

C.1.6 Explain the measures, if any, that the Appointment Committee has established, to ensure that the selection procedures do not suffer from implicit biases that hinder the selection of female directors, that the company

deliberatively seeks and includes women who meet the desired professional profile among the potential candidates, and that allow a balanced presence between men and women. Also indicate whether these measures include the promotion of the company's having a significant number of female senior management personnel:

#### Explanation of measures

In accordance with Article 16.5 of the Company's bylaws, the Board of Directors must ensure that the procedures for the selection of directors not only favor diversity, but also ensure it in the areas established in the new wording of Article 529 bis of the Capital Companies Act, in particular, facilitating the selection of female directors in a number that allows for a balanced presence of women and men.

Pursuant to Article 32.5 of the Board Regulations, the duties of the Appointment Committee include assessment of the skills, diversity, balance of knowledge and experience required on the Board of Directors, as well as establishing a representation target for the underrepresented gender on the Board of Directors and developing guidelines on how to achieve this target.

The policy for the assessment of the suitability of the members of the Board of Directors, General Managers and similar, and other Key Personnel for the development of Unicaja Banco's financial activity, states that the Appointment Committee is in charge of preparing the skills matrix of the Board of Directors in which the overall composition of the Board is analyzed by comparing the actual skills with those required to adequately understand the Company's activities, in line with the target matrix. The Appointment Committee is also responsible for ensuring that the procedures for the selection of Board members favor diversity of experience and knowledge, facilitate the selection of Directors of the least represented sex and, in general, do not suffer from implicit biases that could imply any discrimination whatsoever.

Unicaja Banco has a Director Selection and Appointment Policy approved by the Board of Directors, which aims to ensure that the selection procedures for the members of the board are oriented to favor a balanced composition of the board and its committees. Unicaja Banco applies the policy on the occasion of the selection of directors to fill any vacancies that may arise.

The principles that govern the policy include the following:

- 1) Effectiveness: Every effort will be made to select the best possible candidate for the position to be filled by the Company, taking into account the current and future needs of the Company.
- 2) Fairness and diversity: The selection system for board members shall be guaranteed to be impartial and transparent, free from implicit bias, particularly based on gender or disability, providing equal opportunities to all qualified candidates and facilitating the selection of candidates from an under-represented gender. In selecting members of the governing body, we will seek to incorporate a broad set of qualities and competencies to achieve a diversity of views and experiences and to promote independent opinions and sound decision making within the governing body, all in accordance with the Diversity Policy.
- 3) Adequate skills and performance: Directors shall have sufficient specialist knowledge and experience to carry out their activities and functions within the Company.

Based on the above and on current regulations, the number of female directors will reach 40% by the end of 2022 and will be maintained through to the end of 2023.

(CONTINUED IN SECTION H.1)

When, despite any measures that might have been adopted, there are few or no female directors or senior management personnel, explain the reasons behind this:

#### Explanation of reasons

With regard to the number of senior managers, it should be noted that the Bank ensures equity in the selection and promotion processes, ensuring the flow of talent, whether male or female, at all levels of the organization.

For this purpose, as of December 31, 2023, the percentage of women in senior management is 15.38% and 45.02% in middle management.

#### C.1.7 Explain the Appointments Committee's conclusions on the verification of compliance with the policy aimed at promoting an appropriate composition of the Board of Directors.

In February 2024, the Appointment Committee prepared the report on the application of the Director Selection and Appointment Policy and the Diversity Policy, concluding that the individual and collective suitability assessment processes carried out in 2023 were undertaken in accordance with the criteria, principles and systems established in the aforementioned policies.

In particular, the candidate evaluations analyzed the impact in terms of diversity of knowledge, technical skills, experience, and gender, without implying discrimination based on age or disability, using the matrix of skills, knowledge and experience, ensuring that the overall composition and balance of skills of the Board of Directors was appropriate. The Committee confirmed that individually and collectively the Board of Directors is suitable for the performance of its

duties and that it has the capacity to take decisions independently for the benefit of the Company, as well as that the various areas of expertise required are duly covered.

C.1.8 Explain, if applicable, the reasons why no proprietary directors were appointed at the behest of shareholders whose shareholding is less than 3% of share capital:

Name or company name of the shareholder	Justification
No data	

State whether there has been any provision for formal requests for representation on the board of shareholders whose shareholding is equal to or greater than others who have been designated a proprietary director at their request. If so, explain why these requests were not accommodated:

☐ Yes

☒ No

C.1.9 Specify the powers and authorities the Board of Directors has delegated to the directors or committees of the board, if any, including those pertaining to the ability to issue or repurchase shares:

Name or company name of the director or committee	Brief description
ISIDRO RUBIALES GIL	Isidro Rubiales has been delegated broad powers of representation and administration for the exercise of his position as Chief Executive Officer of the Company.

C.1.10 Identify the members of the board, if any, who hold positions as administrators, representatives of administrators, or executives in other companies that form part of the group of the listed company:

Name or company name of the director	Company name of the group company	Position	Do they have executive functions?
No data			

C.1.11 List any director, administrator or manager positions or representatives thereof held by directors or representatives of directors who are members of the Board of Directors of the company in other companies, regardless of whether they are listed companies:

Identification of the director or representative	Company name of the entity, listed or not	Position
MANUEL AZUAGA MORENO	CECABANK, S.A.	CHAIR
MANUEL AZUAGA MORENO	SPANISH CONFEDERATION OF SAVINGS BANKS (CECA)	DIRECTOR
MANUEL AZUAGA MORENO	FOUNDATION OF SAVINGS BANKS (FUNGOS)	TRUSTEE
MANUEL AZUAGA MORENO	ASOCIACIÓN CIFAL MÁLAGA	OTHERS
ISIDRO RUBIALES GIL	CAJA DE SEGUROS REUNIDOS COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A. (CASER)	BOARD REPRESENTATIVE
NATALIA SÁNCHEZ ROMERO	MÁLAGA CONFEDERATION OF BUSINESSPEOPLE	VICE-CHAIRWOMAN
NATALIA SÁNCHEZ ROMERO	ANDALUSIA CONFEDERATION OF BUSINESSPEOPLE (CEA)	OTHERS
NATALIA SÁNCHEZ ROMERO	SPANISH CONFEDERATION OF BUSINESS ORGANIZATIONS (CEOE)	BOARD REPRESENTATIVE
NATALIA SÁNCHEZ ROMERO	SPANISH CONFEDERATION OF SMALL AND MEDIUM-SIZED ENTERPRISES (CEPYME)	OTHERS
NATALIA SÁNCHEZ ROMERO	MÁLAGA CHAMBER OF COMMERCE	OTHERS
NATALIA SÁNCHEZ ROMERO	ANDALUSIA COUNCIL OF CHAMBERS OF COMMERCE	OTHERS
NATALIA SÁNCHEZ ROMERO	MÁLAGA PORT AUTHORITY	BOARD REPRESENTATIVE
NATALIA SÁNCHEZ ROMERO	SOCIAL COUNCIL OF THE UNIVERSITY OF MÁLAGA	BOARD REPRESENTATIVE

Identification of the director or representative	Company name of the entity, listed or not	Position
NATALIA SÁNCHEZ ROMERO	ECONOMIC AND SOCIAL COUNCIL OF ANDALUSIA (CES ANDALUCÍA)	OTHERS
NATALIA SÁNCHEZ ROMERO	SOCIAL COUNCIL OF THE CITY OF MÁLAGA	OTHERS
NATALIA SÁNCHEZ ROMERO	CEM-CULTURAL, ECONOMIC AND ENVIRONMENTAL FOUNDATION	TRUSTEE
NATALIA SÁNCHEZ ROMERO	CSEA FOUNDATION, ANDALUSIA CONFEDERATION OF BUSINESSPEOPLE	TRUSTEE
NATALIA SÁNCHEZ ROMERO	FUNDACIÓN MADECA	OTHERS
NATALIA SÁNCHEZ ROMERO	ASOCIACIÓN CIFAL MÁLAGA	OTHERS
NATALIA SÁNCHEZ ROMERO	FUNDACIÓN CIEDES	OTHERS
ROCÍO FERNÁNDEZ FUNCIA	AVANZA PREVISIÓN, COMPAÑÍA DE SEGUROS, S.A.	DIRECTOR
ROCÍO FERNÁNDEZ FUNCIA	COMPAÑÍA ESPAÑOLA DE FINANCIACIÓN DEL DESARROLLO COFIDES, S.A. SME	DIRECTOR
ROCÍO FERNÁNDEZ FUNCIA	COTTON INVERSIONES, S.L.	SOLE ADMINISTRATOR
NURIA ALIÑO PÉREZ	SOLTEC POWER HOLDINGS, S.A.	DIRECTOR
NURIA ALIÑO PÉREZ	CREDICORP LTD	DIRECTOR
RAFAEL DOMÍNGUEZ DE LA MAZA	GLOBAL PORTFOLIO INVESTMENTS S.L.	SOLE ADMINISTRATOR
RAFAEL DOMÍNGUEZ DE LA MAZA	WILMINGTON CAPITAL S.L.	SOLE ADMINISTRATOR
RAFAEL DOMÍNGUEZ DE LA MAZA	INDUMENTA PUERI, S.L.	CEO
RAFAEL DOMÍNGUEZ DE LA MAZA	MAYORAL MODA INFANTIL S.A.U.	OTHERS
RAFAEL DOMÍNGUEZ DE LA MAZA	RAFANACHI, S.L.	SOLE ADMINISTRATOR
RAFAEL DOMÍNGUEZ DE LA MAZA	AMADEL CAPITAL, S.L.	SOLE ADMINISTRATOR
FELIPE FERNÁNDEZ FERNÁNDEZ	MASAVEU INMOBILIARIA, S.A.	DIRECTOR
FELIPE FERNÁNDEZ FERNÁNDEZ	EDP ESPAÑA, S.A.U.	DIRECTOR
FELIPE FERNÁNDEZ FERNÁNDEZ	CEMENTOS TUDELA VEGUIN, S.A.	DIRECTOR
FELIPE FERNÁNDEZ FERNÁNDEZ	FUNDACIÓN CASER	TRUSTEE
FELIPE FERNÁNDEZ FERNÁNDEZ	CIMENTO VERDE DO BRASIL, S.A.	DIRECTOR
FELIPE FERNÁNDEZ FERNÁNDEZ	EDP ENERGÍAS DE PORTUGAL, S.A.	BOARD REPRESENTATIVE
INÉS GUZMÁN ARRUE	SUGAVAL, S.L.	DIRECTOR
CAROLINA MARTÍNEZ CARO	FUNDACIÓN ITER	TRUSTEE
CAROLINA MARTÍNEZ CARO	SPANISH ASSOCIATION AGAINST CANCER (ACC)	DIRECTOR
CAROLINA MARTÍNEZ CARO	H2PLT, S.A.	DIRECTOR
JOSE RAMÓN SÁNCHEZ SERRANO	EUDITA CYE AUDITORES, S.A.	JOINT AND SEVERAL ADMINISTRATOR

Identification of the director or representative	Company name of the entity, listed or not	Position
JOSE RAMÓN SÁNCHEZ SERRANO	SYP ECONOMISTAS ABOGADOS Y AUDITORES, S.L.P.	JOINT ADMINISTRATOR
JOSE RAMÓN SÁNCHEZ SERRANO	EUDITA GCM AUDITORES Y CONSULTORES, S.L.	JOINT AND SEVERAL ADMINISTRATOR
JOSE RAMÓN SÁNCHEZ SERRANO	EUDITA AGRUPACIÓN EUROPEA DE AUDITORES A.I.E.	BOARD REPRESENTATIVE
JOSE RAMÓN SÁNCHEZ SERRANO	ESPINOSA Y SÁNCHEZ, CONSULTORES Y ECONOMISTAS, S.L.P.	JOINT AND SEVERAL ADMINISTRATOR

The following is a description of the positions that have been reported as "OTHER" or "REPRESENTATIVE OF DIRECTOR", or those in which having marked "DIRECTOR" or "VICE-CHAIRPERSON" the position, although equivalent, has another denomination in the corresponding Bank.

- Manuel Azuaga Moreno is a member of the Board of Directors of the CIFAL Málaga Association, representing Unicaja Banco.
- Isidro Rubiales Gil represents the director Unicaja Banco at Caja de Seguros Reunidos Compañía de Seguros y Reaseguros S.A. (CASER).
- Natalia Sánchez Romero:
- Executive Vice President and General Secretary of the Málaga Confederation of Businesspeople (CEM):
- Member of the Executive Committee (Accountant) and of the Board of Directors of the Andalusia Confederation of Businesspeople (CEA);
- Member of the Board of Directors and General Assembly of the Spanish Confederation of Small and Medium-Sized Enterprises (CEPYME);
- Member of the Board of Directors and General Assembly of the Spanish Confederation of Business Organizations (CEOE), representing CEM. CEPYME and ATA:
- Member of the Executive Committee and the Plenary of the Málaga Chamber of Commerce;
- Member of the Plenary of the Andalusia Council of Chambers of Commerce;
- Member of the Board of Directors of the Málaga Port Authority, representing Business Organizations:
- Member of the Social Council of the University of Málaga, representing Business Organizations:
- Member of the Economic and Social Council of Andalusia (CES Andalucía)
- Secretary/member of the Fundación MADECA Executive Committee, representing CEM.
- Member of the Executive Committee of the CIEDES Foundation.
- Member of the Social Council of the City of Málaga and:
- Member of the Board of Directors of the Asociación CIFAL.
- Rafael Domínguez de la Maza is General Manager of Mayoral Moda Infantil, S.A.U.
- Felipe Fernández Fernández represents the director Draursa, S.A. on the General and Supervisory Board of EDP Energías de Portugal, S.A.
- José Ramón Sánchez Serrano represents the director Eudita CYE Auditores, S.A. in Eudita Agrupación Europea de Auditores, A.I.E.

Of the above positions, only the following are remunerated:

- Manuel Azuaga Moreno: Cecabank, S.A. and CECA.
- Natalia Sánchez Romero: Málaga Confederation of Businesspeople (CEM) and the Málaga Port Authority.
- Nuria Aliño Pérez: Soltec Power Holdings, S.A. and Credicorp Ltd.
- Rocío Fernández Funcia: Avanza Previsión, Compañía de Seguros, S.A. and Compañía Española de Financiación del Desarrollo Cofides, S.A. SME.
- Rafael Domínguez de la Maza: Indumenta Pueri, S.L.
- Felipe Fernández Fernández: Cementos de Tudela Veguin, S.A., Masaveu Inmobiliaria, S.A., EDP España, S.A. and EDP Energías de Portugal, S.A.
- Carolina Martínez Caro: H2PLT, S.A.

Specify, if applicable, any other remunerated activities of the directors or representatives of the directors, whatever their nature, other than those mentioned in the table above.

Identification of the director or representative	Other remunerated activities
MARÍA LUISA ARJONILLA LÓPEZ	Director of Corporate Technology at Proeduca Altus Group.
CAROLINA MARTÍNEZ CARO	CEO of CMC Family Advisors, Advisor to the Board of Directors of Holding LH Paragon Inc., Senior Advisor to Forbes Global Properties LLC and member of the Advisory Board of FinancialReg360, S.L.
ANTONIO CARRASCOSA MORALES	Member of the Advisory Board of FUNCAS and External Advisor to the International Monetary Fund and the World Bank.
JOSE RAMÓN SÁNCHEZ SERRANO	Professional activity at Eudita CYE Auditores, S.A. and professor at the University of Málaga.

C.1.12 State and, where appropriate, explain, if the company has established rules for the maximum number of company boards that its directors may form a part of, identifying, where appropriate, where it is regulated:

☒ Yes  
☐ No

**Explanation of these rules and identification of the regulating document:**

Article 15.3 of the Regulations of the Board of Directors establishes that Board Members may not sit on more Boards of Directors than is possible under applicable banking regulations. In particular, Article 26 of Law 10/2014, of June 26, on the regulation, supervision and solvency of credit institutions, on the definition of incompatibilities and limitations, states that except in certain cases, they may not simultaneously hold more positions than those provided for in one of the following combinations: (i) one executive position together with two non-executive positions or (ii) four non-executive positions. Executive positions are understood to be, in all circumstances, those who perform management functions in the company, regardless of the legal relationship that attributes these functions to them. Specific provisions are also established in order to determine how the calculation of positions should be undertaken in the case of positions held within the group itself or in commercial companies in which the company has a significant shareholding.

Incompatibilities are also provided for in Rule 34 of Bank of Spain Circular 2/2016 of February 2, 2016, as applicable to credit institutions, on supervision and solvency, which completes the adaptation of the Spanish legal system to Directive 2013/36/EU and Regulation (EU) No. 575/2013. At an international level, the European Central Bank's Suitability Assessment Guidelines and the guidelines on the assessment of the suitability of members of the management body and key function holders (EBA/GL/2021/06) are also applicable to Credit Institutions.

C.1.13 State the amounts of the following items related to the overall remuneration of the Board of Directors:

Remuneration accrued in the year by the Board of Directors (thousands of euros)	2,752
Amount of funds accumulated by current directors for long-term savings systems with consolidated economic rights (thousands of euros)	790
Amount of funds accumulated by current directors for long-term savings systems with unconsolidated economic rights (thousands of euros)	74
Amount of funds accumulated by former directors for long-term savings systems (thousands of euros)	

C.1.14 Identify the members of senior management who are not executive directors, and state the total remuneration accrued by them during the year:

Name or Company name	Role(s)
PABLO GONZÁLEZ MARTÍN	FINANCE DEPARTMENT
FRANCISCO JAVIER PÉREZ GAVILÁN	CREDIT RISK AND ESG GENERAL MANAGEMENT
JOSÉ MARÍA DE LA VEGA CARNICERO	HUMAN AND MATERIAL RESOURCES GENERAL MANAGEMENT
VICENTE ORTI GISBERT	GOVERNING BODIES GENERAL MANAGEMENT
JESÚS NAVARRO MARTÍN	INTERNAL AUDIT GENERAL MANAGEMENT
CÉDRIC BLANCHETIÈRE	GLOBAL RISK CONTROL AND SUPERVISORY RELATIONS MANAGER
ROSARIO ARACENA JIMÉNEZ	NON-CORE AND REAL ESTATE GENERAL MANAGEMENT
AGUSTÍN LOMBA SORRONDEGUI	PLANNING AND DATA DEPARTMENT
JESÚS RUANO MOCHALES	CORPORATE BUSINESS GENERAL MANAGEMENT
SEVERINO JESÚS MÉNDEZ SUÁREZ	TRANSFORMATION GENERAL MANAGEMENT
MANUEL GUERRERO WERNER	CEO'S OFFICE AND STRATEGY DEPARTMENT
ROCÍO AYALA BLANCA	LEGAL GENERAL MANAGEMENT
FERNANDO JESÚS RÍOS CAÑADAS	COMMUNICATION AND IMAGE GENERAL MANAGEMENT

Number of women in senior management	2
Percentage of the total members of senior management	15.38

Total remuneration of senior management (thousands of euros)	4.071
--	-------

The total amount of remuneration of senior management corresponds to the amounts accrued by 22 members of senior management who have performed their duties at some time during the year, even if they do not have this status at the closing date.

**C.1.15 State whether there have been any changes to the board's regulations during the year:**

- ☐ Yes  
☒ No

**C.1.16 What are the procedures for selecting, appointing, re-electing and removing directors? Specify the competent bodies, the formalities to be carried out and the criteria used in each of the procedures.**

The procedures for the selection, appointment, re-election, evaluation and removal of directors are regulated, in addition to the applicable regulations, in the Company Bylaws, the Regulations of the Board of Directors, the Policy for the Evaluation of the Suitability of the Board of Directors, the General Managers and similar and other Key Personnel for the development of the financial activity. The internal regulations on the suitability of directors are completed with the Diversity Policy, the Director Selection and Appointment Policy, the Succession Policy, the Procedure for Assessing the Functioning of the Board of Directors and its committees and of certain positions.

These procedures are also subject to the European Central Bank's suitability assessment. Acceptance of the position entails the finalization of the procedure following the approval by the banking authority of the proposed appointment, which must be approved at a General Shareholders' Meeting.

The Appointment Committee evaluates the competencies, knowledge and experience required on the Board, defines the functions and aptitudes required of the candidates and evaluates the dedication required for the performance.

- Selection



The following procedure will be followed in the selection of candidates for directors:

1. The Appointment Committee will take into account the balance of knowledge, ability, diversity and experience of the Board of Directors, being responsible for preparing the Board of Directors' skills matrix, which analyzes the overall composition of the Board by comparing the actual skills with those required to adequately understand the Company's activities, ensuring the progressive renewal of the Board, as well as that the procedures for selecting Board members, favor diversity of experience and knowledge, facilitate the selection of Directors of the less represented sex and, in general, do not suffer from implicit biases that may imply any discrimination whatsoever.

It also describes the skills required for a specific appointment, assessing the functions to be performed and the time commitment foreseen for the performance of the duties. This is based on the needs to be covered at any given time and also takes into account the objective of representation of the less represented sex on the Board of Directors and the guidelines established on this matter in the Diversity Policy.

The Appointment Committee is responsible for identifying potential candidates to fill these positions, taking into account the needs and objectives.

2. Any director or significant shareholder may request the Appointment Committee consider potential candidates to fill vacancies on the Board of Directors, if it deems them suitable in its opinion.

Depending on the type of vacancy to be filled, the following additional considerations will be taken into account:

(i) Proprietary directors: shareholders who duly demonstrate ownership of a number of shares or voting rights that would entitle them to appoint Board Members may propose, in order to fill vacancies and appoint proprietary directors on their behalf.

(ii) Independent directors: in the first instance, the Appointment Committee shall turn to external sources (i.e. "headhunters" or independent experts). However, consideration may be given to potential candidates identified by the directors themselves or by shareholders who, in addition to meeting the corresponding suitability criteria, meet the criteria for the definition of independent director derived from the applicable regulations and recommendations.

(iii) Executive Director: the Appointment Committee, after confirming the required profile, which will take into account the experience and personal skills required, as well as the rest of the necessary conditions of suitability for the full exercise of the functions of the position, may split the identification and analysis of candidates in two ways: internal, through the evaluation of internal candidates, and external, by conducting an external search for candidates that fit the profile.

The Board of Directors may proceed to co-opt the appointment of directors, where legal and statutory requirements are met.

(CONTINUED IN SECTION H.1)

#### C.1.17 Explain to what extent the annual evaluation of the board has led to major changes in the internal organization and in the procedures applied to its activities:

##### Description of the changes

In accordance with the provisions of Recommendation 36 of the Code of Good Governance of Listed Companies, Article 35 of the Board Regulations and the "Procedure for Assessing the Operation of the Board of Directors of Unicaja Banco S.A. and its Committees, and of certain positions", the Board of Directors will have the support of an external consultant at least every three years.

For this reason, as fiscal year 2019 was the last fiscal year in which an independent external consultant had been appointed, for the assessment of fiscal year 2022, after verifying its independence. In February 2023, the Appointment Committee selected Deloitte as the external consultant to support the evaluation of the performance of fiscal year 2022.

Following the issuance of the performance evaluation report for fiscal year 2022, the Board of Directors considered that it was not appropriate to prepare an Action Plan derived from this performance evaluation, due to the changes that have occurred in the composition of the Board of Directors and its Committees since the end of fiscal year 2022, when the number of directors remaining on the Board of Directors since then was reduced, and the progress made in governance during 2023. In early 2024, the Appointment Committee proposed a new assessment with the participation of all the directors currently on the Board, in line with the procedure followed in 2022 with the support of an external consultant. In February 2024, the report on the evaluation and operation of the Board and its Committees for fiscal year 2023 was issued. Following the results of the report, the Appointment Committee has prepared an action plan for fiscal year 2024, approved by the Board of Directors, aimed at: i) improving aspects related to Board information, ii) optimizing the development of the meetings of the governing bodies and iii) holding extraordinary meetings to deal with specific matters that, due to their relevance, require it.

In both cases, the perimeter of this evaluation specifically included the Board as a whole, and individually the position of the executive chairperson, the chief executive officer, the secretary/vice secretary of the board, the coordinating director and the individual contribution of each director. Each of its support committees and individually the positions of Chairperson and Secretary of each Committee are also included.

Describe the evaluation process and the areas evaluated that the Board of Directors has carried out with the assistance, if any, by an external consultant, with regard to the function and composition of the board and the committees thereof and any other area or aspect that has been evaluated.

#### Description of the evaluation process and areas evaluated

As indicated in the previous section, for the evaluation of the organization and operation of the 2022 fiscal year, the Company had the support of an external consultant (Deloitte). For fiscal year 2023, the same procedure has been followed as in 2022 with external support.

The scope to be assessed specifically comprised the Board of Directors as a whole and individually, the position of the executive chairman, the chief executive officer, the secretary/vice-secretary of the board, the coordinating director and the individual contribution of each director. Each of its support committees and individually the positions of chairperson and secretary of each committee.

A questionnaire was used to carry out this evaluation, in which each section is left open so that, if so desired, comments can be made beyond the answers to each of the questions posed.

The areas evaluated are as follows:

- i) The quality and efficiency of the Board of Directors
- ii) Diversity in the composition and competencies of the Board of Directors
- iii) Functioning and composition of its committees
- iv) Individualized analysis of each of the committees
- v) Performance of the chairperson, the chief executive officer, the coordinating director and the secretary of the board, as well as the chairperson and secretaries of the committees.

Once completed by the directors, the results were evaluated and finally the Appointment Committee prepared a report and a proposed action plan that was submitted to the Board.

**C.1.18** For those years in which the assessment was aided by an external consultant, itemize the business relations that the consultant or any company in the consultant's group might have with the company or any company in its group.

The last evaluation process assisted by an external expert was for fiscal year 2022, when the firm Deloitte was hired. The total amount invoiced and paid by Unicaja Banco to Deloitte in 2022 amounted to 5,701,760.97 euros. Regarding the firm's independence, the consultant stated: i) that it has established risk control, independence and conflict of interest policies that ensure its independence; ii) that the fees billed by Deloitte Legal to the Unicaja Group in 2022 were less than 1% of its turnover and iii) that it had not previously performed this service for Unicaja.

**C.1.19** Specify the situations in which directors must resign.

In accordance with the terms of Article 14 of the Regulations of the Board of Directors, directors must make their position available to the Board of Directors and formalize, if the Board deems convenient, the corresponding resignation in the following cases:

- a. When they cease to hold the positions, offices or functions with which their appointment as directors was associated
- b. When they are involved in any of the cases of incompatibility or prohibition provided by law
- c. When the board itself so requests by a majority of at least two thirds of its members; 1) if they are seriously reprimanded by the board for having infringed their obligations as directors, following a proposal or report from the Appointment Committee or 2) when their remaining on the board may jeopardize the interests of the Company.
- d. At the request of the Bank of Spain, the European Central Bank or any other authority with competence in the matter.
- e. When, following a report from the Appointments Committee, the board deems it appropriate in those cases that may damage the credit and reputation of the Company, when the director has ceased to meet the legal requirements of repute, experience and good governance established in Article 24 of Law 10/2014 and its implementing rules, or, in particular, when the director is being prosecuted for criminal proceedings. In particular, if a director is indicted or tried for any of the offenses set out in corporate legislation, the Board of Directors will examine the case as soon as possible and, in view of the specific circumstances, decide whether the director should continue in office. The Board of Directors shall give a reasoned account of all the foregoing in the Annual Corporate Governance Report and, if appropriate, to the Bank of Spain, European Central Bank or other competent authority.

Proprietary directors shall also present their resignation in the relevant number when the shareholder that they represent transfers or reduces their shareholding.

Whether by resignation or otherwise, when a Director ceases to hold office before the end of their term of office, they should explain the reasons in a letter that should be sent to all of the members of the Board. Notwithstanding the fact that notice of their termination shall be passed on to the market through the National Securities Market Commission website, the reason for the termination will be included in the Annual Corporate Governance Report.

C.1.20 Are reinforced majorities, as opposed to legal majorities, required for any type of decision?

- ☐ Yes  
☒ No

If Yes, describe the differences.

C.1.21 Explain whether there are specific requirements, which are different from those for directors, when being appointed Chairperson of the Board of Directors:

- ☐ Yes  
☒ No

C.1.22 Do the bylaws or the regulations for the board establish an age limit for directors?

- ☐ Yes  
☒ No

C.1.23 Do the bylaws or the regulations for the board establish a limited tenure or other, stricter requirements beyond those established by law for independent directors and those established in regulations?

- ☐ Yes  
☒ No

C.1.24 State whether the bylaws or the regulations for the board establish specific regulations for delegating a vote to the Board of Directors to other directors, how to do so and specifically the maximum number of delegations a single director can receive, as well as whether any limit has been established in terms of the categories in which a vote can be delegated, beyond those restrictions imposed by law. If so, briefly explain these regulations.

Article 18.8 of the Company's bylaws states that all directors may cast their vote and grant a proxy in favor of another director, although non-executive directors may only do so in favor of another non-executive director. Representation will be granted on a special basis for the meeting of the Board of Directors to which it refers.

Article 15.2.(b) of the Regulations of the Board of Directors states that in the event that a director is unable to attend the meetings to which they have been summoned, they shall instruct the director to whom, if any, they have granted their proxy.

On the other hand, by virtue of the provisions of Article 28.5 of the Board of Directors Regulations, the Chairman will decide, in case of doubt, on the validity of the proxies granted by directors who do not attend the meeting. These proxies may be granted by letter or any other written means which, in the judgment of the chairperson, ensures the certainty of the representation.

The internal regulations do not establish a maximum limit on the number of delegations that a director may hold.

C.1.25 State the number of meetings that the Board of Directors has held during the year. Also state, where appropriate, the number of times that the board has met without the attendance of the chairperson. For the purposes of this calculation, representations made with specific instructions will be considered as attendance.

Number of board meetings	27
Number of board meetings that were held without the attendance of the chairperson	1

State the number of meetings held by the coordinating director with the other directors, without the attendance or representation of any executive director:

Number of meetings	3
--------------------	---

State the number of meetings that the different board committees have held during the year:

Number of meetings of the Audit and Compliance Committee	12
Number of meetings of the Risk Committee	9
Number of meetings of the Appointment Committee	37
Number of meetings of the Remuneration Committee	12
Number of meetings of the Sustainability Committee	5
Number of Technology and Innovation Committee meetings	5

The Board of Directors held 27 meetings in 2023. In addition, the Board of Directors adopted a resolution, on one occasion by written procedure and without a meeting. The Audit and Compliance Committee and the Risk Committee also adopted resolutions on one occasion by written procedure and without a meeting, with the Appointment Committee doing so on two occasions. The number of reported meetings held by the coordinating director with the rest of the directors, without the attendance or representation of any executive director, was held by the current coordinating director, Rocío Fernández Funcia.

C.1.26 Specify how many meetings were held by the Board of Directors during the year and information on member attendance:

Number of meetings attended by at least 80% of the directors	27
% attendance in person of the total votes held during the year	99.41
Number of meetings attended in person or representations made with specific instructions for all of the directors	25
% of votes cast via in-person attendance and representations made with specific instructions out of the total number of votes during the year	99.41

**C.1.27** State whether the individual and consolidated financial statements that are presented to the board for their formulation have been certified beforehand:

- ☐ Yes  
☒ No

Identify, where appropriate, the individual or individuals who certified the company's individual and consolidated financial statements in order for them to be drawn up by the board:

**C.1.28** Explain the mechanisms established, if any, by the Board of Directors so the financial statements that the Board of Directors presents to the General Shareholders' Meeting are drawn up in accordance with accounting regulations.

Unicaja has an Internal Control over Financial Reporting System (ICFR), described in detail in Section F of this Annual Corporate Governance Report. Through this system, Unicaja's management is able to reasonably ensure that the financial information is prepared in accordance with applicable accounting standards and is free of material misstatements. See Section F for more information in this regard.

The Audit and Compliance Committee is also responsible for maintaining relations with the external auditors in order to, among other things, receive information on the process of auditing the financial statements. On this basis and prior to the preparation of the Company's financial statements, the external auditors present the conclusions of their work to the Audit and Compliance Committee, along with a draft audit opinion which, subject to the outcome of the audit procedures that may be pending execution at that date, represents the opinion of the external auditors on the financial statements that will be prepared by the Board of Directors and submitted to the General Shareholders' Meeting for approval.

Another of the competencies established for the Audit and Compliance Committee is that of submitting reports and proposals to the Board of Directors on matters within its competence. Therefore, in the event that the advance audit opinion contains qualifications, the Audit and Compliance Committee will send a written report to the Board of Directors to inform it of this fact and assess the possibility of modifying the financial statements and correcting the qualifications disclosed in the advance audit opinion, ensuring that the financial statements prepared by the Board of Directors represent a true and fair view of the Company's net worth and financial position.

**C.1.29** Is the secretary of the board a director?

- ☒ Yes  
☐ No

If the secretary is not a director, fill in the following table:

**C.1.30** State the specific mechanisms the company has established to preserve the independence of external auditors as well as the mechanisms established to preserve the independence of financial analysts, investment banks and rating firms, if any, including how legal provisions were effectively implemented.

As provided for in Article 25.3 of the Company's bylaws, Article 11.1 of the Regulations of the Board of Directors and Article 4 of the Regulations of the Audit Committee, the Audit and Compliance Committee is responsible for the following functions related to the auditor:

- i) Submit proposals for the selection, appointment, re-election and replacement of the auditor to the Board for submission to the General Shareholders' Meeting, taking responsibility for the selection process, as well as the conditions of their engagement, and to regularly request from the auditor information on the audit plan and its execution, in addition to preserving their independence in the performance of their duties.
- ii) Define a procedure for selecting the auditor, specifying the criteria or parameters to be assessed.
- iii) Establish the appropriate relations with the auditor to receive information on matters that could threaten their independence, for examination by the Committee, and any others related to the process of carrying out the auditing of accounts, and, where appropriate, the authorization of services other than those prohibited, in accordance with the terms established in the applicable regulations. Receive other communications provided for in auditing legislation and auditing standards. In all circumstances, the auditor must annually provide the following: a) a written declaration of independence from the Company or companies directly or indirectly related to it and b) detailed and individualized information on the additional services of any kind provided to these companies by the auditor or by the persons or companies linked to the auditor, in accordance with the provisions of the regulations governing the activity of auditing accounts.
- iv) Prior to the issuance of the accounts audit report, issue an annual report expressing an opinion on whether the independence of the accounts auditor is compromised. In all circumstances, this report must give a reasoned assessment of the provision of each of the additional services referred to in the preceding section.

v) In the event the auditor resigns, examine the reasons for doing so.

vi) Ensure that the auditor's remuneration for their work does not compromise their quality or independence.

vii) Discuss any significant weaknesses in the internal control system detected in the course of the audit with the auditor, without breaching their independence and submitting, where appropriate, recommendations or proposals to the Board of Directors and the corresponding deadline for follow-up.

viii) Ensure that the Company notifies the National Securities Market Commission of the change of auditor as a relevant fact and accompanies it with a statement on the possible existence of disagreements with the outgoing auditor and, if applicable, their content.

ix) Ensure that the auditor holds an annual meeting with the full Board of Directors to inform them about the work carried out and the evolution of the company's accounting and risk situation.

x) Ensure that the Company and the auditor comply with current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and, in general, all other regulations established related to the independence of the auditors.

With respect to 2023, the corresponding reports of the external auditor and the Audit and Compliance Committee on the independence of the external auditor have been prepared, with this duly confirmed. The Audit and Compliance Committee has concluded that the services performed by the external auditor related to the audit of accounts and other non-audit services comply with the requirements of the Audit Law and Regulation (EU) No. 537/2014, applicable to public interest entities, to be compatible with the audit of the financial statements and that these services do not present significant threats to the auditor's independence.

Finally, regarding relations with the auditor, it should be noted that the Company has a Policy on the appointment of the auditor, approval of services and other aspects of independence of the Unicaja Group's auditor, which establishes the rules and procedures for relations with the auditors regarding appointment, approval of services other than auditing as required by Regulation (EU) No. 537/2014, and other matters that are the responsibility of Unicaja's Audit and Compliance Committee.

With regard to the Rating Agencies, the Investor Relations Department, which internally coordinates the process, gives instructions to the different company departments to provide all of the information available and which they have requested. Due to their own work system, the information providers are never in contact with the final assessment team. With regard to financial analysts and investment banks, prior to contracting the service that may be required, the Bank analyzes their professional assessment in the respective sector, including their experience and independence, after which it merely provides the financial reporting they request and makes available to them any means they might require for the performance of the requested action, thus guaranteeing that the process has the conditions to ensure compliance with best practices in matters of independence and that no conflicts of interest are generated. In all circumstances, the appointment of these experts is carried out through a contracting process in which a letter of engagement including the confidentiality clauses applicable to the specific work is signed.

**C.1.31 State whether the Company has changed its external auditor during the year. If applicable, identify the incoming and outgoing auditors:**

☐ Yes

☒ No

If there have been disagreements with the outgoing auditor, explain their content:

☐ Yes

☒ No

**C.1.32 Does the audit firm perform any other non-audit work for the company and/or the group thereof? If so, state the amount of fees received for this work and the percentage that this amount represents of the fees invoiced to the company and/or its group for audit work.**

☒ Yes  
☐ No

	Company	Group companies	Total
Amount paid for work other than auditing (thousands of euros)	213	0	213
Amount for non-auditing work/Amount for auditing work (%)	10.46	0	9.03

The amount of other non-audit work (thousands of euros) includes services provided by PricewaterhouseCoopers Auditores, S.L. in relation to the fiscal year 2023 that are not directly required by current legislation. The calculation criteria and the perimeter of Group companies considered are those established in the Audit Law and Article 4.2 of Regulation (EU) 537/2014.

C.1.33 State whether the audit report on the financial statements for the previous year has any qualifications. If applicable, state the reasons given to the shareholders at the General Meeting by the chairperson of the audit committee to explain the content and the scope of these qualifications.

☐ Yes  
☒ No

C.1.34 How many consecutive years has the current audit firm audited the company's individual and/or consolidated financial statements? Please also state the percentage that represents the number of years audited by the current audit firm over the total number of years in which the financial statements have been audited:

	Individual	Consolidated
Number of consecutive years	13	13

  

	Individual	Consolidated
Number of years audited by the current auditing firm / Number of years that the company or its group has been audited (in %)	100	100

C.1.35 State if there is (and if applicable provide details) of a procedure to ensure that the directors have the necessary information to prepare the meetings of the governing bodies with sufficient time:

☒ Yes  
☐ No

### Details of the procedure

Article 15.2 of the Regulations of the Board of Directors establishes that in the performance of their duties, directors are obliged to inform themselves and adequately prepare for the meetings of the Board and of the Committees and other corporate bodies to which they belong, among other duties. For these purposes, they have the duty to demand and the right to obtain the appropriate and necessary information that may be useful for the fulfillment of their obligations.

In accordance with the provisions of Article 25.3 of the Board Regulations, the Chairperson will ensure that the Directors receive sufficient information prior to the meetings to deliberate on the items on the agenda.

To this end, Unicaja Banco has an on-line platform to securely and confidentially provide directors with the material necessary for the preparation of the meetings of the Board of Directors and its Committees.

Furthermore, Article 19 of the Regulations of the Board of Directors states that the directors are vested with the broadest powers to inquire into any aspect of the Company, to examine its books, records, documents and other background information on corporate operations and to inspect all its facilities.

In order not to hinder the Company's day-to-day management, the exercise of the powers of information will be channeled through the Chairperson or the Secretary of the Board of Directors, who will respond to the directors' requests by directly providing them with the information, offering them the relevant contact people at the appropriate level of the organization or arranging the measures so that they can carry out the desired examination and inspection procedures *in situ*.

The company will establish the appropriate channels so that the directors can obtain the necessary advice for the fulfillment of their duties including, if the circumstances so require, external advice at the company's expense. In particular, the Company will also offer directors refresher programs when circumstances so require. On an annual basis, the specific training needs of the directors are assessed and a specific training plan is developed for the Board of Directors and another reinforced plan for the members of the Audit and Regulatory Compliance and Risk Committees.

**C.1.36** Has the company established rules that require its directors to report when certain situations that affect them arise and to resign if necessary if they may be detrimental to the company's credit or reputation, regardless of whether or not these situations are unrelated to their performance at the company? If so, please explain.

☒ Yes

☐ No



**Explain the rules.**

Pursuant to Article 14.2.(e) of the Regulations of the Board of Directors, the directors should place their position at the disposal of the Board of Directors and formalize, if the Board deems it appropriate, the corresponding resignation, where, following a report from the Appointment Committee, the Board deems it appropriate in those cases that may damage the credit and reputation of the Company, if the director has ceased to meet the legal requirements of repute, experience and good governance as set forth in Article 24 of Law 10/2014 and its implementing rules, or, in particular, where the director is being prosecuted for criminal proceedings. The Company also has a Policy for the assessment of Suitability in which it obliges the members of the Board of Directors to immediately inform the Company of any circumstance affecting their commercial and professional repute, honesty, integrity, knowledge, experience and required competencies.

In particular, if a director is indicted or tried for any of the offenses set out in corporate legislation, the Board of Directors will examine the case as soon as possible and, in view of the specific circumstances, decide whether the director should continue in office. The Board of Directors shall give a reasoned account of all of the foregoing in the Annual Corporate Governance Report and, if appropriate, to the Bank of Spain, the European Central Bank or the relevant authority.

C.1.37 Unless there were special circumstances that have been recorded, state whether the board has been informed or has otherwise become aware of any situations affecting a director that could be detrimental to the company's credit and reputation, even if the situation is unrelated to their performance at the company.

☐ Yes

☒ No

C.1.38 Explain any significant agreements the company might have celebrated that have entered into force, be they amended or concluded in the case of a change in company control resulting from a takeover bid, and the effects thereof.

None

C.1.39 Identify (individually when referring to directors and jointly in the remaining cases) and give a detailed indication of the agreements between the company and its administrative and management positions and employees that have compensations or guarantee or protection clauses for when such directors resign or are improperly dismissed or if the contractual relation ends due to a takeover bid or other type of operation.

Number of beneficiaries	22
Type of beneficiary	Description of the agreement
CEO Members of the Steering Committee. Other employees	The Chief Executive Officer shall be entitled to receive, in the cases regulated in his contract, as compensation for the non-competition agreement, an economic compensation equivalent to one year's fixed monetary remuneration at the time of termination of the contract, the amount of which would be paid upon termination of the non-competition period. As for the members of the Steering Committee and other employees: Compensation, for some members of the Steering Committee (3) and other employees (16), for a termination of the contract not attributable to the employee of the equivalent of between one and three years' annual remuneration.

Apart from the cases envisaged in the regulations, state whether these contracts need to be communicated and/or approved by the bodies of the company or its group. If this is the case, specify the procedures, the expected circumstances and the nature of the bodies responsible for their approval or for making the notification:

	Board of Directors	General Shareholders' Meeting
Body that authorizes the clauses	√	
	Yes	No
Is the General Shareholders' Meeting informed of the clauses?	√	

The General Shareholders' Meeting is informed through this Report, which in turn forms part of the management report contained in the Financial Statements.

## C.2. Board of Directors' Committees

2.1 List all of the Board of Directors' committees, their members and the proportion of executive, proprietary, independent and other external directors that comprise them:

AUDIT AND REGULATORY COMPLIANCE COMMITTEE		
Name	Position	Category
ROCÍO FERNÁNDEZ FUNCIA	CHAIR	Independent
MARÍA LUISA ARJONILLA LÓPEZ	BOARD MEMBER	Independent
CAROLINA MARTÍNEZ CARO	BOARD MEMBER	Independent
JOSE RAMÓN SÁNCHEZ SERRANO	BOARD MEMBER	Proprietary director
RAFAEL DOMÍNGUEZ DE LA MAZA	SECRETARY	Proprietary director

% of executive directors	0
% of proprietary directors	40
% of independent directors	60
% of other external directors	0

Explain the functions, including as appropriate, any beyond those established by law, that are attributed to this committee and describe its procedures and its rules of organization and operation. For each of these functions, specify the most important actions taken during the year and how the committee has effectively executed each of the functions attributed to it, either by law or in the bylaws or other corporate resolutions.

Its organization and operation are regulated in Article 25 of the Company's bylaws, Article 31 of the Regulations of the Board of Directors and the Regulations of the Audit and Compliance Committee. The latter was approved by the Board of Directors on February 21, 2018 (available through Unicaja Banco's corporate website ("www.unicajabanco.com")), which implements the regulation contained in the bylaws and in the Regulations of the Board of Directors, assuming the principles of Technical Guide 3/2017 of June 27, 2017 as applicable to the National Securities Market Commission, on audit committees of public interest entities, following its recommendations.

1) Functions attributed thereto:

(a) Regarding computer systems and internal control:

i. Continuous supervision of the preparation and presentation process and the integrity of the financial reporting related to the Company and its Group. This supervisory work may be performed on an ad hoc basis at the request of the Board.

- ii. Supervising compliance with regulatory requirements, the proper delimitation of the scope of consolidation and the correct application of accounting criteria, submitting, where appropriate, recommendations or proposals to the Board aimed at safeguarding the integrity of the financial reporting.
- iii. Supervising, analyzing and commenting on the financial reporting that the Company shall periodically make public and submit to regulatory or supervisory bodies, with senior management, the internal auditor or, if applicable, with the auditor. This shall be undertaken in order to confirm that the information is reliable, understandable, relevant and that the accounting criteria of the financial statements have been followed and, to this end, consider the advisability of a limited review by the auditors, and subsequently report to the Board of Directors prior to their being approved or drawn up.
- iv. Monitoring the effectiveness of the internal control over financial reporting (ICFR) system, including receiving reports from internal control and internal audit managers and concluding on the level of assurance and reliability of the system with proposals for improvement.
- v. Supervising the functioning of the mechanism (Compliance Channel) that allows employees, among others, to report in a confidential manner any irregularities of potential importance, especially in the rules of conduct, financial and accounting, that they may notice within the Bank, proposing appropriate action to improve its functioning and reduce the risk of committing irregularities in the future.
- vi. Ensuring that the financial reporting published on the Company's corporate website is continuously updated and matches that drawn up by the Board of Directors of the Company and published, if applicable and when obligated to do so, on the web page of the Spanish Securities Market Commission.
- vii. Reporting, in advance, to the Board of Directors on all matters provided for by law, in the Bylaws, in the Board Regulations or in the Committee's own Regulations, and, in particular, on the financial information that the Company must periodically disclose, the creation or acquisition of shares in special purpose vehicles or entities domiciled in countries or territories that are considered to be tax havens.
- viii. Through the Chairperson, maintaining a continuous dialog with the person responsible for the financial reporting function.

(CONTINUED IN SECTION H.1)

Identify the directors who are members of the audit committee who have been appointed based on their knowledge and experience in accounting, auditing or both and state the date of appointment of the Chairman of this committee to their position.

Names of the directors with experience	ROCÍO FERNÁNDEZ FUNCIA / JOSE RAMÓN SÁNCHEZ SERRANO
Date of appointment of the chairperson to their position	9/29/2023

RISK COMMITTEE		
Name	Position	Category
ANTONIO CARRASCOSA MORALES	CHAIR	Independent
NURIA ALIÑO PÉREZ	BOARD MEMBER	Independent
JUAN ANTONIO IZAGUIRRE VENTOSA	SECRETARY	Proprietary director

% of executive directors	0
% of proprietary directors	33.33
% of independent directors	66.67
% of other external directors	0

Explain the functions that are delegated or attributed to this committee that are not described in Section C.1.9, describing its procedures and its rules of organization and operation. For each of these functions, specify the most important actions taken during the year and how the committee has effectively executed each of the functions attributed to it, either by law, in the bylaws or in other corporate resolutions.

Its organization and operation are regulated in Article 26 of the Bylaws and Article 34 of the Regulations of the Board of Directors.

1) Functions attributed thereto:

- i. Advising the Board on the Company's overall current and future risk appetite and its strategy in this area, assisting the Board in monitoring the implementation of this strategy.
- ii. Ensuring that all risk control and management systems work properly and, in particular, that any significant risks that affect the Company are properly identified, managed and quantified.
- iii. Ensuring that all risk control and management systems properly mitigate the risks within the framework of the policy defined by the Board of Directors.
- iv. Examining whether the pricing of assets and liabilities offered to clients fully takes into account the Company's business model and risk strategy. If the Committee finds that the prices do not adequately reflect the risks in accordance with the business model and risk strategy, it will submit a plan to remedy this deficiency to the Board of Directors.
- v. Together with the Board of Directors, determining the nature, amount, format and frequency of the information on risks that the committee and the Board of Directors will receive.
- vi. Working together on the establishment of rational remuneration policies and practices. To this end, the Risk Committee will examine, without prejudice to the functions of the Remuneration Committee, if the envisaged incentives policy takes the risk, capital, liquidity, and the probability and opportunity of profit into account.
- vii. Actively taking part in drawing up the Company's risk management policy, ensuring that it identifies at least the following:
  - (a) The different types of financial and non-financial risks (including, among others: operational, technological, legal, social, environmental, political and reputational) that the Company faces, contingent liabilities and other off-balance sheet risks being counted among the financial and economic risks
  - (b) The level of risk that the Company considers acceptable
  - (c) The measures envisaged to mitigate the impact of the risks identified, should they materialize
  - (d) The information and internal control systems that will be used to control and manage the aforementioned risks, including all contingent liabilities and off-balance sheet risks.

2) Procedures, rules of organization and operation:

The Risk Committee shall consist of a minimum of three and a maximum of five directors, to be appointed by the Board of Directors from among the directors who do not perform executive functions and who possess the appropriate knowledge, ability and experience to fully understand and control the Company's risk strategy and risk appetite. Most of them, and in all cases the chairperson, should be independent directors.

The Board of Directors shall appoint a committee chairperson 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.

The committee shall meet at least quarterly and, in the opinion of the chairperson, as often as necessary for the fulfillment of the duties entrusted to it or when so requested by two of its members.

The chairperson of the committee shall report on the decisions adopted at the first plenary meeting of the Board following the meeting of the committee. The Committee prepares an annual action plan for the year and a similar report on its operation to be presented to the Board of Directors.

(CONTINUED IN SECTION H.1)

Appointment Committee		
Name	Position	Category
MARÍA LUISA ARJONILLA LÓPEZ	CHAIR	Independent
ROCÍO FERNÁNDEZ FUNCIA	BOARD MEMBER	Independent
JOSE RAMÓN SÁNCHEZ SERRANO	SECRETARY	Proprietary director

% of executive directors	0
% of proprietary directors	33.33
% of independent directors	66.67
of other external directors	0

Explain the functions, including as appropriate, any beyond those established by law, that are attributed to this committee and describe its procedures and its rules of organization and operation. For each of these functions, specify the most important actions taken during the year and how the committee has effectively executed each of the functions attributed to it, either by law or in the bylaws or 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) Functions attributed thereto:

- i. Evaluating the skills, diversity, balance of knowledge and experience required on the Board of Directors. For these purposes, it will determine the functions and aptitudes required of the candidates to fill each vacancy and evaluate the dedication necessary for the proper performance of their duties.
- ii. Identifying and recommending, by means of the corresponding report, in the case of executive directors and proprietary directors, or proposal, in the case of independent directors, candidates to fill vacancies on the Board, with a view to their approval by the Board of Directors or by the General Shareholders' Meeting.
- iii. Periodically and at least once a year, assessing the structure, size, composition and performance of the Board of Directors, making recommendations to the Board regarding possible changes.
- iv. Evaluating periodically and at least once a year the suitability of the various members of the Board of Directors and of the Board as a whole, reporting to the Board accordingly.
- v. Ensuring that non-executive directors have sufficient time available for the proper performance of their duties.
- vi. Reporting on proposals for the appointment and removal of Senior Management, as well as the basic conditions of their contracts.
- vii. Examining and organizing the succession of the Chairperson of the Board of Directors and the Company's chief executive, if one exists, and, if applicable, make proposals to the Board of Directors so that the succession takes place in an organized and well-planned manner.
- viii. Annually review compliance with the Director Selection Policy and report thereon in the Annual Corporate Governance Report.
- ix. Periodically reviewing the Board of Directors' policy on the selection and appointment of Senior Management and make recommendations.
- x. Establishing a representation target for the underrepresented gender on the Board of Directors and develop guidelines on how to achieve this target.
- xi. Reporting on the appointments of the Vice-Chairperson of the Board, the Chief Executive Officer, the Coordinating Director and the Chairmen/Chairwomen of the Committees.
- xii. Reporting on the appointment and removal of the Secretary and Vice-Secretary of the Board of Directors.

(CONTINUED IN SECTION H.1)

REMUNERATION COMMITTEE		
Name	Position	Category
CAROLINA MARTÍNEZ CARO	CHAIR	Independent
ANTONIO CARRASCOSA MORALES	BOARD MEMBER	Independent
JUAN ANTONIO IZAGUIRRE VENTOSA	SECRETARY	Proprietary director

% of executive directors	0
of proprietary directors	33.33
% of independent directors	66.67
% of other external directors	0

Explain the functions, including as appropriate, any beyond those established by law, that are attributed to this committee and describe its procedures and its rules of organization and operation. For each of these functions, specify the most important actions taken during the year and how the committee has effectively executed each of the functions attributed to it, either by law or in the bylaws or other corporate resolutions.

Its organization and operation are regulated in Article 27 bis of the Bylaws and Article 33 of the Regulations of the Board of Directors.

1) Functions attributed thereto:

- i. Verifying compliance with the remuneration policy established by the company.

- ii. Preparing the decisions related to remuneration, including those that have repercussions for the Company's risk and risk management, that must be adopted by the Board of Directors.
- iii. Proposing the remuneration policy for directors and senior management to the Board of Directors, as well as the individual remuneration and other contractual conditions of the executive directors and senior management, ensuring that they are complied with.
- iv. Preparing a specific report, which will accompany the Board of Directors' remuneration policy proposal.
- v. Periodically reviewing the remuneration policy that is applied to directors and senior management, including the remuneration systems with shares and their application, ensuring that their individual remuneration is proportionate to that paid to the other directors and the senior management of the company.
- vi. Ensuring that any conflicts of interest do not affect the independence of the external advice provided to the Committee.
- vii. Verifying the information on remuneration for Board Members and Senior Management contained in the various corporate documents, including the annual report on the remuneration of the Board Members.

**2) Procedures, rules of organization and operation:**

The Remuneration Committee shall be made up of a minimum of three and a maximum of five directors who do not perform executive functions in the Bank. Most of the committee members, and in all cases the chairperson, should be independent directors. The members of the Remuneration Committee will be appointed by the Board of Directors, taking into account the knowledge, experience and skills required for the duties to be performed.

The Board of Directors shall appoint a committee chairperson from among the independent directors belonging to the Committee. It will also appoint a Secretary, who does not have to be a member of the Board, who will assist the Chairperson and provide for the proper functioning of the Committee, duly recording the proceedings of the meetings in the minutes.

The committee shall meet with the frequency determined by the committee and whenever called to meeting by its chairperson or requested by two of its members.

The Chairperson of the Committee will report on the decisions adopted by the Committee at the first plenary meeting of the Board following the meeting of the Committee. Annually, the Committee prepares an action plan for the year and an annual report on its operation which it presents to the Board of Directors.

(CONTINUED IN SECTION H.1)

SUSTAINABILITY COMMITTEE		
Name	Position	Category
NURIA ALIÑO PÉREZ	CHAIR	Independent
INÉS GUZMÁN ARRUE	BOARD MEMBER	Independent
NATALIA SÁNCHEZ ROMERO	SECRETARY	Proprietary director

% of executive directors	0
% of proprietary directors	33.33
% of independent directors	66.67
% of other external directors	0

Explain the functions that are delegated or attributed to this committee that are not described in Section C.1.9 and describe its procedures and its rules of organization and operation. For each of these functions, specify the most important actions taken during the year and how the committee has effectively executed each of the functions attributed to it, either by law, in the bylaws or in other corporate resolutions.

**Functions:**

- i) Overseeing that the Company's practices related to sustainability are in line with the strategy, the established policies and the commitments acquired
  - ii) Reporting on the Sustainability Policies to be submitted to the Board of Directors for approval, in order to promote the inclusion of the corporate culture and fulfill the mission of promoting the social interest, taking into account the different stakeholders
  - iii) Ensuring the integrity of the content of sustainability reports, as well as compliance with applicable regulations and international reference standards.
- Regarding the non-financial information contained in the annual management report, assessing its content prior to its review and report by the Audit and Compliance Committee for its subsequent formulation by the Board of Directors.

- iv) Monitor the processes of identification, evaluation, control and management of risks in the area of sustainability
- v) Evaluate the periodic sustainability reports submitted by the relevant areas of the Company
- vi) Be aware of the texts, reports or communications from supervisory bodies related to sustainability and issue the corresponding reports and/or proposals, as the case may be
- vii) Advise the Board of Directors in decision-making on sustainability matters, with the Audit and Regulatory Compliance and the Risk Committees providing whatever assistance may be required within the framework of their respective competencies, and acting in coordination with both Committees.
- viii) Make proposals to the Board of Directors regarding sustainability.

**Operating rules:**

The Sustainability Committee's rules of operation are set out below:

1. The Sustainability Committee shall comprise a minimum of three and a maximum of five directors, appointed by the Board of Directors for a period not exceeding their term of office, without prejudice to the possibility of their being re-elected indefinitely, to the extent that they are also re-elected as directors. All of the members of the Sustainability Committee should be directors who do not perform executive functions in the Company. The members of the Sustainability Committee are to be appointed by the Board of Directors, taking into account the knowledge, experience and skills required for the duties to be performed.
2. The Board of Directors shall appoint a chairperson of the Sustainability Committee from among the independent directors who are members of the committee. A secretary will also be appointed, who does not have to be a member committee. They will assist the chairperson and provide for the proper functioning of the committee, duly recording the proceedings in the minutes of the meeting. The minutes of each meeting will be taken by the secretary or whoever is performing their duties and provided to all board members.
3. The committee shall meet with the frequency determined by the committee and whenever called to meeting by its chairperson or requested by two of its members. Notice of meetings shall be given at least two working days prior to the date set for the meeting. On an annual basis, the committee will draw up an action plan for the year, which it will make available to the board.
4. The Sustainability Committee shall seek external advice where it is deemed necessary for the performance of its duties.
5. The chairperson of the committee shall report on the decisions adopted by the committee at the first plenary meeting of the board following the meeting of the committee.
6. The committee will submit an annual report on its operation to the Board of Directors.

3) The main matters and issues dealt with by the Committee during 2023, in its different areas of activity, were as follows:

- (i) Corporate Governance: At the first session of 2023, the committee approved its Action Plan for the year.
- (ii) Sustainability Strategy (ESG): The committee was informed of the monitoring of the carbon footprint estimate, the exposure to transition risk and physical risk, and the corporate objectives relating to sustainability. The committee also informed the Board of the proposed metrics related to the Sustainability of the AFP, the Sustainability aspects of the 2022 Prudential Relevance Report and the 2022 Statement of Non-Financial Information.
- (iii) Policies: The committee reported favorably on the revision of the CSR Policy and the Environmental, Energy and Climate Change Policy and the approval of the Policy on exclusions to financing for environmental and social risks.

On the same date of approval of this report, the board approved an amendment to the Regulations of the Board of Directors, incorporating the functions, composition, operating rules and other aspects of the Sustainability Committee.

**TECHNOLOGY AND INNOVATION COMMITTEE**

Name	Position	Category
INÉS GUZMÁN ARRUE	CHAIR	Independent
CAROLINA MARTÍNEZ CARO	BOARD MEMBER	Independent
FELIPE FERNÁNDEZ FERNÁNDEZ	SECRETARY	Proprietary director

% of executive directors	0
% of proprietary directors	33.33
% of independent directors	66.67
% of other external directors	0

Explain the functions that are delegated or attributed to this committee that are not described in Section C.1.9, describing its procedures and its rules of organization and operation. For each of these functions, specify the most important actions taken during the year and how the committee has effectively executed each of the functions attributed to it, either by law, in the bylaws or in other corporate resolutions.

1) Functions attributed thereto:

- i. Assisting the Board of Directors in making decisions affecting technology, information and data management and the Company's telecommunications structures, reporting on strategic plans and actions and submitting the appropriate proposals.
- ii. Overseeing the optimization of technological support for information processing and the development of systems and applications, ensuring their proper operation and data security.
- iii. Monitoring the process of technological transformation of the Company, with particular attention to its impact on the business model.
- iv. Following technological risk, in general.
- v. Ensuring the identification of potential avenues for innovation present in the Company, as well as to supervise and monitor innovation initiatives that have an impact on the business model.
- vi. Providing whatever assistance is required, within the framework of their respective competencies, by the Audit and Compliance Committee and by the Risk Committee, working together with both committees to the extent necessary for the exercise of their own competencies.

2) Procedures, rules of organization and operation:

The committee will comprise a minimum of three and a maximum of six directors who do not perform executive functions in the Company. The members of the Technology and Innovation Committee will be appointed by the Board of Directors, taking into account the knowledge and experience of the candidates and the skills required for the duties to be performed.

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

The Board of Directors will appoint a chairperson of the Technology and Innovation Committee from among the independent directors who are members thereof. It will also appoint a secretary, who does not need to be a member of the committee to assist the chairperson and ensure the proper functioning of the committee, duly recording the proceedings in the minutes of the meetings, which will be provided to all directors.

The committee shall meet with the frequency determined by the committee and whenever called to meeting by its chairperson or requested by two of its members. Annually, the committee prepares an action plan for the year and an annual report on its operation which it presents to the Board of Directors.

The chairperson of the committee will report on the decisions adopted by the committee at the first plenary meeting of the board following the meeting of the committee.

3) Actions of the Technology and Innovation Committee during 2023:

The main matters and issues dealt with by the committee during 2023, in its different areas of activity, were as follows:

- (i) Corporate Governance: At the first session of 2023, the committee approved its Action Plan for the year.
- (ii) Technology and innovation: The Committee was informed of the plans and work carried out for the evolution of the architecture and optimization of the technological infrastructure, having reported favorably and submitted certain proposals pertinent to this area to the Board of Directors for its approval. The committee has monitored the 2022-2024 Technology Plan, in particular the significant initiatives on digitalization and on innovation and NPS customer experience.
- (iii) Technology and cybersecurity risk: The committee monitors technological risks and the Cybersecurity Plan.

On the same date of approval of this report, the Board of Directors approved an amendment to the Board Regulations, changing the name of the committee. It was renamed the Digital Transformation, Innovation and Technology Committee, incorporating the rules of operation, composition, functions and other aspects of the Technology and Innovation Committee.

**2.2 Fill in the following table with information about the number of women directors that made up the committees of the Board of Directors at the end of the last four years:**

	Number of women directors							
	2023		2022		2021		2020	
	Number	%	Number	%	Number	%	Number	%
AUDIT AND REGULATORY COMPLIANCE COMMITTEE	3	60	1	20	2	40	2	40



**ANNUAL CORPORATE GOVERNANCE REPORT  
FOR LISTED CORPORATIONS**

RISK COMMITTEE	1	33.33	2	40	1	20	4	80
Appointment Committee	2	66.66	2	40	2	40	2	40
REMUNERATION COMMITTEE	1	33.33	4	80	3	60	2	40
SUSTAINABILITY COMMITTEE	3	100	1	20	0	0	0	0
TECHNOLOGY AND INNOVATION COMMITTEE	2	66.66	5	83.33	3	60	2	66.66

2.3 Specify, where appropriate, any regulations on the committees of the board, where same can be consulted and any changes made to it during the year. In turn, state whether any annual report has been voluntarily drawn up on the activities of each committee.

Section C.2.1 of this report specifies the articles of the Company Bylaws and the Regulations of the Board of Directors that contain the internal regulations of the different Board Committees, except for the Technology and Innovation Committee and the Sustainability Committee which is regulated by the Board of Directors.

The Company's Bylaws, the Regulations of the Board of Directors, the Regulations of the Audit and Compliance Committee and the operating rules of the Technology and Innovation Committee and the Sustainability Committee are published on the Company's corporate website ([www.unicajabanco.com](http://www.unicajabanco.com)) in the "Corporate Governance and Remuneration Policy" section.

In 2022, the Sustainability Committee was constituted. None of the provisions or agreements regulating the Board committees were modified.

In compliance with Recommendation 6 of the Code of Good Governance of Listed Companies, the 2023 reports of the Audit and Regulatory Compliance, Appointments and Remuneration Committees will be published on the Company's corporate website sufficiently in advance of the Ordinary General Shareholders' Meeting of the Company. The corresponding reports of the Risk Committee will also be published on the Company's corporate website. The Sustainability Committee and the Technology and Innovation Committee will not be published as they have been inactive for a large part of the year due to vacancies on the board during fiscal year 2023.

On February 29, 2024, the Board of Directors agreed to amend the Board Regulations to include the regulation of the Sustainability Committee and the Digital Transformation, Innovation and Technology Committee (formerly Technology and Innovation).

## D. RELATED PARTY AND INTRA-GROUP TRANSACTIONS

- D.1.** Explain, where appropriate, the procedure and competent bodies for the approval of transactions with related parties and intra-group transactions, indicating the criteria and general internal rules of the entity that regulate the abstention obligations of the affected directors or shareholders and detailing the internal reporting and periodic control procedures established by the company in relation to those related party transactions whose approval has been delegated by the Board of Directors.

The Board of Directors has developed the internal regulations for the prevention of conflicts of interest both through the Regulations of the Board of Directors itself, reserving for the exclusive knowledge of the board, except when this corresponds to the general meeting, the transactions that the Company carries out with directors, senior executives, significant shareholders or shareholders represented on the Board or with persons related thereto (related-party transactions), after the Audit and Compliance Committee has provided a favorable report, as well as through the approved and effectively implemented series of procedures that establish the bases of action to be followed in order to prevent and, where appropriate, manage conflicts of interest that may arise between members of the board, customers, suppliers and the company in general. Where appropriate, the committee also works with other companies in its group, complying at all times with the provisions of current legislation and the Bank's corporate governance system.

Specifically, the Bank has a "Policy for the Identification and Management of Conflicts of Interest and Related-Party Transactions of Significant Shareholders, Board members, Board members, senior executives and other related parties", (the "Policy"), the purpose of which is to establish procedures for the identification, communication, evaluation and management of conflicts of interest, as well as to regulate the system of authorizations for transactions that the Company carries out with its directors, Significant Shareholders and Senior Management of the Company and their related parties,

The aforementioned policy, and in compliance with the Capital Companies Act, establishes that the corporate bodies responsible for approving credit, guarantee or surety transactions to be granted to members of the Board of Directors and parties related to it will be the General Shareholders' Meeting or the Board of Directors, depending on the amount of the transaction, in both cases pursuant to a report from the Audit and Compliance Committee which, among other elements, will assess whether the transaction is fair and reasonable from the Company's point of view and will include the mentions required by Bank of Spain Circular 2/2016 for this type of transaction.

In accordance with the aforementioned internal regulations, the competent bodies for the approval of related-party transactions will be:

1. The General Shareholders' Meeting for related-party transactions, where the amount or value is equal to or exceeds 10% of total assets, according to the latest annual balance sheet approved by the Company.

When a General Meeting of Shareholders is called to decide on a related-party transaction, the shareholder concerned will be deprived of their right to vote, except in cases where the proposed resolution has been approved by the Board of Directors without the majority of independent directors voting against it. However, where applicable, the rule of the reversal of the burden of proof will apply in terms similar to those provided for in Article 1903 of the Capital Companies Act.

2. For all other transactions, the Board of Directors may only delegate the approval of transactions that meet the legal requirements, as described below. The director or other key personnel affected by the related transaction, or who represents or is related to the affected shareholder, will abstain from participating in the deliberation and voting of the corresponding resolution.

The approval of related-party transactions by both the General Shareholders' Meeting and the Board of Directors will require a prior report from the Audit and Compliance Committee, in the drawing up of which the affected directors may not participate.

As indicated above, the Policy also provides, in accordance with the Capital Companies Act, a delegation for certain internal committees of the Bank for the granting of credit transactions to Directors and related parties, not exceeding an aggregate amount of 500,000 euros in the last year (an amount much lower than the limit of 0.5% of the Company's net turnover established by the Capital Companies Act), provided that such transactions are entered into under contracts whose terms and conditions are standardized, are applied en masse to a large number of customers, and are carried out at prices and rates generally established by the Bank. Although they do not require a prior report from the Audit and Compliance Committee, these transactions must follow an internal procedure of periodic information and control by the aforesaid Committee, expressly established in the Policy.

Transactions that require authorization from the Bank of Spain may not be formalized until this authorization has been obtained. Those that do not require authorization should be reported to the Bank of Spain immediately after they are granted. Furthermore, the Bank will report to the competent authority, on a half-yearly basis, a list of the members of the Board of Directors and their related parties, general managers and similar parties to whom loans have been granted, with the detail established in Bank of Spain Circular 2/2016.

On the occasion of the announcement of the Ordinary General Shareholders' Meeting, the Bank publishes on its corporate website the annual report of the Audit and Compliance Committee containing the report on related-party transactions, ensuring compliance with Recommendation 6 of the Code of Good Governance of Listed Companies.

- D.2.** List individually those transactions that are significant due to their amount or relevant due to their subject matter carried out between the company or its subsidiaries and shareholders holding 10% or more of the voting rights or represented on the Board of Directors of the company, indicating which was the competent body for their approval and whether any

affected shareholder or director abstained. In the event that the competence fell to the board, state whether the proposed resolution was approved by the board without a dissenting vote from the majority of the independent directors:

	Name or corporate name of the shareholder or of any of its dependent companies	% of equity interest	Name or company name of the company or subsidiary	Amount (thousands of euros)	Approving body	Identification of any significant shareholder or director who abstained	The proposal to the board, if any, has been approved by the board without a majority of independent directors voting against it
(1)	FUNDACIÓN BANCARIA UNICAJA	30.24	CLUB BALONCESTO MÁLAGA, S.A.D.	4,650	BOARD OF DIRECTORS	Juan Antonio Izaguirre Ventosa, Miguel González Moreno, Natalia Sánchez Romero and José Ramón Sánchez Serrano.	NO
(2)	FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	30.24	UNICAJA SPORTS SOCIETY	300	BOARD OF DIRECTORS	Juan Antonio Izaguirre Ventosa, Miguel González Moreno, Natalia Sánchez Romero and José Ramón Sánchez Serrano.	NO
(3)	FUNDACIÓN BANCARIA UNICAJA	30.24	CLUB BALONCESTO MÁLAGA, S.A.D.	2,000	BOARD OF DIRECTORS	Juan Antonio Izaguirre Ventosa, Miguel González Moreno, Natalia Sánchez Romero and José Ramón Sánchez Serrano.	NO
(4)	FUNDACIÓN BANCARIA UNICAJA	30.24	CLUB BALONCESTO MÁLAGA, S.A.D.	17	BOARD OF DIRECTORS	Juan Antonio Izaguirre Ventosa, Miguel González Moreno, Natalia Sánchez Romero and José Ramón Sánchez Serrano.	NO
(5)	FUNDACIÓN BANCARIA UNICAJA	30.24	FUNDACIÓN BANCARIA UNICAJA	900	BOARD OF DIRECTORS	Juan Antonio Izaguirre Ventosa, Miguel González Moreno, Natalia Sánchez Romero and José Ramón Sánchez Serrano.	NO

**ANNUAL CORPORATE GOVERNANCE REPORT  
FOR LISTED CORPORATIONS**

	Name or corporate name of the shareholder or of any of its dependent companies	% of equity interest	Name or company name of the company or subsidiary	Amount (thousands of euros)	Approving body	Identification of any significant shareholder or director who abstained	The proposal to the board, if any, has been approved by the board without a majority of independent directors voting against it
(6)	FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	6.67	FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	22	BOARD OF DIRECTORS	Felipe Fernández Fernández	NO

	Name or corporate name of the shareholder or of any of its dependent companies	Nature of the relationship	Type of operation and other information necessary for assessment
(1)	FUNDACIÓN BANCARIA UNICAJA	Contractual	Sports sponsorship agreement for the 2023-2024 season. The amount does not include VAT.
(2)	FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	Contractual	Collaboration agreement for the promotion of sports.
(3)	FUNDACIÓN BANCARIA UNICAJA	Contractual	Renewal of a checking account for a one-year term.
(4)	FUNDACIÓN BANCARIA UNICAJA	Contractual	Financial guarantee.
(5)	FUNDACIÓN BANCARIA UNICAJA	Contractual	Modification of the license agreement for the use of a trademark owned by Fundación Bancaria Unicaja, extending the term by ten years. The initial fee (900,000 euros) excluding VAT will be updated annually in line with variations in the CPI.
(6)	FUNDACIÓN BANCARIA CAJA DE AHORROS DE ASTURIAS	Contractual	Modification of a real estate lease

There have been no proposed transactions to be submitted for approval at the General Shareholders' Meeting. The proposed transactions during the year were approved by the Board of Directors, following a favorable report from the Audit and Compliance Committee, without the participation or vote of the proprietary directors.

**D.3.** Provide an individualized detail of the transactions that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with the directors or executives of the company, including those transactions carried out with companies that the director or executive controls or jointly controls, and indicating which was the competent body for their approval and whether any shareholder or director affected abstained. In the event that the

competence fell to the board, state whether the proposed resolution was approved by the board without a dissenting vote from the majority of the independent directors:

	Name or corporate name of the directors or executives or the companies under their sole or joint control	Name or company name of the company or subsidiary	Link	Amount (thousands of euros)	Approving body	Identification of any significant shareholder or director who abstained	The proposal to the board, if any, has been approved by the board without a majority of independent directors voting against it
No data							

	Name or corporate name of the directors or executives or the companies under their sole or joint control	Type of operation and other information necessary for assessment
No data		

- D.4.** Report on an individual basis on significant intra-group transactions, due to their amount or relevant due to their subject matter, carried out by the company with its parent company or with other entities belonging to the parent company's group, including the listed company's own subsidiaries, unless no other related party of the listed company has an interest in such subsidiaries or such subsidiaries are wholly owned, directly or indirectly, by the listed company.

In any case, any intra-group operation that is carried out with entities established in countries or territories that are considered tax havens should be reported:

Corporate name of the group company	Brief description of the operation and other information necessary for assessment	Amount (thousands of euros)
No data		

- D.5.** Individually list any transactions that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with other related parties that are so in accordance with the International Accounting Standards adopted by the EU, which have not been reported under the previous headings.

Company name of the related party	Brief description of the operation and other information necessary for assessment	Amount (thousands of euros)
-----------------------------------	---	-----------------------------



No data		
---------	--	--

**D.6.** Detail the mechanisms in place to detect, determine and resolve potential conflicts of interest between the company and/or its group, and their directors, executives, significant shareholders or other related parties.

Article 13.3 of the Company's Bylaws entrusts the Board of Directors with the definition of a corporate governance system that guarantees the sound and prudent management of the Company. It includes the appropriate distribution of functions in the organization and the prevention of conflicts of interest.

The Board of Directors has developed the internal regulations for the prevention of conflicts of interest in its Regulations, specifically in Articles 7, 15, 16, 17, 18, 20 and 21. Article 7.4.(m) of the Regulations of the Board of Directors establishes as an exclusive competence of the Board the examination and approval of the transactions that the Company carries out with directors, senior management, with significant shareholders or shareholders represented on the board, or with persons related to it (related-party transactions), subject to a favorable report from the Audit and Compliance Committee.

Article 15 of the Board Regulations states that directors have, among other obligations, the following: (a) not exercise their powers for purposes other than those for which they were granted, (b) perform their duties under the principle of personal responsibility free of criteria or judgment and independence with respect to third-party instructions and ties, (c) adopt the necessary measures to avoid incurring in situations in which their interests, whether on their own behalf or on behalf of others, may conflict with the corporate interest and with their duties to the Company, (d) report any situation of direct or indirect conflict to the Board of Directors, in accordance with the established procedure and (e) have the appropriate dedication and adopt the necessary measures for the proper management and control of the Company. In particular, directors shall inform the Appointments Committee of their other professional obligations to ensure that they do not interfere with proper dedication to their position.

(CONTINUED IN SECTION H.1)

**D.7.** Indicate whether the company is controlled by another entity along the lines of Article 42 of the Code of Commerce, listed or otherwise, and has, directly or through the subsidiaries thereof, any business relationships with said entity or the subsidiaries thereof (other than those of the listed company) or carries out activities related to those of any such entities.

- ☐ Yes
- ☒ No

## E. RISK MANAGEMENT AND CONTROL SYSTEMS

### E.1 Explain the scope of the company's financial and non-financial Risk Control and Management System, including those of a fiscal nature.

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

- A system of governance and organization of the risk function, based on the active participation and supervision of the Board of Directors and senior management, which approves the Company's general business strategies and policies and sets the general guidelines for risk management and control.
- A Risk Appetite Framework is established within the Group as a key instrument in the implementation of the risk policy.
- A prudent risk exposure management model to which the Unicaja Banco Group pays close attention so as to keep a prudent, balanced risk profile at all times in order to meet its solvency, profitability and appropriate liquidity objectives, which translates into a solid, consistent risk culture.
- A selection of suitable methodologies for the identification, measurement, management and control of risks, which undergo a continuous process of improvement and are in line with regulatory requirements. At the same time, the Group matches its equity requirements to the level of actual risks stemming from its banking activity.
- A supervisory model based on three lines of defense, something which is in line with the expectations of regulatory and supervisory authorities.

In the Unicaja Banco Group, the policies, methods and procedures related to global risk management and control are approved and periodically reviewed by the Bank's Board of Directors, with the support of the Risk Committee. The Audit and Compliance Committee also supervises the effective operation of the risk control and management system as a whole.

Based on the current regulatory framework, Unicaja Banco's organizational structure includes the Risk Control and Supervisory Relations Department (CRO). One of the roles of this unit is to take overall control of all risk on behalf of the Bank. The organization of the Unicaja Banco Group's Top Management has a well-defined internal structure that supports this unit and enables it to implement all the decisions it makes.

In the tax area, in accordance with the Tax Strategy Policy of the Unicaja Banco Group approved by the Board of Directors, the tax risk management system in the Bank operates according to the following scheme:

- The Board of Directors is responsible for approving the fiscal risk control and management policies, as a non-delegable competence.
- The Tax Advisory Area, which reports to the Corporate Accounting and Reporting Department, is responsible for developing the control mechanisms and internal rules necessary to ensure the application of current fiscal regulations and the objectives and guidelines set out in the aforementioned document.
- The Risk Control and Supervisory Relations Department (CRO) and the Internal Audit Department act as the second and third line of defense respectively.
- The Audit and Compliance Committee is responsible for supervising the monitoring and control of the Bank's Tax Strategy.

### E.2 Identify the company's bodies responsible for the development and implementation of the financial and non-financial Risk Management and Control System, including tax risks.

The Bank's risk management and control model requires a robust and efficient organizational structure. This requires the effective involvement of the Board of Directors and the 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 Bank'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 Bank's Board of Directors. Thus, with respect to this area, the main functions conferred on this body are as follows:

- Approving the risk control and management policy, including tax risks, as well as periodically monitoring all internal information and control systems.
- Approving the Risk Appetite Framework (RAF) and its subsequent modifications, at the Risk Committee's proposal.
- Taking the RAF into consideration in the day-to-day management of the Bank and, especially, in the making of strategic decisions.
- Being informed, at least on a quarterly basis, of the monitoring of the RAF by the Risk Committee, without prejudice to the information that it may request of the latter at any given time.
- Taking all relevant corrective measures when deemed appropriate.
- Specifically approving, where appropriate, the maintenance of situations that involve exceeding a limit.

- The Risk Committee

The following are among its main functions:

- Advising the Board of Directors on the Bank's overall risk appetite – current and future – and its strategy in this area and helping it to monitor the implementation of this strategy.
- Ensuring that all risk control and management systems work properly and, in particular, that any significant risks that affect the Company are properly identified, managed, and quantified.
- Ensuring that all risk control and management systems properly mitigate the risks within the framework of the policy defined by the Board of Directors.
- Actively taking part in drawing up the Company's risk management policy, ensuring that it identifies at least the following:

a) The different types of financial and non-financial risks (including, among others: operational, technological, legal, social, environmental, political and reputational) that the Company faces, contingent liabilities and other off-balance sheet risks being counted among the financial and economic risks

- b) The level of risk that the Company considers acceptable
- c) The measures envisaged to mitigate the impact of the risks identified, should they materialize
- d) The information and internal control systems that will be used to control and manage the aforementioned risks, including all contingent liabilities and off-balance sheet risks.

In particular, within the RAF:

- Proposing to the Board of Directors the approval of the RAF and its subsequent modifications.
- Informing the Board of Directors, at least quarterly or at any time at it requests it, on the monitoring of the RAF.
- Requesting, when it deems it convenient, information about the RAF from the various units.
- Propose the appropriate remedial measures according to the protocol established in the event of a limit violation.
- Proposing the maintenance of situations that involve exceeding a limit to the Board of Directors, where appropriate.

- Audit and Compliance Committee

In addition to the functions set out in the law and in the Company's bylaws, the Audit and Compliance Committee is responsible for the following functions:

- information and internal control systems, supervising, among others, the effectiveness of the internal control of financial reporting system (IFCR)
- Internal auditing
- The auditor
- Compliance with corporate governance rules
- Regulatory compliance
- Structural and corporate modification operations the Bank plans to carry out
- Information on the fiscal consequences of operations or matters that are to be submitted for the approval of the Board of Directors, where they constitute a relevant aspect or respond to the cases provided for in the bylaws
- These risk-related functions also include the assessment of all non-financial risks of the company, including operational, technological, legal, social, environmental, political and reputational risk.
- With regard to fiscal risk, an annual report on the monitoring and control of the Bank's Tax Strategy is provided to the Audit and Compliance Committee.

(CONTINUED IN SECTION H.1)

**E.3** Specify the main financial and non-financial risks, including tax risks, and the extent to which they are significant, any risks stemming from corruption (the latter understood as being the scope of Royal Decree Law 18/2017), that might affect whether business objectives are reached.

The risk management and control model adopted by the Bank contemplates both financial and non-financial risks, among which the following should be mentioned:

- Credit risk.
- Market risk.
- The interest rate risk in the banking book (IRRBB).
- The liquidity risk.
- Property Risk
- The operational risk.
- Reputational risk
- Business and Strategic Risk
- Risks related to environmental, social and governance factors.
- Credit risk

The credit risk is defined as the risk of incurring losses as a result of a default on payments owed to the Bank.

This risk is inherent to its operation.

- Market Risk

**Market risk** is defined as the possibility of the Bank incurring a loss from holding positions in the markets as a result of adverse movements of the financial variables or of risk factors that determine the value of such positions.

- Interest rate risk in the banking book (IRRBB)

Interest rate risk in the banking book (IRRBB) is defined as the current or future risk to both the earnings and economic value of the Bank arising from adverse interest rate fluctuations affecting interest rate sensitive instruments.

- Liquidity Risk

**Liquidity risk** can be defined differently since it is not a monodimensional concept. Typically liquidity risk has three different meanings, which we will define hereinbelow as:

- The cost of unwinding a position in a real or financial asset. It refers to the difficulties that may arise when unwinding or closing a position in the market, at a particular point in time, without impacting the market price of the instruments or the cost of the transaction (market or asset liquidity).
- A mismatch between the degree of enforceability of liability operations and the degree of performance of asset operations (funding liquidity).



- A mismatch between the capabilities for growth of the investment activity arising from the impossibility of finding financing commensurate with the risk appetite to leverage asset growth strategies (strategic or structural liquidity).

- Property risk

This is the risk associated with the loss of value of real estate assets held on the Bank's balance sheet.

(CONTINUED IN SECTION H.1)

#### **E.4 Identify whether the entity has risk tolerance levels, including fiscal.**

The Group's risk management and control is arranged via, among others, the Risk Appetite Framework (RAF), which is approved by the Bank's Board of Directors. The Unicaja Banco Group uses this RAF as an instrument for implementing its risk policy and as a key management and control tool that allows it to: (i) formalize the risk appetite statement (ii) specify the Group's risk objectives in line with the corporate strategy, acting as a guiding reference for the activities carried out (iii) formalize the risk supervision and monitoring mechanism to ensure compliance with the risk propensity (iv) integrate all risk control and management processes into a common framework and (v) strengthen and disseminate the Group's risk culture.

The development of this framework as the Group's general risk policy is configured as a fundamental element in its management and control, providing the Board of Directors and senior management with a comprehensive framework that determines the risks that the Group is willing to assume and establishing different metrics for their quantification, control and monitoring, which allow it to react to certain levels or situations.

Therefore, the main aim of Unicaja Banco's RAF is to establish a set principles, procedures, controls and systems by means of which the Bank's risk appetite can be defined, communicated and monitored.

Risk appetite is understood as the risk level or profile that Unicaja is willing to assume and maintain, both in terms of its type and its quantity, as well as its tolerance level, and must be oriented towards achieving the objectives of its strategic plan in accordance with the lines of action established therein.

The main goal in managing the different risks is to achieve a risk profile that falls within the desired risk appetite level, which is defined on the basis of the established limits, those management measures that are considered most appropriate to achieve this being taken.

In addition, this Framework establishes different metrics for the quantification, control and monitoring of risks, which permit reacting to certain levels or situations. These metrics characterize the objective behavior of the Unicaja Group, are cross-functional to the organization, and make it possible to convey the risk-prone culture to all levels in the organization in a systematized and understandable way. In turn, they summarize the Group's objectives and limits, can be communicated, where appropriate, to its stakeholders and are homogeneous since they are applied throughout the organization.

The Group has a process for identifying material risks, in which methodologies for the quantification of all risks to which the Bank is exposed are used. Likewise, it defines a criterion for selecting those risks which are material and hence must be managed and controlled more proactively. This management and control involves, among other things, the allocation of capital within a Internal Capital Adequacy Assessment Process (ICAAP) or, in the case of the liquidity risk, the allocation of a liquidity management buffer, which is assessed within an Internal Liquidity Adequacy Assessment Process (ILAAP). The process of quantification and identification of material risks is carried out on a recurring basis, which allows the Bank to identify emerging risks at all times.

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

The Risk Control and Supervisory Relations (CRO) 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, as regards tax risk, Unicaja Banco's Tax Strategy, mentioned in Section E above, includes among its principles: i) respect for tax regulations in its actions, without resorting to aggressive tax strategy practices; ii) prudence, basically understood as the principle of precaution in the assumption of risk; and iii) integrity, as a manifestation of ethics in the Bank's actions and in its relations with customers, investors and shareholders, as well as with any other party with which it maintains economic relations. Within the framework of Unicaja Banco's collaborative relationship with the fiscal authorities, it is covered by the Code of Good Tax Practices.

#### **E.5 Indicate which financial and non-financial risks, including tax risks, have materialized during the year.**

In addition, the Bank provides detailed information on risks in its Annual Report, which is available to any interested party on the corporate website (<https://www.unicajabanco.com/es/inversores-y-accionistas/informacion-economico-fnanciera/financial-reports>), and especially in Notes 18, 24, 25, 27, 28 and 29 of the Notes to the consolidated Financial Statements, as well as in Section 11 of the consolidated Management Report.

#### **E.6 Explain the response and supervision plans for the company's main risks, including tax risks, as well as the procedures that the company follows to ensure that the Board of Directors is able to respond to any new challenges that arise.**

Through its Risk Appetite Framework, the Company defines risk limits, the monitoring and governance of which allows it to control its capacity for risk exposure and risk tolerance.

The Risk Control and Supervisory Relations Department (CRO) periodically monitors the Bank's risk profile and compares it with the risk appetite and the established limits, informing both the Board of Directors and the Risk Committee, as well as Senior Management, providing them with a tool to react to potential situations of deterioration of the Bank.

- Credit risk

Unicaja Banco has a document approved by the Board of Directors entitled Customer Credit Risk Policies which it has established as the framework for properly controlling and managing the credit risks inherent to its credit investment. This manual defines all mandatory risk policies and procedures, details the activities and tasks to be performed, delimits the responsibilities of the different areas involved in the transaction granting and monitoring processes, establishes the risk appetite decided by the Bank and its articulation through risk limits and types of transactions and documents in a structured and unified manner all general and specific aspects related to most of the credit investment transactions.

Likewise, the Unicaja Banco Group has scoring and rating models integrated in its approval, monitoring and recovery processes. The PD (probability of default), LGD (loss given default) and EAD (exposure at default) estimates are taken into account in different uses, such as the granting of operations, the calculation of provisions or the classification of credit transactions.

It should also be noted that in 2021 Unicaja Banco received authorization from the European Central Bank to use internal models relating to the retail portfolio (not SMEs) to calculate its solvency ratios. At the end of 2023, approval was received to extend this authorization to the perimeter of exposures originated in Liberbank, S.A. prior to the integration.

Regarding the granting of credit operations, Unicaja Banco has detailed policies, methods and procedures to ensure the responsible granting of loans and credit to consumers.

The principles developed for this purpose are aligned with the Bank's current situation, through the Customer Credit Risk Policies document and with the regulatory requirements established in the regulations in force, including the following points:

- The granting criteria associated with the debtor's ability to pay
- A transaction amortization plan that is adapted to the customer
- A prudent ratio of the amount of the transaction to the value of its collateral
- A collateral valuation policy
- The granting of loans in foreign currencies Interest rate variability. The Interest rate risk cover.
- The exceptions policy on the terms and conditions of transactions
- A warning to the customer about their failure to comply with their payment obligations
- A debt renegotiation policy
- Information on the cost of services related to the granting of the credit transaction
- The obligation to provide information to home buyers by subrogation of a developer loan
- Other aspects of responsible lending policies and procedures.

The Unicaja Banco Group has systems in place for complying with Law 5/2015 on the promotion of the business activity which grants unwaivable rights to SMEs and self-employed workers in those cases where a credit institution decides to stop or reduce the flow of financing.

In addition, depending on the beneficiaries and their nature, amount, term, guarantees and characteristics, the granting of credit transactions must be subject to a decentralized approval process based on the collegiate powers of the following decision-making bodies:

- Board of Directors
- Credit Risk Committee
- Risk Admission Committee
- Corporate Banking and Specialized Financing Risk Analysis Committee
- Individuals Analysis Committee
- Mortgage Analysis Committee
- Territorial Risk Committee
- Territorial Analysis Committee
- Office Risk Committee

Likewise, credit risk control functions and methodologies are applied both during the credit transaction approval phase and the credit transaction follow-up and recovery phases. Follow-up consists in monitoring the evolution of the risk of the transaction itself and of the customer or, where applicable, the economic group. Thus, the credit risk of the financial investment is controlled and monitored by means of various checks:

- The preventive supervision of operations and credit receivers
- The supervision of all impaired, doubtful or unpaid transactions

In accordance with the provisions of the regulations in force, the Unicaja Banco Group has a policy for refinancing, restructuring, renewing and renegotiating transactions.

In addition, the Unicaja Banco Group has methodologies, procedures, tools and rules of action for controlling and recovering irregular assets.

Unicaja Banco has adapted its policies, processes and tools in order to better identify and measure credit risk in the context derived from the Coronavirus pandemic (COVID-19).

(CONTINUED IN SECTION H.1)



## F. INTERNAL RISK CONTROL AND MANAGEMENT SYSTEMS RELATED TO THE FINANCIAL INFORMATION ISSUANCE PROCESS (ICFR)

Describe the mechanisms that make up the risk control and management systems related to the entity's financial information issuance process (ICFR).

### F.1. The Company's control environment

Report describing its main characteristics including, at least:

#### F.1.1 Which bodies and/or functions are responsible for: (i) the existence and maintenance of an adequate and effective ICFR, (ii) its implementation and (iii) its supervision.

The Board of Directors and Senior Management of Unicaja Banco, S.A. (hereinafter, "Unicaja", "the Bank" or "the Bank") are aware of the importance of guaranteeing investors the reliability of the financial information published to the market, and are therefore fully involved in the Internal Control over Financial Reporting System (ICFR).

Pursuant to the provisions of Article 10 of its Regulations, the Board of Directors of the Bank, with the assistance of the Audit and Compliance Committee where appropriate, is responsible for adopting the necessary measures to ensure that the periodic financial reporting and any other information provided to the markets is prepared in accordance with the same principles, criteria and professional practices with which the financial statements are prepared and enjoy the same reliability as the latter.

The functions of the Board of Directors include the preparation of the individual and consolidated financial statements of Unicaja and the approval of the financial reporting, along with the establishment, maintenance and supervision of the information and risk control systems, ensuring the adequacy and reliability of the prepared financial reporting.

Pursuant to Article 31 of the Regulations of the Board of Directors of the Bank, in addition to the functions set forth in the law and in the bylaws, in relation to the information and internal control systems, the Audit and Compliance Committee is responsible, among others, for supervising the preparation process and the integrity of the financial reporting relating to the Company and its Group, reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria, as well as assessing the reasonableness of proposals for modification of accounting principles and criteria suggested by the Bank's management. In particular, the Audit and Compliance Committee is responsible for reviewing, analyzing and discussing financial statements and other relevant financial reporting with senior management and other internal and external auditors in order to confirm that this information is reliable, understandable, relevant and that accounting criteria that is consistent with the previous year have been followed.

The Company's senior management has assumed responsibility for the design and implementation of the ICFR, as well as for ensuring its quality, consistency and continuous updating through the Finance General Management and the Risk Control and Supervisory Relations General Management departments. In this regard, with respect to its design and implementation, it develops the internal control and risk management systems that make it possible to identify and manage the main risks and disseminate them among the departments involved.

Unicaja's Finance General Management department, as the first line of defense, is responsible for ensuring that the practices and processes developed in the Bank to prepare the financial information guarantee its reliability and its compliance with the financial reporting framework applicable to the Bank and its Group, with the objective of assessing that the financial information of the Unicaja Group complies with the following principles:

- a) The transactions, facts and other events reflected by the financial information effectively exist and have been recorded at the appropriate time in accordance with the applicable financial reporting framework (existence and occurrence).
- b) The information reflects all transactions, facts and other events in which the Bank and/or its Group is an affected party (integrity).
- c) Transactions, facts and other events are recorded and valued in accordance with the applicable financial reporting framework (valuation).
- d) Transactions, facts and other events are classified, presented and disclosed in the financial reporting in accordance with the applicable financial reporting framework (presentation, breakdown and comparability).
- e) The financial reporting reflects the rights and obligations through the corresponding assets and liabilities as of the relevant date, in accordance with the applicable reporting framework (rights and obligations).

In the area of financial reporting, these functions are materialized in the following tasks:

- a) Prepare, aggregate and review the individual and consolidated financial information of Unicaja in accordance with the applicable financial reporting framework.
- b) Receive the corresponding financial information to be used in the consolidation process from the Group's subsidiaries.
- c) Identify any changes that may occur in each period in relation to the applicable financial reporting framework and design the action plans required to comply with the new accounting standards (with the collaboration of other Unicaja departments if necessary).
- d) Perform the necessary first-line controls to ensure that the financial information published is free from material misstatement.
- e) Maintain reciprocal communication with the Risk Control and Supervisory Relations Department and with the Internal Audit Department of Unicaja.

As the second line of defense, the Risk Control and Supervisory Relations Department is responsible for ensuring that the ICFR is updated periodically and that the controls that form part of this system are in place and operating effectively in each fiscal year. These functions are materialized in the following tasks:

- a) Define the methodology and standards necessary for the operation of the ICFR.

b) Assess the appropriateness of the design of the control procedures and activities established in order to effectively mitigate the risks of material misstatement on financial reporting.

c) Where appropriate, coordinate with the heads of the most significant subsidiaries for the purpose of the consolidation process and its impact on the ICFR.

d) Carry out, jointly with the affected departments and the Human and Material Resources General Management department, specific training actions aimed at fostering the internal control culture among all Unicaja Group employees with control functions.

e) Establish second line of defense controls and review the framework of controls established in the first line of defense.

f) Inform the Bank's governing bodies of the ICFR activity.

g) Maintain reciprocal communication with Unicaja's Finance and Internal Audit General Management departments. For this purpose, the Risk Control and Supervisory Relations General Management department has a "Manual for monitoring and updating the Unicaja Group's Internal Control of Financial Reporting System (ICFR)", which details all these functions and establishes the methodology for the periodic monitoring and updating of the ICFR.

Finally, the Internal Audit General Management department, as the third line of defense, has assumed the supervision of the ICFR and its activity consists of ensuring its effectiveness, obtaining evidence of its correct design and operation. Its functions in this area are to verify that controls are in place to mitigate risks that may affect the reliability of financial information and to verify that the controls are operating effectively.

These functions are materialized in the following tasks:

a) Advising the Audit and Compliance Committee on matters of internal control over financial reporting, promoting internal standards and codes and, where appropriate, improving them

b) Promoting the culture of internal control over financial reporting at all organizational levels of the Unicaja Group that require as much

c) Communicating the weaknesses detected and follow up on their correction within a reasonable time

d) Maintaining reciprocal communication with the Finance and the Risk Control and Supervisory Relations General Management departments.

For this purpose, the Company's Internal Audit General Management department has an internal Manual for the supervision of the Internal Control over Financial Reporting system (ICFR), which identifies the financial reporting subject to supervision procedures, the specific tasks that form part of the supervision process, the methodology and criteria used and the regulatory framework that is used as a benchmark.

**F.1.2 If the following elements exist, especially in relation to process of preparation of financial information:**

- Departments and/or mechanisms responsible: (i) for the design and review of the organizational structure; (ii) for clearly defining the lines of responsibility and authority, with an adequate distribution of tasks and duties; and (iii) for ensuring that there are sufficient procedures for its correct dissemination in the entity:

The definition of the Unicaja management structure and organization chart, as well as the determination of the functions associated with the basic levels, correspond to the Board of Directors. The organization chart of the Company and the functions associated with the different units are available to all employees. The workforce is informed of any modifications through the corporate intranet and internal circulars.

The Human and Material Resources General Management department is responsible for ensuring that the organizational structure of the Bank is permanently adapted to the needs of the business and the efficient development of support services.

To this end, management has procedures documenting the mechanisms in place to review this organizational structure in order to keep it updated, as well as mechanisms to ensure that it is disseminated to all Bank employees.

Based on the framework established by the Bank's Governing Bodies, the Human and Material Resources General Management department is responsible for defining the structure of each business line, specifying its functions, which are developed in function manuals, whose proposal, which is submitted to the Board of Directors for approval, is the responsibility of the Bank's Senior Management.

The other departments and subsidiaries that also participate in the process of preparing financial information must abide by the rules and procedures established by the Finance General Management department and by the Risk Control and Supervisory Relations General Management department, whose functions and responsibilities are clearly identified and defined.

In addition, the Human and Material Resources General Management department, based on organizational changes, proposes appointments to carry out the defined responsibilities.

In the preparation of financial information, the lines of authority and responsibility are clearly defined. Exhaustive planning is also carried out, which involves the assignment of tasks, key dates and the different reviews to be carried out by each of the hierarchical levels, among other issues. Both the lines of authority and responsibility and the aforementioned planning have been documented and distributed among all those involved in the process of preparing financial reporting.

In this regard, the Risk Control and Supervisory Relations General Management department agrees with the departments responsible for the processes selected for review, the dates on which the analysis and review of the process will be carried out. To assess the adequacy of the control activities designed, the department responsible for the process identifies the various relevant risks to which financial reporting is subject and the control activities implemented to mitigate these risks effectively, together with the Risk Control and Supervisory Relations General Management department.

- Code of conduct, approving body, degree of dissemination and instruction, principles and values included (indicating whether there are specific mentions to the recording of transactions and preparation of financial reporting), body in charge of analyzing non-compliance and proposing corrective actions and sanctions:

There is a Code of Ethics applicable to directors, executives and employees of the Unicaja Group, last amended by the Board of Directors of Unicaja on October 28, 2022. Unicaja also has an Internal Code of Conduct in the securities market, last amended by Unicaja's Board of Directors on December 16, 2022.

The Code of Ethics responds to the Group's general commitment to reaffirm a culture of compliance that fosters the development of professional, honest, transparent and upright conduct. The Code defines the corporate values, principles of action and rules of conduct that should guide the behavior of the Group's employees, executives and members of management bodies.

The Group companies' financial and accounting reporting will therefore be reliable and rigorous, ensuring that it is true, clear, complete, coherent and in accordance with the applicable current regulations. The employees responsible for the preparation of financial, non-financial and corporate reporting should therefore guarantee its reliability, undertaking to act with independence, dedication, responsibility and professionalism, with a commitment to ensure mandatory confidentiality.

The Unicaja Group's Code of Ethics establishes the obligation for all persons subject to the Code to promptly report any possible breach of legislation, internal regulations or the Code itself, and to collaborate in all investigations carried out, whether internal or external, with the utmost transparency and diligence.

The Unicaja Group's Code of Ethics is published on Unicaja's corporate Intranet, accessible to all Unicaja employees, as well as on Unicaja's public website, available to anyone interested.

A whistleblowing channel, which allows the communication to the audit committee of irregularities of a financial and accounting nature, in addition to possible breaches of the code of conduct and irregular activities in the organization, informing, if applicable, whether it is of a confidential nature and whether it allows anonymous communications, respecting the rights of the whistleblower and the reported party.

Pursuant to Article 31 of the Regulations of the Board of Directors of the Bank, in addition to the functions set forth in the Law and in the bylaws, in relation to the information and internal control systems, the Audit and Compliance Committee is responsible, among others, for establishing and supervising a mechanism that allows employees to report, confidentially and, if possible and deemed appropriate, anonymously, any irregularities of potential importance, especially financial and accounting irregularities, that may be detected within the Bank.

In this context, Unicaja has created an internal communication channel (the Whistleblowing Channel) through the corporate Intranet available to the Bank's employees, managers and administrators, with specific access to the channel created through the Bank's corporate website for third parties outside the organization that are not specified above.

Through this confidential and anonymous channel, when so required by the whistleblower, who respects the rights of the whistleblowers and the reported party, the existence of specific situations in which there is a criminal risk for the Bank may be reported, as can potential or actual breaches of the regulatory requirements set out in the external or internal regulations applicable to Unicaja and its internal governance systems and behavior that is contrary to the Code of Ethics.

Throughout 2023 and up to the date of these individual and consolidated financial statements, no communications with the potential to generate risk for the financial reporting of Unicaja or its Group have been received through this channel.

- Training and periodic update programs for the personnel involved in the preparation and review of financial reporting, as well as in the assessment of the ICFR system, which at least cover accounting standards, auditing, internal control and risk management:

Unicaja has developed mechanisms to ensure that the staff members involved in the different processes related to financial reporting have the necessary training and professional competence to correctly develop and execute their duties.

In this regard, these employees are informed at all times of the regulatory requirements in force, and of any updates that may be made to them.

The Company has an annual training plan that is designed in accordance with the department to which the personnel belong, as well as their career plan in the case of technical personnel. To this end, the Human and Material Resources General Management department contacts the different departments to analyze the needs for new training actions and, in the same way, the departments can contact the Human and Material Resources department directly in the event of detecting new training needs to be addressed.

In addition, the technicians involved in the preparation of financial information receive technical updates that are distributed by the Finance General Management department, which in turn receives them from different official sources (the Official State Gazette, Bank of Spain, National Securities Market Commission, European Central Bank, ESMA, EBA, IASB, ISSB, ICAC, Ministry of Economy, Commerce and Enterprise etc.) and other internal (daily mail with regulatory news identified by the Regulatory Directorate, belonging to the Regulatory Compliance Directorate) or external channels (e.g. Cecabank, accounting advisory firms, reviews of portals specialized in accounting regulations, etc.)

## **F.2. Risk assessment of financial information.**

As a minimum, report on:

### **F.2.1 The main characteristics of the risk identification process, including those of error or fraud, in terms of:**

- Whether the process exists and is documented:

The Bank has a procedure for identifying processes, relevant areas and risks associated with financial reporting, which is adequately documented and serves as a basis for identifying the controls that cover each of the identified risks. The execution of the procedure is the responsibility of the relevant departments, in continuous collaboration with the Risk Control and Supervisory Relations General Management department, which carries out a periodic review of the existing risks and controls.

- Does the process cover all of the financial reporting objectives (existence and occurrence: integrity, valuation, presentation, breakdown and comparability and rights and obligations), is it updated and with what frequency?

The identification of potential risks and controls of activities and transactions that may materially affect the financial statements is completed on at least an annual basis. It is based on Senior Management's knowledge and understanding of the business and operating processes, taking into account both materiality criteria and qualitative criteria associated with the structure of the business and its risks, using as a basis the most up-to-date financial reporting possible.

However, if unforeseen circumstances come to light during the course of the year that warn of possible misstatements in the financial reporting or substantial changes in the Group's operations, the Company will proceed to evaluate the existence of risks that must be added to those previously identified.

The criteria followed in the identification of risk are as follows:

- The scope of risk identification, within the scope of ICFR, refers to the risks of incorrectness due to error or fraud in the Unicaja Group's financial information reported to the markets.

- It is identified by the corresponding management (together with the help of the departments responsible for the selected processes under review) in continuous collaboration with the Risk Control and Supervisory Relations General Management department.

- The process is aimed at identifying risks of material misstatement in Unicaja's individual and consolidated financial statements.

Among other aspects, the size of balances and transactions, their composition (volume and unit amount), the degree of process automation, standardization of operations, susceptibility to fraud or error, accounting complexity, degree of estimation/uncertainty, the need to make judgments and valuations involving subjectivity, the risk of losses or contingent liabilities, changes with respect to the previous year and the existence, if any, of control weaknesses identified in previous years are taken into account.

In any case, the risks refer to possible misstatements (intentional or unintentional) within the framework of the financial reporting objectives (or assertions): (i) existence and occurrence, (ii) integrity, (iii) valuation, (iv) presentation, breakdown and comparability and (v) rights and obligations.

The degree to which these financial reporting objectives (or assertions) affect each financial statement caption can be: low, medium or high.

To determine the scope of the ICFR, the Company uses both quantitative criteria (exceeding a materiality threshold) and qualitative criteria, linked in this case to whether it is a heading/area of financial reporting with high, medium or low risk. Unicaja's Risk Control and Supervisory Relations General Management department updates at least once a year the headings/areas that exceed the quantitative materiality thresholds and have high or medium risk.

- The existence of a process for identifying the scope of consolidation taking into account, among other aspects, the possible existence of complex corporate structures, instrumental or special purpose entities:

The Bank has a Consolidation Procedure which details the consolidation perimeter review activity carried out under the responsibility of Unicaja's Finance General Management department. Through this procedure, the Company ensures that any changes that are made to the scope of consolidation in the different financial reporting periods are correctly included in the Group's consolidated financial statements.

For the identification of control, joint control or significant influence relationships, as well as for the evaluation of any complex corporate structure or the existence of special purpose entities, where applicable, Unicaja's Finance General Management department uses the criteria defined in the applicable financial reporting framework and, in particular, in the provisions of the International Financial Reporting Standards adopted by the European Union (IFRS-EU), with special attention to IFRS 10.

- If the process takes into account the effects of other types of risks (operational, technological, financial, legal, fiscal, reputational, environmental, etc.) to the extent that they affect the financial statements.

In the identification of risks of material misstatement in financial information, the effect of other types of risks (operational, technological, legal, reputational, environmental) is taken into account, as long as they may affect the Bank's financial information. In this regard: (i) the notes to the individual and consolidated financial statements of Unicaja include a detailed description of the risks with the greatest impact on financial reporting, (ii) the statement of non-financial reporting (attached to the management report) includes a detailed description of the risks affecting this type of information and (iii) the annual reports on the capital and liquidity self-assessment process (ICAAP/ ILAAP) include a summary of all of the types of relevant risks affecting the Group.

- Which of the Company's governing bodies supervises the process?

The risk identification process must be completed at least annually, using as a basis the most recent financial information available, and is supervised by the Risk Committee and the Audit and Compliance Committee, with the support of the Risk Control and Supervisory Relationships and the Internal Audit General Management departments.

### **F.3. Control activities**

Describe the main characteristics including, at least:

- F.3.1** Procedures for the review and authorization of financial information and the description of the ICFR, to be published in the securities markets, indicating those responsible, as well as documentation describing the flows of activities and controls (including those related to fraud risk) of the different types of transactions that may materially affect the financial statements, including the procedure for closing the accounts and the specific review of the relevant judgments, estimates, valuations and projections.

As described in Point F.1.1 above, pursuant to Article 31 of the Regulations of the Company's Board of Directors, the Audit and Compliance Committee is responsible, among others, for supervising the preparation process and the integrity of the financial information relating to the Company and its Group.

As has been mentioned previously, the Audit and Compliance Committee is responsible for reviewing, analyzing and discussing financial statements and other relevant financial reporting with senior management and other internal and external auditors in order to confirm that it is reliable, understandable and relevant and that accounting criteria consistent with the previous year have been followed.

In accordance with these functions, the Audit and Compliance Committee of Unicaja intervenes in the process of reviewing the financial reporting to be disclosed, informing the Board of Directors of its conclusions on the Company's information.

Ultimately, the Board of Directors approves the financial reporting that the Bank must periodically make public, this function being included in Unicaja's Board of Directors Regulations. Their implementation is recorded in the minutes of the various meetings.

In order to prepare the information that, if applicable, will be approved by the Board of Directors, the Bank has a procedure for reviewing and authorizing the financial information that is sent to the markets and regulatory bodies with the frequency established by the applicable legislation and regulations, and which is prepared and updated by the Finance Department. This information is supervised by the Internal Audit Department.

The Finance Department is responsible for the accounting records derived from the various transactions occurring in the Bank. It carries out the main control activities, including the accounting closing procedure and the review of the relevant judgments and estimates based on materiality criteria. This Department is also generally responsible for preparing the Company's financial reporting on the existing accounting basis, having defined and implemented, in the aforementioned preparation process, additional control procedures that guarantee the quality of the information and its reasonableness with a view to its subsequent presentation to the Company's governing bodies and its publication to the markets.

In the process of preparing this information, the Finance General Management department requests the collaboration of the other departments to obtain certain supplementary information, the breakdown of which is required in the periodic financial reports. Once the information preparation process has been completed,



and the Risk Control and Supervisory Relationships General Management department asks the aforementioned managers to review and authorize the information for which they are responsible, prior to its publication and submission to the markets.

The description of the ICFR is reviewed by the Risk Control and Supervisory Relations, Finance and Internal Audit General Management departments, as well as by the aforementioned governing bodies, as part of the periodic information that the Bank submits to the markets.

Regarding the activities and controls directly related to transactions that may materially affect the financial statements, the Company has procedures and risk and control matrices for the significant processes that affect the generation, preparation and disclosure of financial reporting.

For this purpose, the Company has standardized documentation on the relevant processes, including a description of each of the processes and risk and control matrices. These matrices include the relevant risks identified with a material impact on the individual and consolidated financial statements, and their association with the controls that mitigate them, as well as the set of evidence in which their application is materialized. Among the controls, those that are considered key in the process and that, in all circumstances, ensure the adequate recording, valuation, presentation and breakdown of the balances and transactions in the financial reporting are identified.

The risk and control matrices include the following fields, among others:

- Risk description
- Financial assertion with which the risk is identified
- Identification and description of the control activity
- Control classification: key/standard
- Control category: preventive/detect
- Control method: manual/mixed/automatic
- System that supports the control
- Executor and responsible for control
- Frequency or periodicity of execution of the control
- Evidence of control, obtained by the Risk Control and Supervisory Relations Department by any of the following methods: inspection, observation, external confirmation, recalculation, re-execution, analytical procedures or inquiry.

The significant processes (distinguishing between business and transversal processes) associated with the financial headings/areas of the Bank for which the aforementioned documentation is available are detailed below:

- Specific business processes associated with the relevant areas (identified from the headings of the financial statements):
  - Loans and receivables (loans to customers), including credit risk hedges for bad debts.
  - Debt securities and equity instruments (treasury and capital markets), including derivatives.
  - Foreclosed assets or assets received in payment of debts (regardless of their accounting classification in the balance sheet and the Group companies in which they are recorded).
  - Customer deposits (retail liabilities area).
  - Tax assets and liabilities.
  - Personnel expenses
  - General administrative expenses
  - Provisions and accounting estimates
- Transversal processes that affect all areas as a whole:
  - Investee companies
  - Accounting closure
  - Consolidation
  - General computer controls
  - Fraud and regulatory compliance

The aforementioned descriptive documentation includes:

- The description of the activities related to the process from the beginning, indicating the particularities that a certain product or operation may contain (when this is necessary).
- The identification of the relevant risks for which the departments involved in the process specifies the main risks in the process-related financial reporting with assets material impact on the Bank's financial statements.
- The identification of the controls and their description that is made with regard to the relevant risks previously identified.

Furthermore, there is a catalog of evidence supporting the existence of each control identified.

Additionally, the Company has a Judgments and Estimates Review and Approval Policy, which completes the policies included in the Manual of accounting standards, procedures and policies applied by the Unicaja Group, detailing how they are made, as well as the responsibilities at the time of approving the Company's estimates, projections, judgments, accounting policies and critical assumptions. The Chief Financial Officer is responsible for updating these accounting policies at least once a year.

As described in the notes to the consolidated financial statements, the main estimates identified by the Group are as follows:

- Impairment losses on certain assets, especially with regard to the individualized and collective estimation of losses due to insolvencies of the loan portfolio and advances to customers, and the identification of when there is a significant increase in credit risk
- The assumptions used in the actuarial calculation of the post-employment benefit liabilities and commitments and other long-term commitments to employees
- The useful life of tangible and intangible assets

- The measurement of consolidation goodwill
- The estimate of the probability of occurrence of those events considered as contingent liabilities and, if applicable, the estimate of the provisions necessary to cover these events
- The reversal period and recoverability of deferred tax assets of temporary differences.
- The fair value of certain unlisted assets
- The fair value of certain guarantees related to the collection of assets.

As stated above, the Company has a Judgments and Estimates Review and Approval Policy, which details the procedures it performs to ensure that judgments and estimates are made at the appropriate level and in accordance with the accounting regulatory framework applicable to the Company and its Group.

### **F.3.2 Internal control policies and procedures on information systems (among others, on access security, change control, operation thereof, operational continuity and segregation of duties) that support the relevant processes of the company related to the preparation and publication of financial reporting.**

The Company has defined a process of Information Technology General Controls (ITGC), with its corresponding risk and control matrix, which details the risks and controls related to access security, change control, operation thereof, operational continuity and segregation of duties.

The information systems that support the processes on which the Company's financial reporting is based are subject to internal control policies and procedures to ensure the integrity of the preparation and publication of financial reporting.

Policies have specifically been established related to the following:

- Security in the access to information: The Unicaja Group has security guidelines for access to information systems and resources. The Company has updated Information Systems Security policies, standards and procedures, which establish the technical and organizational guidelines necessary to prevent the alteration, loss, unavailability and unauthorized processing of or access to Unicaja's resources and data. It also establishes the commitment of any person or body related to the Company with respect to the processing of information. Moreover, the various applications provide security based on the user identifier and associated password.
- Segregation of duties: The Company has procedures and controls on profiles and users for the management of user registrations, cancellations and modifications, which are updated every time there is a change in any of the processes. These procedures describe the flow of acceptances to be followed, the parties responsible for acceptances establishing control over segregation of duties and the tools involved in this user management flow. There is also a tool for assigning permissions, which is coordinated with the Human Resources tools to manage the entries and exits of the Company's personnel, as well as changes in duties, departments, areas and offices. The level of access restriction when switching batch processes to production is high. The planning of new processes is subject to the approval process by the person in charge of the department, who is not in charge of developing this process.
- Change management: The Company has implemented an application development and maintenance methodology. The adoption and application of a homogeneous application development methodology, appropriate to the size of the department or area concerned and the scope of the new projects to be carried out, for all the development sub-areas, adds greater reliability, coordination and efficiency to development of applications, while at the same time promoting users' formal involvement in the projects and the adequate documentation thereof. The implementation of a formal development methodology provides greater independence in the maintenance and continuity of the applications with respect to the personnel who currently maintain each of the applications. In addition, there are procedures and tools for program change management.
- Operational and business continuity: The Company has a formalized backup procedure that describes the process to be followed, the regularity, the schedule for executing the copies, the information to be copied, the location, the frequencies, the content of the copies, the types of copies and the basic instructions for making backup copies of the infrastructure elements that affect the systems. The Company's Business Continuity Plan includes a contingency plan.
- Incident management: There is an updated procedure for notification and incident management. There are several tools for this task. When an incident is registered, the responsibility for resolving each one is reported. Once the diagnosis of the incident has been established, the solution is implemented.

### **F.3.3 Internal control policies and procedures aimed at supervising the management of activities subcontracted to third parties, as well as the aspects of evaluation, calculation or valuation entrusted to independent experts that could significantly affect the financial statements.**

The Group has a policy for managing the delegation of services, which establishes the criteria to be followed related to the services or duties delegated to third parties, both at the time of prior analysis and approval of the delegation and in its subsequent formalization, development and follow-up.

The Group also periodically reviews which activities performed by third parties are relevant to the financial reporting process or could directly or indirectly affect its reliability.

Among others, the Group uses independent expert reports of valuations on transactions that may potentially materially affect the financial statements.

Within the framework of the budgetary valuation of these outsourced activities, as well as in the process of providing the service itself, the Group carries out certain control procedures to mitigate the risks associated with these activities, which are mainly performed by the relevant operational departments, and are intended to verify their competence, training, accreditation and independence, as well as the validity of the data and methods used and the reasonableness of the assumptions used.

To perform most of these functions, Unicaja has an Efficiency and Research Department, which in turn reports to the Planning and Data Department.

#### **F.4. Information and communication**

Describe the main characteristics including, at least:

- F.4.1** A specific function responsible for defining, keeping accounting policies updated (accounting policy area or department) and resolving queries or conflicts arising from their interpretation, maintaining fluid communication with those responsible for operations in the organization, as well as an updated accounting policy manual communicated to the units through which the company operates.

The Bank has a “Manual of accounting standards, procedures and policies applied by the Unicaja Group”, which prescribes the accounting treatment in the Unicaja Group of each of the material items comprising the financial statements, ensuring compliance with the requirements established by the applicable accounting regulatory framework. Unicaja’s Finance Department is responsible for establishing and updating the Group’s accounting policies and for informing the other departments of any updates, while the Legal Department and the Regulatory Compliance Department are responsible for informing the other departments of any new legislation.

This document is updated periodically, at least once a year, and any significant modification or updates are communicated to the Group’s companies and departments to which they are applicable in each case.

- F.4.2** Mechanisms for gathering and preparing financial reporting with homogeneous formats, to be applied and used by all units of the company or group, which support the main financial statements and notes, as well as the information detailed in the ICFR.

Unicaja’s Finance Department is responsible for aggregating, homogenizing, reviewing and reporting the information, using common systems and computer applications, as well as ultimately preparing the individual and consolidated financial statements that are reported and published.

The Finance Department issues the accounting policies and other procedures for the preparation of the individual financial statements by the subsidiaries, for the purpose of reporting them to the Group for the preparation of the consolidated financial statements, as well as precise instructions on the reporting obligations, establishing the minimum contents and deadlines for the information to be sent by the entities comprising the Consolidated Group.

The Company’s accounting systems are fully integrated and the recording of transactions automatically triggers the accounting thereof, as well as the updating of respective inventories.

It is important to mention here that the Unicaja Group has adapted to the new regulations that have been published related to the European Single Electronic Format (hereinafter, ESEF). Company directors are therefore responsible for submitting the annual financial report in accordance with the format and markup requirements set out in Delegated Regulation (EU) 2019/815 of December 17, 2018 of the European Committee. This standard requires certain mandatory disclosures to be included not only in the consolidated financial statements, but also in the notes accompanying such consolidated financial statements.

#### **F.5. Supervision of the system’s operation**

Report describing its main characteristics including, at least:

- F.5.1** The ICFR supervision activities that are undertaken by the audit committee, as well as those determining whether the company has an internal audit function whose competences include supporting the committee in its work of supervising the internal control system, including ICFR. The scope of the ICFR assessment carried out during the year and the procedure by which the person in charge of carrying out the assessment reports its results, whether the entity has an action plan detailing any corrective measures, and whether its impact on financial information has been considered, will also be reported.

The plans of the internal audit function are approved by Unicaja’s Audit and Compliance Committee. In accordance with a risk-based approach that determines the frequency of audit activity (Risk Assessment System, or RAS), these plans provide for reviews of the internal control and business areas considered relevant to the Group.

This area includes specific reviews of internal control over financial reporting.

In specific relation to the ICFR, the Internal Audit Department’s role includes responsibility for supervising its effective implementation and correct operation, incorporating this review within its internal audit planning.

With respect to the eventual detection and communication of any weakness in the performance of the reviews of the areas, the Internal Audit Department notifies the Department involved, detailing the associated recommendations and following up on the action plan implemented to resolve them.

The recommendations arising from these reviews are forwarded to the Audit and Compliance Committee. The Internal Audit Department is also in contact with the various departments of the Bank and with the Risk Control and Supervisory Relations Department, which is responsible for periodic ICFR updating and maintenance.

- F.5.2** If there is a discussion procedure whereby the auditor (in accordance with the provisions of the NTA), the internal audit function and other experts can notify senior management and the audit committee or directors of the entity of any significant internal control weaknesses identified during the review of the financial statements or any other processes entrusted to them. It will also state whether it has an action plan to try to correct or mitigate the weaknesses observed.

The Audit and Compliance Committee meets with the external auditor, at least quarterly, to review and update the most significant audit matters, prior to the preparation of the individual and consolidated financial statements, as well as the consolidated summarized interim financial statements for each quarterly closing.

In accordance with the provisions of Article 36 of the Auditing of Accounts Act 22/2015 of July 20, 2015 and Article 11 of Regulation (EU) No. 537/2014, of the European Parliament and of the Council, of April 16, 2014 on specific requirements regarding statutory audit of public-interest entities, these communications are formalized, in large part, in the "Additional Report for the Audit and Compliance Committee", which the external auditors deliver prior to the issuance of their audit report on the financial statements of the Bank and its Group.

The external auditors have direct communication with the Company's Management, holding regular meetings, both to obtain the necessary information for performing their work and comment on detected weaknesses and recommendations for improvement of the internal control system. With respect to the latter, on an annual basis, the external auditor submits a report to the Audit and Compliance Committee detailing the internal control weaknesses identified, if any, in the course of its work.

This report incorporates the comments of the Company's management and, if applicable, the action plans that have been implemented to remedy the corresponding internal control weaknesses.

With respect to these weaknesses that may be identified by the external auditor, follow-up procedures similar to those described in Section F.5.1 above are performed. In this regard, the Internal Audit Department evaluates the internal control weaknesses identified by the external auditor and, if necessary, follows up on the action plan to resolve them.

As regards internal control weaknesses or recommendations identified by the Internal Audit Department, they are also reported in a timely manner to the Audit and Compliance Committee, as part of the periodic presentation of the results of its internal audit work, at least quarterly. The follow-up process for action plans for the remediation of weaknesses or recommendations has been described in section F.5.1 above.

**F.6. Other relevant information.**

No other relevant information has been identified that needs to be included in this section.

**F.7. External auditor's report.**

Report by:

- F.7.1** Has the ICFR information sent to the markets been reviewed by the external auditor? If so, the company should include the corresponding report as an annex. If not, the reasons should be stated.

In 2023, the external auditor reviewed the information contained in Section F of the IAGC relating to the ICFR, following the generally accepted professional standards in Spain applicable to this type of engagements and, in particular, following the provisions of the Performance Guide on the auditor's report on information relating to the ICFR of listed companies, issued by the professional and auditors' associations, and published by the National Securities Market Commission (CNMV) on its website.

The report issued by the external auditors in this regard is included as an Annex to this Annual Corporate Governance Report.

---

**G. LEVEL OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS**

State the degree to which the company follows the recommendations of the Code of Good Governance for Listed Companies.

In the event that any recommendation is not followed or is only followed partially, a detailed explanation of the reasons must be included so that the shareholders, investors and the market in general have sufficient information to assess the company's behavior. General explanations will not be considered acceptable.

1. The bylaws of listed companies do not limit the maximum number of votes that a single shareholder can cast or contain other restrictions that make it difficult to take control of the company by acquiring its shares in the market.

Complies ☒ Explain ☐

2. When the listed company is controlled by another listed or unlisted company, within the meaning of Article 42 of the Commercial Code, and has, directly or through its subsidiaries, business relations with that company or any of its subsidiaries (other than those of the listed company) or carries out activities related to those of any of them, it should publicly and accurately disclose the following:

a) The respective areas of activity and any business relationships between, on the one hand, the listed company or its subsidiaries and, on the other, the parent company or its subsidiaries.

b) The mechanisms provided to resolve any conflicts of interest that may arise.

Complies ☐ Partially complies ☐ Explain ☐ Not applicable ☒

3. During the ordinary general meeting, as a complement to the written dissemination of the annual corporate governance report, the Chairperson of the Board of Directors verbally informs the shareholders, in sufficient detail, of the most relevant aspects of the company's corporate governance and, in particular:

a) Any changes that have occurred since the previous ordinary general meeting.

b) The specific reasons why the company does not follow some of the recommendations of the Corporate Governance Code and, if they exist, the alternative rules it applies in this area.

Complies ☒ Partially complies ☐ Explain ☐

4. The company defines and promotes a policy regarding communication and contacts with shareholders and institutional investors in the context of their involvement in the company, as well as with proxy advisors that is fully respectful of the rules against market abuse and gives similar treatment to shareholders in the same position. And that the company makes this

policy public through its website, including information regarding the way in which it has been put into practice and identifying the interlocutors or persons responsible for its implementation.

Notwithstanding the legal obligations regarding the dissemination of privileged information and other types of regulated information, the company also has a general policy regarding the communication of economic-financial, non-financial and corporate information through the channels it deems appropriate (media, social networks or other channels) that contributes to maximizing the dissemination and quality of the information available to the market, investors and other stakeholders.

Complies [ X ]

Partially complies [ ]

Explain [ ]

5. The Board of Directors should not take proposals for the delegation of powers, to issue shares or convertible bonds with exclusion of the preferential subscription right, for an amount of over 20% of the capital at the time of delegation to the shareholders in a General Meeting.

When the Board of Directors approves any issue of shares or convertible securities with exclusion of pre-emptive subscription rights, the Company will immediately publish the reports on the exclusion referred to in commercial legislation on its website.

Complies [ X ]

Partially complies [ ]

Explain [ ]

6. The listed companies that prepare the reports listed below, whether mandatory or voluntary, publish them on their website sufficiently in advance of the ordinary general meeting, even if the dissemination thereof is not mandatory:

a) Report on the independence of the auditor.

b) Reports on the operation of the audit committee and the appointments and remuneration committee.

c) The audit committee's report on related-party transactions.

Complies [ X ]

Partially complies [ ]

Explain [ ]

7. The company broadcasts the holding of the shareholders' general meetings live on its website.

The company has mechanisms that allow the delegation and the exercise of the vote digitally including, in the case of companies with a high market cap and to the extent that it is proportionate, attendance and active participation in the General Meeting.

Complies [ X ]

Partially complies [ ]

Explain [ ]

8. The audit committee ensures that the financial statements that the Board of Directors present to the general meeting of shareholders are drawn up in accordance with the applicable accounting regulations. In those cases in which the auditor has included a qualification in its audit report, the chairperson of the audit committee should clearly explain the committee's opinion on its content and scope at the general meeting, making a summary of this opinion available to the shareholders at the time of publication of the notice of the meeting, together with the rest of the proposals and reports of the board.

Complies [ X ]

Partially complies [ ]

Explain [ ]

9. The company should publish the requirements and procedures it will accept to prove ownership of shares, the right to attend the general shareholders' meeting and the exercise or delegation of voting rights on a permanent basis on its website.

These requirements and procedures should favor shareholder attendance, the exercise of their rights and should be applied in a non-discriminatory manner.

Complies ☒ 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 ☒ Partially complies ☐ Explain ☐ Not applicable ☐

11. In the event that the company plans to pay attendance bonuses at the shareholders' general meeting, it establishes a general policy on these premiums in advance and that this policy is consistent.

Complies ☐ Partially complies ☐ Explain ☐ Not applicable ☒

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 ☒ Partially complies ☐ Explain ☐



13. The Board of Directors has an appropriate number of members to achieve an effective and participatory operation – generally between five and fifteen directors.

Complies [X]

Explain [ ]

14. The Board of Directors approves a policy aimed at favoring an appropriate composition of the Board of Directors and that:

a) It is specific and verifiable.

b) It ensures that nomination or re-election proposals are based on a prior analysis of the competencies required by the Board of Directors.

c) It favors a diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a large number of senior managers favors gender diversity.

The result of the prior analysis of the powers required by the Board of Directors should be included in the report of the Appointment Committee to be published when convening the general shareholders' meeting to which the ratification, appointment or re-election of each director is submitted.

The Appointment Committee will verify compliance with this policy annually and will report on it in the annual corporate governance report.

Complies [ X ]

Partially complies [ ]

Explain [ ]

15. Proprietary and independent directors should constitute the large majority of the Board of Directors. The number of executive directors should be the minimum necessary, taking into account the complexity of the corporate group and the executive directors' shareholding percentage in the company's capital.

And that the number of female directors represents at least 40% of the members of the board of directors before the end of 2022 and onwards, not previously being less than 30%.

Complies [ X ]

Partially complies [ ]

Explain [ ]

16. The percentage of proprietary directors over the total number of non-executive directors is not greater than the proportion existing between the capital of the company represented by these directors and the rest of the capital.

This criterion may be mitigated:

a) In highly capitalized companies in which there are few shareholdings that are legally considered significant.

b) In companies in which there is a plurality of shareholders represented on the Board of Directors and they do not have any links between them.

Complies [X]

Explain [ ]

17. The number of independent directors is at least half of the total number of directors.

However, when the company is not a large cap company or when, even if it is a large cap company, it has one or more shareholders acting in concert who control more than 30% of the share capital, the number of independent directors should represent at least one third of the total number of directors.

Complies [X]

Explain [ ]

18. Companies publish the following information about their directors on their websites and keep it updated:

a) Professional and biographical profile.

b) Other boards of directors to which they belong, regardless of whether they are listed companies, as well as any other remunerated activities carried out of any type.

c) Indication of the category of director to which they belong, stating, in the case of proprietary directors, the shareholders that they represent or with which they have ties.

d) Date of their first appointment as a director at the company, as well as any subsequent re-elections.

e) The number of company shares and options that they hold.

Complies [ X ]

Partially complies [ ]

Explain [ ]

19. After verification by the Appointment Committee, the annual corporate governance report should explain the reasons why proprietary directors have been appointed at the request of shareholders whose shareholding is less than 3% of the capital,

explaining the reasons why, if applicable, formal requests for presence on the board from shareholders whose shareholding is equal to or greater than that of others whose requests for proprietary directors have been appointed have not been met.

Complies [ ]

Partially complies [ ]

Explain [ ]

Not applicable [ X ]

20. The proprietary directors present their resignation when the shareholder that they represent transfers their shareholding in full. They also resign, in a proportional number, when a shareholder reduces their shareholding to a level that requires a reduction in the number of their proprietary directors.

Complies [ X ]

Partially complies [ ]

Explain [ ]

Not applicable [ ]

21. The Board of Directors should not propose the removal of any independent director before the expiration of the term of office for which they were appointed, except where just cause is found by the Board of Directors, based on a report from the Appointment Committee. In particular, just cause will be deemed to exist when the director takes on new positions or incurs new obligations that prevent them from devoting the necessary time to the performance of the functions inherent to the position of director, fails to comply with the duties inherent to their position or incurs in any of the circumstances that cause them to lose their independent status, pursuant to the provisions of the applicable legislation.

The removal of independent directors may also be proposed as a result of takeover bids, mergers or other similar corporate operations involving a change in the capital structure of the company, when these changes in the structure of the Board of Directors are prompted by the proportionality criterion set forth in Recommendation 16.

Complies [X]

Explain [ ]

22. Companies should establish rules obliging directors to report and, where appropriate, resign when situations arise that affect them, regardless of whether these situations are related to their actions within the company itself, if they could damage the company's credit and reputation and, in particular, obliging them to inform the board of any criminal proceedings in which they are under investigation, as well as the procedural variations thereof.

Having been informed of or otherwise having become aware of any of the situations mentioned in the preceding section, the board should examine the case as soon as possible and, in view of the specific circumstances, decide, after a report from the appointments and remuneration committee, whether to adopt any measure, such as opening an internal investigation, requesting the resignation of the director or proposing their removal. This shall be reported in the annual corporate governance report, unless there are any special circumstances that justify not doing so, which should be recorded in the minutes. This is without prejudice to the information that the company must disseminate, if appropriate, at the time of the adoption of the corresponding measures.

Complies [ X ]

Partially complies [ ]

Explain [ ]

23. All directors clearly express their opposition when they consider that any of the proposed decisions submitted to the Board of Directors may be not be in the company's interests. In particular, the independent and other directors who are not affected by the potential conflict of interest also do so in the case of decisions that may harm shareholders that are not represented on the board of directors.

When the Board of Directors adopts significant or reiterated decisions about which the director has expressed serious reservations, the director draws the appropriate conclusions and, if they choose to resign, explains the reasons in the letter referred to in the following recommendation.

This recommendation also applies to the secretary of the Board of Directors, even if they are not a director.

Complies [ X ]

Partially complies [ ]

Explain [ ]

Not applicable [ ]

24. When, either by resignation or by resolution of the general meeting, a director leaves office before the end of their term, they should sufficiently explain the reasons for their resignation or, in the case of non-executive directors, their opinion on the reasons for the removal by the meeting, in a letter to be sent to all members of the Board of Directors.

Without prejudice to the disclosure of the foregoing in the annual corporate governance report, the company should publish the termination to the extent that it is relevant for investors as soon as possible, including sufficient reference to the reasons or circumstances provided by the director.

Complies [ X ]

Partially complies [ ]

Explain [ ]

Not applicable [ ]

25. When the Appointment Committee ensures that the non-executive directors have sufficient time available for the proper performance of their duties.

The regulations of the board establish the maximum number of company boards that its directors may be members of.

Complies ☒ Partially complies ☐ Explain ☐

26. The Board of Directors should meet with the necessary frequency to perform its functions effectively and at least eight times a year, following the schedule of dates and matters established at the beginning of the year, and each director may individually propose other items for the agenda that were not initially envisaged.

Complies ☐ Partially complies ☒ Explain ☐

Although the Board of Directors approves a schedule of dates, the matters to be discussed by the Board derive from the Action Plans approved by the various Committees and from specific matters not addressed by them.

Notwithstanding the fact that any director may request the inclusion of items on the board's agenda, the chairperson will only be obliged to include them when requested by at least three directors, the Coordinating Director or a Board Committee.

27. Directors are only absent when absolutely necessary and their absences are quantified in the annual corporate governance report. When absences do occur, representation is granted with instructions.

Complies ☐ Partially complies ☒ Explain ☐

Although Article 15.2.(b) of the Regulations of the Board of Directors establishes the obligation of the directors to instruct in the cases in which they have conferred their representation, these instructions have not been given in all the cases of delegation.

28. When the directors or the secretary express concern about any proposal or, in the case of the directors, about the direction of the company and these concerns are not resolved by the Board of Directors at the request of whoever expressed them, they are recorded in the minutes.

Complies ☒ 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 ☒ 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 ☒ Explain ☐ Not applicable ☐

31. Meeting agendas clearly state the points regarding which the Board of Directors must adopt a decision or agreement so that the directors can study or collect the information that they need to make a decision in advance.

When, exceptionally and for reasons of urgency, the Chairperson wishes to submit decisions or resolutions to the Board of Directors for approval that are not on the agenda, the prior express consent of the majority of the directors present will be required, which will be duly recorded in the minutes.

Complies [ X ]      Partially complies [ ]      Explain [ ]

32. Directors are periodically informed of changes to the shareholder composition and of the opinion that the most significant shareholders, investors and rating agencies have about the company and its group.

Complies [ X ]      Partially complies [ ]      Explain [ ]

33. In addition to exercising the functions attributed to them by law or bylaws, the chairperson, as the person responsible for the proper functioning of the Board of Directors, prepares and submits a schedule of dates and matters to be discussed and organizes and coordinates the periodic evaluation of the board, as well as, where appropriate, that of the chief executive of the company. The chairperson is also responsible for the management of the board and the effectiveness of its operations and ensures that sufficient discussion time is devoted to strategic issues, and decides on and reviews knowledge update programs for each director when the circumstances so require.

Complies [ X ]      Partially complies [ ]      Explain [ ]

34. When there is a coordinating director, the bylaws or the Board of Directors' regulations should grant them the following powers in addition to those conferred by law: chairing the Board of Directors in the absence of the chairperson and vice-chairperson, if any, reflecting the concerns of non-executive directors, maintaining contact with investors and shareholders to hear their points of view in order to form an opinion on their concerns, particularly related to the company's corporate governance and coordinating the succession of the chairperson.

Complies [ X ]      Partially complies [ ]      Explain [ ]      Not applicable [ ]

35. The secretary of the Board of Directors takes special care to ensure that it takes into account the recommendations for good governance contained in this Code of Good Governance that apply the company in its actions and decisions.

Complies [ X ]      Explain [ ]

36. The Board of Directors meet in a plenary session once a year to evaluate and, where appropriate, to adopt an action plan to correct the deficiencies detected related to:

- a) The quality and efficiency of the operation of the Board of Directors.
- b) The operation and composition of its committees.

- c) Diversity in the composition and the powers of the Board of Directors.
- d) The performance of the chair of the Board of Directors and the company's chief executive.
- e) The performance and contribution of each director, paying special attention to those responsible for the different board committees.

The assessment of the different committees will be based on the report submitted by them to the Board of Directors, and for the latter, the report submitted by the Appointment Committee.

Every three years, the Board of Directors will be assisted in carrying out its evaluation by an external consultant, whose independence will be verified by the Appointment Committee.

The business relationships that the consultant or any company in its group maintains with the company or any company in its group should be disclosed in the annual corporate governance report.

The process and the areas evaluated will be described in the annual corporate governance report.

Complies ☒ 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 ☒

38. The Board of Directors is always aware of the matters discussed and of the decisions taken by the executive committee and that all board members receive a copy of the minutes of the meetings of the executive committee.

Complies ☐ Partially complies ☐ Explain ☐ Not applicable ☒

39. The members of the audit committee as a whole, and especially its chairman, are appointed taking into account their knowledge and experience in accounting, auditing and risk management (both financial and non-financial).

Complies ☒ 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 ☐ Explain ☐

41. The person in charge of the unit that assumes the internal audit function submits its annual work plan to the Audit Committee for approval by the committee or the board, reports directly to it on its execution, including possible incidents and limitations



to the scope that may arise in its development, the results and follow-up of its recommendations, and submits an activities report at the end of each fiscal year.

Complies [ X ]      Partially complies [ ]      Explain [ ]      Not applicable [ ]



42. In addition to those envisaged by law, the audit committee has the following duties:

1. Regarding computer systems and internal control:

a) Supervise and evaluate the preparation process and the integrity of the financial and non-financial reporting, as well as the control and management systems for financial and non-financial risks related to the company and, if applicable, the group -including operational, technological, legal, social, environmental, political, reputational and corruption-related risks- reviewing compliance with regulatory requirements, the adequate delimitation of the scope of consolidation and the correct application of accounting criteria.

b) Ensure the independence of the unit that assumes the internal audit function, propose the selection, appointment and removal of the head of the internal audit service, propose the budget for that service, approve or propose approval to the board of the orientation and annual work plan of the internal audit, ensuring that its activity is focused primarily on relevant risks (including reputational risks), receive periodic information on its activities and verify that senior management takes into account the conclusions and recommendations of its reports.

c) Establishing and supervising a mechanism that enables employees and other people related to the Company (such as directors, shareholders, suppliers, contractors or subcontractors) to report any potentially significant irregularities, including financial and accounting irregularities or those of any other type related to the Company that they notice within the Company or its Group. This mechanism must guarantee confidentiality and, in any case, envisage cases in which communications can be made anonymously, whilst respecting the rights of the accuser and the accused.

d) Generally ensuring that the policies and systems established with regard to internal control are effectively applied in practice.

2. Regarding the external auditor:

a) In the event of resignation of the external auditor, examine the circumstances that could have caused it.

b) Ensuring that the remuneration of the external auditor for their work does not compromise their quality or independence.

c) Ensuring that the Company notifies the National Securities Market Commission of the change of auditor and accompanies it with a statement on the possible existence of disagreements with the outgoing auditor and, if applicable, the content thereof.

d) Ensuring that the external auditor holds an annual meeting with the full Board of Directors to inform them about the work carried out and the evolution of the company's accounting and risk situation.

e) Ensuring that the Company and the external auditor comply with current regulations on the provision of non-audit services, the limits on the concentration of the auditor's business and, in general, the other regulations established related to the independence of the auditors.

Complies [ X ]

Partially complies [ ]

Explain [ ]

43. The audit committee can summon any of the company's employees or managers and even order their appearance without the presence of any other manager.

Complies [ X ]      Partially complies [ ]      Explain [ ]

44. The audit committee is informed about the structural and corporate modification operations that the company plans to carry out for its analysis and prior reporting to the board of directors with regard to its economic conditions and its impact on the accounts including, where appropriate, the equation for any proposed exchange.

Complies [ X ]      Partially complies [ ]      Explain [ ]      Not applicable [ ]

45. The risk control and management policy identifies or determines at least:

- a) The different types of financial and non-financial risks (including operational, technological, legal, social, environmental, political and reputational risks, including those related to corruption) faced by the company, including financial or economic risks, contingent liabilities and other off-balance sheet risks.
- b) A risk control and management model based on different levels, including a specialized risk committee when the sectoral regulations so require or the company deems it appropriate.
- c) The level of risk that the company considers acceptable.
- d) The measures envisaged to mitigate the impact of the risks identified, should they materialize.
- e) The information and internal control systems that will be used to control and manage the aforementioned risks, including all contingent liabilities and off-balance sheet risks.

Complies [ X ]      Partially complies [ ]      Explain [ ]

46. Under the direct supervision of the audit committee or, where appropriate, a specialized committee of the Board of Directors, there is an internal control and risk management function exercised by an internal unit or a department of the company that has expressly been given the following duties:

- a) Ensuring the proper operation of the risk control and management systems and, in particular, to ensure that any significant risks that affect the company are properly identified, managed, and quantified.
- b) Actively participating in the preparation of the risk strategy and in important decisions about its management.
- c) Ensuring that all risk control and management systems properly mitigate the risks within the framework of the policy defined by the Board of Directors.

Complies [ X ]      Partially complies [ ]      Explain [ ]

47. The members of the appointments and remuneration committee (or the Appointment Committee and the remuneration committee, if they are separate) are appointed with the knowledge, skills and experience appropriate for the functions they are called upon to perform and that the majority of the members are independent directors.

Complies [ X ]

Partially complies [ ]

Explain [ ]

48. Companies with a large capitalization have separate appointments and remuneration committees.

Complies [ X ]

Partially complies [ ]

Explain [ ]

49. The Appointment Committee consults the chair of the Board of Directors and the company's chief executive, especially regarding matters related to the executive directors.

Any director can request that the Appointment Committee takes into consideration potential candidates to fill vacancies for directors if they consider them to be suitable in their opinion.

Complies [ X ]

Partially complies [ ]

Explain [ ]

50. The remuneration committee carries out its duties independently and that, in addition to the duties assigned to it by law, it has the following duties:

a) Proposing the basic conditions for the contracts of senior managers to the Board of Directors.

b) Verifying compliance with the remuneration policy established by the company.

c) Periodically reviewing the remuneration policy that is applied to directors and senior management, including the remuneration systems with shares and their application, ensuring that their individual remuneration is proportionate to that paid to the other directors and the senior management of the company.

d) Ensuring that any conflicts of interest do not affect the independence of the external advice provided to the committee.

e) Verify the information on remuneration for board members and senior management contained in the various corporate documents, including the annual report on the remuneration of the board members.

Complies [ X ]

Partially complies [ ]

Explain [ ]

51. The remuneration committee consults the company's chair and chief executive, particularly with regard to matters related to the executive directors and senior managers.

Complies [ X ]

Partially complies [ ]

Explain [ ]

52. The rules for the composition and operation of the supervision and control committees are included in the regulations of the board of directors and that they are consistent with those applicable to the legally mandatory committees in accordance with the previous recommendations, including:

- a) They are made up exclusively of non-executive directors, with a majority of independent directors.
- b) Their chairmen/women are independent directors.
- c) The Board of Directors appoints the members of these committees based on the knowledge, skills and experience of the directors and the tasks of each committee. It deliberates on their proposals and reports and give an account of their activities in the first plenary session of the Board of Directors after its meetings and that they explain the work that they have carried out.
- d) Committees may seek external advice when they consider it necessary for the performance of their duties.
- e) Minutes are drawn up of their meetings, which will be provided to all of the directors.

Complies [ X ]

Partially complies [ X ]

Explain [ ]

Not applicable [ ]

Although as of December 31, 2023, the rules of operation and composition of the Sustainability and Technology and Innovation Committees were not included in the Regulations of the Board of Directors, as of the date of approval of this report, the Board of Directors has approved an amendment to its Regulations which, among other matters, includes the rules of operation and composition, functions and other aspects related to both Committees.

53. The supervision of compliance with the company's environmental, social and corporate governance policies and rules, as well as internal codes of conduct, should be attributed to one or more committees of the Board of Directors, which may be the Audit Committee, the Appointment Committee, a committee specializing in sustainability or corporate social responsibility, or any other specialized committee that the Board of Directors, in the exercise of its powers of self-organization, has decided to create. And this committee is made up solely of non-executive directors, the majority being independent and specifically assigned the minimum duties indicated in the following recommendation.

Complies [ X ]

Partially complies [ ]

Explain [ ]

54. The minimum duties referred to in the previous recommendation are as follows:

- a) The supervision of compliance with the corporate governance rules and the company's internal codes of conduct, also ensuring that the corporate culture is aligned with its purpose and values.
- b) The supervision of the application of the general policy regarding the communication of economic, financial, non-financial, and corporate information as well as communication with shareholders and investors, proxy advisors and other stakeholders. The way in which the company communicates and relates with small and medium shareholders will also be monitored.
- c) The periodic evaluation and review of the Company's corporate governance system and environmental and social policy, in order to help it fulfill its mission of promoting the company's interests and taking into account, as applicable, the legitimate interests of other stakeholders.
- d) Ensuring that the Company's practices in environmental and social matters are in line with the established strategy and policy.
- e) Supervision and assessment of the relationship with the various stakeholders.

Complies [ X ]

Partially complies [ ]

Explain [ ]

55. The environmental and social sustainability policies identify and include at least:

- a) The principles, commitments, objectives and strategies related to shareholders, employees, customers, suppliers, social issues, the environment, diversity, fiscal responsibility, respect for human rights and the prevention of corruption and other illegal behavior.
- b) The methods or systems for monitoring compliance with the policies, associated risks and their management.
- c) The mechanisms for supervising non-financial risk, including that related to ethical aspects and business conduct.
- d) The channels for communication, participation and dialog with stakeholders.
- e) Responsible communication practices that avoid information manipulation and that protect integrity and honor.

Complies [ X ]

Partially complies [ ]

Explain [ ]

56. The remuneration of the directors is sufficient to attract and retain directors of the desired caliber and to reward the dedication, qualifications and responsibility that the position requires, but not so high as to compromise the independent judgment of the non-executive directors.

Complies [ X ]

Explain [ ]

57. Only executive directors receive variable remuneration that is linked to the performance of the company and their personal performance as well as remuneration through the handover of shares, options or rights to shares or instruments linked to the share price and long-term savings systems such as pension plans, retirement systems or other social security systems.

The handover of shares as remuneration to non-executive directors may be considered when it is conditional on their holding them until they cease to serve as directors. The foregoing will not apply to shares that a director needs to dispose of, if applicable, to pay the costs related to their acquisition.

Complies [ X ]

Partially complies [ ]

Explain [ ]

58. In the case of variable remuneration, the remuneration policies incorporate the limits and technical precautions necessary to ensure that this remuneration is related to the professional performance of its beneficiaries and not solely derived from the general evolution of the markets, the evolution of the company's sector of activity or other similar circumstances.

In particular, the variable components of remuneration should:

a) Be linked to performance criteria that are predetermined and measurable and that these criteria consider the risk taken on to obtain a result.

b) Promote the sustainability of the company and include non-financial criteria that are suitable for the creation of long-term value, such as compliance with the company's internal rules and procedures and its policies for the control and management of risk.

c) Be based on a balance between the fulfillment of short, medium and long-term objectives, which allow performance to be remunerated based on continued performance for a period of time that is sufficient to evaluate its contribution to the sustainable creation of value, so that the elements of measurement of this performance do not revolve only around specific, occasional or extraordinary events.

Complies [ X ]

Partially complies [ X ]

Explain [ ]

Not applicable [ ]

59. The payment of the variable components of remuneration is subject to sufficient verification that the performance or other conditions established previously have been effectively met. In the annual directors' remuneration report, companies should include the criteria for the time required and the methods for this verification based on the type and the characteristics of each variable component.

Companies also evaluate the establishment of a reduction ('*malus*') clause based on the deferral of payment of a part of the variable components for a sufficient period of time that implies their total or partial loss if an event occurs that makes this advisable prior to their payment.

Complies [ X ]

Partially complies [ X ]

Explain [ ]

Not applicable [ ]

60. The remuneration related to the company's results takes into account the possible exceptions that appear in the external auditor's report which may reduce its results.



Complies [ X ]      Partially complies [ X ]      Explain [ ]      Not applicable [ ]

61. A significant percentage of the variable remuneration of the executive directors is linked to the handover of shares or financial instruments indexed to their value.

Complies [ X ]      Partially complies [ X ]      Explain [ ]      Not applicable [ ]

62. Once the shares, options or financial instruments corresponding to the remuneration systems have been assigned, the executive directors cannot transfer their ownership or exercise them until a period of at least three years has passed.

An exception is made in cases where, at the time of the transfer or exercise, the director maintains a net economic exposure to the variation in the price of the shares for a market value that is equivalent to an amount of at least twice their annual fixed remuneration through the ownership of shares, options or other financial instruments.

The foregoing will not apply to the shares that the director needs to dispose of in order to pay the costs related to their acquisition or, after a favorable assessment by the appointments and remuneration committee, to deal with extraordinary situations that so require.

Complies [ X ]      Partially complies [ X ]      Explain [ ]      Not applicable [ ]

63. Contractual agreements include a clause that allows the company to claim reimbursement of the variable components of the remuneration when a payment has not been in line with the performance conditions or when it has been made based on data that is subsequently proven to be inaccurate.

Complies [ X ]      Partially complies [ X ]      Explain [ ]      Not applicable [ ]

64. Payments for the rescission or termination of a contract do not exceed an amount equivalent to two years of the total annual remuneration and that they are not paid until the company has been able to verify that the director has met the criteria or conditions established for their receipt.

For the purposes of this recommendation, payments made due to rescission or termination of a contract will be considered to include any payments whose accrual or payment obligation arises as a consequence of or at the time of termination of the contractual relationship that existed between the director and the company, including amounts that were not previously consolidated from long-term savings systems and amounts that are paid based on post-contractual non-competition agreements.

Complies [ X ]      Partially complies [ X ]      Explain [ ]      Not applicable [ ]

## H. OTHER RELEVANT INFORMATION

1. If there is any relevant aspect of corporate governance in the company or in the group entities that has not been included in the rest of the sections of this report that needs to be included in order to provide more complete and reasoned information about the structure and governance practices in the company or its group, please describe them briefly.
2. Within this section, any other information, clarification or detail related to the previous sections of the report may also be included as long as it is relevant and not repetitive.

Specifically, it should be stated whether the company is subject to legislation other than that of Spain in matters of corporate governance and, where appropriate, any information that it is required to be provided in addition to the information required in this report should be included.

3. The company may also state whether it has voluntarily adhered to other codes of ethical principles or good practices (international, sectoral or from another area). If applicable, the code in question and the date of adhesion should be identified. In particular, it should mention whether it has adhered to the Code of Good Tax Practices, dated July 20, 2010:

1. Relevant aspects of corporate governance that have not been included in the other sections of this report.

#### C.1.2

On February 15, 2023, the Company announced through the publication of Other Relevant Information that, by means of a letter addressed to all the members of the Board of Directors, Teresa Sáez Ponte resigned from her position as director of the Company, effective as from the date of the conclusion of the next Ordinary General Shareholders' Meeting of the Bank. The reason for her resignation after the financial statements for the 2022 financial year had been closed and scheduled for their formulation and approval by the Board of Directors and the General Shareholders' Meeting, among other matters, was to enable the Fundación Bancaria Unicaja to continue executing the plans it had announced as a result of the significant changes in the composition of its Board of Trustees, which included the proposed appointment of new related proprietary directors.

On February 10, 2023, the Company informed through the publication of Other Relevant Information that, by means of a letter addressed to all the members of the Board of Directors, the proprietary director Manuel Muela Martín-Buitrago had communicated his resignation as director of the Company, effective at the conclusion of the next Ordinary General Meeting, once the accounts for fiscal year 2022 had been closed. In his letter, he justified his resignation on the grounds of his disagreement with the process followed for his replacement as a director, holding a current mandate, and the position of the Supervisor in this process.

On February 14, 2023, the Company communicated through the publication of Other Relevant Information that Petra Mateos-Aparicio Morales, by means of a letter addressed to all the members of the Board of Directors, communicated her resignation as a director of the Company, effective at the end of the next Ordinary General Shareholders' Meeting. In her letter, she stated that the justification for her resignation was to facilitate the process of renewal of the proprietary directors of Fundación Bancaria Unicaja on the Board of Directors of the Company.

On April 21, 2023, the Company informed through the publication as Other Relevant Information that the Board of Directors had become aware of the resignation presented on the same date by the independent director Jorge Delclaux Bravo. In his letter to the Board, he justified his resignation in his disagreement with the decisions adopted by a small group of shareholders at the last General Shareholders' Meeting of the Company and the position of the Board of Directors in not adopting measures that, in his opinion, would guarantee the good corporate governance of the Company.

On June 1, 2023, the Company informed through the publication of Privileged Information the resignation of Manuel Menéndez Menéndez from the position of Chief Executive Officer, effective upon effective appointment of his successor, at which time his resignation as a member of the Board will also become effective. September 19 was the date on which the termination of both positions took effect.

On August 2, 2023, the Company announced through the publication of Other Relevant Information that, on the previous day, David Vaamonde Juanatey communicated his resignation from the position of director, effective immediately, due to the reduction of the shareholding of Oceanwood Capital Management, LLP in Unicaja Banco, S.A., having been appointed proprietary director by such shareholder. Lastly, and although not due to resignation, the Ordinary General Shareholders' Meeting of March 30, 2023 did not approve the ratification or appointment for a new term of office of the independent directors María Teresa Costa Campi and Isidoro Unda Urzaiz as directors. This information was published as other relevant information of the same date.

#### C.1.5

In this Policy, the following criteria are therefore taken into account to ensure diversity:

- Academic and professional backgrounds: The Company will promote a balance of diverse knowledge, skills and experience to make the decision-making process more robust, and to ensure that candidates considered for vacancies include different academic and professional backgrounds. As part of the diversity



of experience, the possible concurrence on the Board of members with professional experience in different sectors and geographic areas, as well as with a diverse educational background, will be taken into account.

- Age: The Company will ensure that the Board includes members of different ages, so that a balance of knowledge, experience and skills is achieved.

- Gender: The Company will ensure that the least represented gender on the Board of Directors has access to the Board of Directors and that the selection processes are attended, if possible, by a sufficient number of candidates of this gender who meet the professional and competence profile sought, to maintain an adequate balance in terms of diversity and to be able to guarantee the continuous maintenance in the Company of a percentage of representation of the least represented gender on the Board of Directors that complies with the diversity standards established at all times by current legislation, by the competent authorities, as well as by the recommendations of good corporate governance of which the Company is the addressee.

In terms of gender, the competencies of the Appointment Committee include the establishment of a representation objective for the gender less represented on the Board of Directors and the preparation of guidelines on how to increase the number of persons of the less represented gender with a view to achieving said objective. In the composition of the Board as a whole and its support committees, the Company assumes the objective set out in Recommendation 15 of the Code of Good Governance for listed companies, which establishes this objective of at least 40% representation to be achieved no later than 2022.

When applying this Policy, care will therefore be taken to ensure that the corresponding selection processes do not suffer from implicit biases that could imply any discrimination for reasons of gender, among other reasons. In particular, any type of bias that hinders the appointment of candidates of the least represented gender and that may impede the fulfillment of the Company's objective indicated in the preceding paragraph will be avoided.

- Disability: In the selection procedures promoted by the Company, the appointment of a suitable candidate will not be conditioned by the presence of any type of disability in the candidate.

In 2023, and based on the skills matrix, the selection processes for board members have ensured that the overall composition is balanced, based on the following criteria:

A) Academic and professional background.

In view of the individual contribution of each of the new directors incorporated in 2023, the Appointment Committee has concluded that the current composition of the Board of Directors maintains, as a whole, sufficient knowledge and experience to cover all the areas of knowledge necessary for the development of the Bank's activities. It has also concluded that the academic background of the members of the Board of Directors is diverse as the different areas are represented. In particular, although the majority of the members of the Board hold degrees in Economics and Business/ADE, there are also members who hold degrees in Law and Engineering, as well as other fields.

In terms of professional experience, although most of the directors have proven experience in the financial sector, they also have extensive experience in sectors other than the financial sector. Also, there are counselors linked to the academic/teaching sector, some have experience in public agencies and others have international experience. Finally, a large number of directors have significant board experience.

B) Age: The Board is composed of a diversity of ages. Likewise, the average age of the Company's directors is below the average of listed companies and IBEX companies.

C) Gender: As of December 31, 2023, the Board of Directors was comprised of 6 women and 8 men, equivalent to 42.86% and 57.14%, respectively, of the total number of Board members, which means that the composition complies with Recommendation 15 of the Code of Good Governance for listed companies.

#### C.1.6

In relation to Recommendation 15 of the Code of Good Governance, regarding measures to encourage the company to have a significant number of female senior managers, the Appointment Committee remains committed to promoting an increase in the number of women in senior management, ensuring equity in the selection and promotion processes, ensuring the natural flow of talent, whether male or female, at all levels of the organization. Management positions represent a small proportion of the total workforce.

In 2023 Unicaja Banco has maintained the proportion of women holding senior management positions (16.59%), and the proportion of women in middle management (44.77%).

Among its specific objectives, Unicaja Banco's Equality Plan includes:

- Training and raising awareness among Unicaja staff on equality issues, with an emphasis on the group of managers who have extensive decision-making power and autonomy in the management of the people under their charge.
- Promoting the participation of women in training that focuses on management skills, with the aim of placing women in an optimal curricular and professional position to fill vacancies that may arise in management positions or, where appropriate, to occupy newly created posts of responsibility.
- Selection of women eligible for promotion based on the needs and requirements of Unicaja management.
- Determination of the training actions that seek to empower and train professionals in management skills.
- Invitation and motivation to the women eligible for promotion to participate in the aforementioned training programs, considering the time dedicated to them as effective work time (training credit).

Unicaja Banco and its Group companies promote the reconciliation of the personal and family life of employees with their work activities, ensuring equal treatment and opportunities for men and women.

**C.1.16**

**- Suitability and appointment assessment**

Once the candidates have been identified, as stated in the "Selection" section, the following procedure will be followed for the appointment of directors:

a) The Appointment Committee will initiate the suitability assessment procedure and issue the corresponding assessment report, in accordance with the provisions of the Suitability Assessment Policy. In the case of independent directors, it will submit the appointment proposal to the Board, and in the case of other types of directors, it will report the corresponding appointment proposals to the Board.

b) If the report is favorable and in view of the report or proposal of the Appointment Committee, the Board of Directors then analyzes the candidates, as well as their respective dossiers.

c) If the result of this analysis is favorable, the proposed appointment will be submitted to the competent supervisory authorities for approval. Exceptionally, in the event of vacancies that may have a negative impact on the day-to-day management of the Bank, the request for authorization from the supervisory authority may be made immediately after the appointment of the director, the effectiveness of which will be subject to a favorable assessment.

Once the candidates have been favorably evaluated by the competent supervisory authority, the Board will either co-opt the appointment, in the event of a vacancy, or the proposal will be submitted to the General Meeting.

In accordance with the provisions of the Policy for the Evaluation of the Suitability of the members of the Board of Directors, General Managers and similar and other Key Personnel for the development of the financial activity, Board Member candidates must meet the suitability requirements necessary for exercising their position. In particular, they should be of recognized commercial and professional repute, honesty and integrity, have adequate knowledge, experience and competence to perform their duties and be in a position to exercise good governance of the Company. The relationships and the incompatibility regime shall also be taken into account.

The Board of Directors will also have members who, taken as a whole, have sufficient professional experience in the governance of credit institutions to ensure their effective capacity to make decisions independently for the benefit of the Company.

**- Reelection**

As set forth in Article 17 of the bylaws, the Directors will hold office for a term of three years, and may be re-elected indefinitely for terms of the same duration.

The Appointment Committee, prior to the call of any meeting of the General Shareholders' Meeting of the Company, will identify the Directors whose terms of office are about to expire and, if applicable, will analyze which of them it deems appropriate to propose their re-election or in which cases it is preferable to seek a new candidate. For this purpose, one of the factors to be taken into account, in addition to the Board's skills matrix, is the need or desirability of a progressive renewal of the Board, taking into account, in particular, the diversity objectives established by the Company (including those related to age) and the length of time that each director has held office. In addition, in this process of evaluating and deciding whether a director should be re-elected, it will be necessary to evaluate the performance of the corresponding director during the time they have held office, taking into account especially the quality of their attendance and participation in the meetings of the Board and, if applicable, of the committees of which they were a member.

Directors whose appointments were co-opted will hold office up to and including the date of the first General Shareholders' Meeting, without prejudice to the power of ratification or revocation held by the General Shareholders' Meeting. In the event of a vacancy occurring after the General Shareholders' Meeting has been called and before it is held, the Board of Directors may appoint a director until the next General Shareholders' Meeting is held.

**- Removal**

Article 14 of the Regulations of the Board of Directors establishes that the directors will leave office when the term for which they were appointed has elapsed, or when so decided by the General Shareholders' Meeting in the use of the powers conferred by law and the bylaws. Directors must also tender their resignation to the Board of Directors and formalize, if the latter deems it appropriate, the corresponding resignation in the cases detailed in Section C.1.19 below.

**C.2.1 Audit and Compliance Committee.**

**(b) In relation to the internal auditor:**

i. Ensure the independence of the unit that assumes the internal audit function, propose the selection, appointment, reappointment and removal of the head of the internal audit service, ensure that the profiles of the internal audit staff are adequate and that they are able to carry out their work objectively and independently.

ii. Annually evaluate and approve the internal audit function's action plan, which identifies the audit objectives and the work to be performed, verifying that the main areas of risk, financial and non-financial, of the business have been considered in said plan, delimit and identify its responsibilities, its functions and resources in order to ensure that they are adequate for the real needs of the Company and the risks it has to face and receive periodic information on the activities of the function.

iii. Verify that senior management takes into account the conclusions and recommendations of its reports.

(c) In relation to the statutory auditor:

- i. Submit proposals for the selection, appointment, re-election and replacement of the auditor to the Board for submission to the General Shareholders' Meeting, taking responsibility for the selection process, as well as the conditions of their engagement, and to regularly request from the auditor information on the audit plan and its execution, in addition to preserving their independence in the performance of their duties.
- ii. Define a procedure for selecting the auditor, specifying the criteria or parameters to be assessed.
- iii. Establish the appropriate relations with the auditor to receive information on matters that could threaten their independence, for examination by the Committee, and any others related to the process of carrying out the auditing of accounts, and, where appropriate, the authorization of services other than those prohibited, in accordance with the terms established in the applicable regulations. Receive other communications provided for in auditing legislation and auditing standards. In all cases, the auditor will provide the following on an annual basis: (i) a written declaration of independence from the Company or companies directly or indirectly related to it and (ii) detailed and individualized information on the additional services of any kind provided to these companies by the auditor or individuals or companies linked to the auditor in accordance with the provisions of the regulations governing the activity of auditing accounts.
- iv. Prior to the issuance of the accounts audit report, issue an annual report expressing an opinion on whether the independence of the accounts auditor is compromised. In all circumstances, this report must give a reasoned assessment of the provision of each of the additional services referred to in the preceding section.
- v. In the event the auditor resigns, examine the reasons for doing so.
- vi. Ensure that the auditor's remuneration for their work does not compromise their quality or independence.
- vii. Discuss any significant weaknesses in the internal control system detected in the course of the audit with the auditor, without breaching their independence and submitting, where appropriate, recommendations or proposals to the Board of Directors and the corresponding deadline for follow-up.
- viii. Ensure that the Company notifies the National Securities Market Commission of the change of auditor as a relevant fact and accompanies it with a statement on the possible existence of disagreements with the outgoing auditor and, if applicable, their content.
- ix. Ensure that the auditor holds an annual meeting with the full Board of Directors to inform them about the work carried out and the evolution of the company's accounting and risk situation.
- x. Ensure that the Company and the auditor comply with current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and, in general, all other regulations established related to the independence of the auditors.

(d) In relation to compliance with corporate governance rules:

- i. Supervision of compliance with the Company's internal codes of conduct and corporate governance rules.
- ii. Supervision of the communication and relationship strategy with shareholders and investors, including small and medium shareholders.
- iii. Regular assessment of the suitability of the Company's corporate governance system, in order to help it fulfill its mission of promoting the company's interests and taking into account, as applicable, the legitimate interests of other stakeholders.
- iv. Review of the Company's corporate social responsibility policy, ensuring that it is oriented towards the creation of value.
- v. Monitoring of corporate social responsibility strategy and practices and evaluation of their degree of compliance.
- vi. Supervision and assessment of the relationship with the various stakeholders.
- vii. Assessment of everything related to the company's non-financial risks, including operational, technological, legal, social, environmental, political and reputational risks.
- viii. Coordination of the non-financial and diversity information reporting process in accordance with the applicable legislation and international standards of reference.
- ix. Report, the transactions that the Company carries out with Board Members to the Board of Directors before execution. Senior Executives, with significant shareholders or shareholders represented on the Board or with persons related to them ("related-party transactions") in accordance with the provisions of applicable legislation, the Bylaws, the Regulations of the Board of Directors and the Policy for the identification and management of conflicts of interest and related-party transactions of directors, significant shareholders and senior executives. To this end, it may request expert reports when deemed appropriate.

(e) Regarding regulatory compliance:

- i. Ensure compliance with applicable national or international regulations in matters related to the prevention of money laundering, conduct in securities markets, personal data protection and prevention of criminal risk, among others, monitoring the main legal risks in which the Company may incur in those matters within its competence.
- ii. Be aware of the degree of compliance with regulations by the various Company units and departments, as well as the corrective measures recommended by the internal audit in previous actions, reporting to the Board on those cases that may pose a significant risk to the Company.
- iii. Examine the draft codes of ethics and conduct and their respective amendments that have been prepared, and issue its opinion prior to submitting the proposals to be formulated to the Board of Directors.
- iv. Supervise compliance with the Internal Rules of Conduct in the Securities Market and the development of the functions attributed to the Regulatory Compliance Department, and to be aware of the reports and proposals submitted to it by this Department.
- v. Approve the annual work plan of the regulatory compliance function, and the annual report or annual activity report, receive periodic information on its activities, attend to requests for information and verify that senior management takes into account the conclusions and recommendations of its reports.

(f) In terms of structural and corporate modification operations the Company plans to carry out the following:

For its analysis and prior reporting to the Board of Directors, the Committee will be informed of its economic conditions and impact on the accounts including, where appropriate, the equation for any proposed exchange.

2) Procedures, rules of organization and operation:

The Audit and Compliance Committee comprises a minimum of three and a maximum of five directors, who will be appointed for a period not exceeding their term of office, without prejudice to the possibility of their being re-elected indefinitely and to the extent that they are also re-elected as directors.

All of the members of the Committee will be non-executive Board Members, with the majority of them and, in any case, the Chairperson being independent Board Members. Independent directors.

The Board of Directors will appoint the members of the Committee and the Chairperson of the Committee for a term not exceeding four years. Directors who have held the office of Chairperson of the Committee may not return to the office until at least one year has elapsed since they ceased to hold that position.

The Board of Directors will also appoint an individual who is not a member of the committee as secretary of the committee, who will assist the chairperson.

The committee will meet at least quarterly and, in addition, whenever convened by its chairperson when they deem it appropriate or when required by agreement of the committee or at the request of two of its members. In all circumstances, the Committee will meet on the occasion of each annual or interim financial information publication date. The Committee Chairperson will report on the matters discussed and decisions adopted by the Committee at the first meeting of the Board following the meeting of the Committee. Annually, the Committee prepares an action plan for the year and an annual report on its operation which it presents to the Board of Directors.

3) Actions of the Audit and Compliance Committee in 2023:

(a) Activities performed to fulfill duties regarding internal information and control systems:

The Committee has reviewed and reported, prior to the Board of Directors, the financial statements and interim financial statements, the management report, including the annual corporate governance report and the separate report on non-financial information, as well as the other financial reports that have been made available to the public and supervisors. The Committee also reviewed all Prudentially Relevant Information prior to its approval by the Board of Directors.

The Committee accepted the findings of the Internal Control over Financial Reporting system (ICFR) and the external expert's audit report on the system.

It carried out a quarterly monitoring of the provisions jointly with the Risk Committee.

The Committee also took note of the Annual Report on Governance and Data Quality for the 2022 fiscal year, which reports on the actions carried out to meet the objectives defined for said fiscal year, which have focused mainly on the data integration process of the former Liberbank and on the evaluation of the quality of the roll out of the internal IRB models.

(b) Activities performed in compliance with the function related to the internal auditor:

The Committee was presented with the 2023 annual plan of Internal Audit activities. It was regularly informed of the degree of compliance with the requirements and recommendations issued by the Internal Audit Department.

The Report on Internal Audit Activities was also submitted to the Committee on a quarterly basis.

(c) Activities performed in compliance with the function related to the auditor:

Considering the conclusion of the Auditor's term of office in 2023, the Committee initiated in 2022 the process for the selection of a new auditor provided for in EU Regulation 537/2014. The Committee reported its first choice, KPMG Auditores, S.L., to the Board. The Board of Directors, following the recommendation of the Committee, agreed to approve the selection to propose their appointment to the General Shareholders' Meeting. At the Ordinary General Shareholders' Meeting held on March 30, 2022, the appointment of KPMG Auditors, S.L. was approved as auditor of the accounts of the Company and its consolidated Group for 2024, 2025 and 2026.

The Committee periodically received information on compliance with the Auditor Appointment Policy, services and other aspects of the independence of the Unicaja Banco Group's auditor. The auditor has periodically appeared before the Committee to report on the conclusions of the audit procedures carried out on the financial reporting, as well as on the key aspects of the audited period and regulatory developments in the field of external auditing. The Committee was advised on the auditor's written confirmation of their independence and issued, prior to the issuance of the audit report on the financial statements, a confirmation report on the independence of the auditor. The auditor submitted the draft audit report on the individual and consolidated financial accounts for 2023 to the Committee. It envisaged (as was ultimately the case) the issuance of a favorable opinion, and submitting the additional report for the Audit Committee on the aforementioned financial statements.

(d) Activities performed in compliance with the function related to corporate governance rules:

The Committee gave a favorable report on the separate Statement of Non-financial reporting to the Board of Directors and was informed of the draft conclusions about it by the external verifier (PwC), which is published together with the Financial Statements, prior to its formulation by the Board of Directors. During the year, the Committee submitted the report on the application of the policy on communication and contact with shareholders, institutional investors and proxy advisors to the Board of Directors.

The Committee received several reports on Sustainability and agreed to submit to the Board of Directors the Corporate Sustainability Policy and the Non-Financial Risk Management and Control Policy.

The Committee reported favorably on the update of the Corporate Outsourcing Policy, taking note of the Annual Activity and Monitoring Report of the Outsourcing Governance Section for fiscal year 2022.

(e) Activities performed to carry out the duty of regulatory compliance:

The Committee was presented with the Regulatory Compliance Department's Annual Report on the actions carried out, as well as the Regulatory Compliance Department's Master Plan and the Action Plan for this year, the Regulatory Compliance Department having reported periodically on the activities carried out for to carry out same. The Committee reported favorably on the update of the Internal Rules of Conduct in the Securities Market.

The Committee was informed of the Annual Risk Self-Assessment Report on Money Laundering and Financing of Terrorism, which shows satisfactory compliance by the Company, without the need to implement significant additional measures. The Committee was advised on the annual reports of the Committee for the Prevention of Money Laundering and Financing of Terrorism, the Regulatory Compliance Committee and the Criminal Risk Prevention Committee, corresponding to fiscal year 2022.

The Committee accepted AENOR's renewal of Unicaja Banco's Compliance Management System.

The Committee was also informed on a quarterly basis of the status of the communications received through the Bank's Whistleblowing Channel.

(f) Activities related to Related Transactions

Throughout the year, the Committee has issued reports on the proposals for granting related party transactions, verifying that all proposals submitted to it with related parties were made under market conditions, according to the risk assessment criteria applicable in Unicaja Banco and that they are fair and reasonable from the point of view of the Company and, if applicable, of other shareholders other than the related party, giving an account of the assumptions on which its conclusion is based, and the methods used.

In relation to the related transactions whose approval is delegated to internal committees of the Bank, by virtue of the procedure set forth in the Policy for the Identification and Management of Conflicts of Interest and related transactions of Directors, significant shareholders and senior officers, the Committee took note of the report of the role of the internal audit, which concluded that it had verified that they had been carried out under the established conditions of fairness and transparency and that the applicable legal criteria for their delegation had been satisfied.

(g) Transactions with significant shareholders

With respect to transactions with significant shareholders, the Audit and Compliance Committee ensures that relations with them are correct and appropriate. In particular, in 2023, the Committee, prior to approval by the Board, analyzed several transactions and reported favorably to the Board for approval.

(h) Other matters:

The Committee has been periodically informed of the situation and variations of the Company's treasury stock, and has been informed of the requirements received from regulatory and supervisory bodies. The Committee took note of the Fiscal Strategy Monitoring and Control Report

C.2.1 Appointment Committee.

2) Procedures, rules of organization and operation:

The Appointment Committee shall consist of a minimum of three and a maximum of five directors who do not perform executive functions in the Company. Most of these members, and in all cases the chairperson, should be independent directors.

The members of the Appointment Committee will be appointed by the Board of Directors, taking into account the knowledge, experience and skills required for the duties to be performed.

The Board of Directors shall appoint a chairperson of the committee from among the independent directors who are members of the committee. It will also appoint a Secretary, who does not have to be a member of the Board, who will assist the Chairperson and provide for the proper functioning of the Committee, duly recording the proceedings of the meetings in the minutes. The committee will meet with the frequency determined by the committee and whenever called to meeting by its chairperson or requested by two of its members.

The chairperson of the committee shall report on the decisions adopted by the committee at the first plenary meeting of the board following the meeting of the committee. The Committee prepares an annual action plan for the year and a similar report on its operation to be presented to the Board of Directors.

3) Actions of the Appointment Committee in 2023:

(a) Actions performed to fulfill the duty of identifying and recommending, by means of the corresponding report in the case of executive Directors and proprietary Directors, or proposal in the case of independent Directors, candidates to fill vacancies on the Board, with a view to their approval by the Board of Directors or by the General Shareholders' Meeting:

The committee agreed to report favorably on the appointments of four proprietary directors, at the proposal of Fundación Bancaria Unicaja, as well as the proposals for the ratification of two independent directors appointed by co-optation during the 2022 fiscal year, and to submit them to the board, with a view to their subsequent submission to the Ordinary General Shareholders' Meeting held on March 30, 2023.

The committee selected four candidates with the category of independent directors to fill the vacancies on the board following the resignations of two directors and the non-ratification by the General Shareholders' Meeting of the appointments of two other directors, reporting favorably and proposing their appointment, who were co-opted by the Board of Directors.

Likewise, upon the activation of the Succession Plan for the Chief Executive Officer, and after the internal evaluation carried out, the Committee agreed to report favorably on the appointment of Isidro Rubiales Gil, who was co-opted by the Board of Directors as an executive director.

Once the corresponding regulatory authorizations were obtained from the supervisor, the aforementioned appointments were ratified and approved by the General Shareholders' Meeting held on November 14, 2023.

Finally, at the end of the year, due to the resignation of Manuel Azuaga Moreno, it was agreed to activate the Succession Plan for the selection of the candidate to replace him as non-executive chairman. As of the date of preparation of this report, the Board of Directors, following a favorable report and at the proposal of the Appointment Committee, once the evaluation of his suitability has been completed, has unanimously agreed to appoint José Sevilla Álvarez as independent director of the Company, subject to obtaining the corresponding regulatory authorizations, and foreseeing his appointment as chairman of the Board of Directors to replace Manuel Azuaga Moreno, as from his ratification at the next General Shareholders' Meeting.

(b) Activities performed to fulfill duties regarding appointments to the Board and the Committees:

The Appointment Committee proceeded to address the appointment proposals made during the year both within the Board of Directors and in each of the Support Committees, concluding that all the candidates were suitable for the positions for which they had been proposed and reporting favorably to the Board of Directors for their respective appointments.

(c) Activities performed to fulfill the duty of periodically evaluating, at least once a year, the suitability of the members of the Board of Directors and of the Board of Directors as a whole:

The Appointment Committee, on the occasion of the various appointments of directors during the year, also evaluated the collective suitability of the Board of Directors, concluding in each of the evaluations performed that the board has the necessary knowledge, experience and skills to adequately understand the Bank's activities, including its main risks, to ensure its effective capacity to make decisions independently and for the benefit of the Bank, and that the various areas of expertise required are duly covered.

The Appointment Committee has also updated the skills matrix of the board as a whole. The purpose of this matrix is to analyze the overall composition of the board by comparing the actual skills with the desirable profiles to be incorporated into the Board of Directors in order to adequately understand the Company's activities.

(d) Activities performed to fulfill the duty of ensuring that the Directors comply with the regime of incompatibilities and limitations required and sufficient availability of time to exercise good governance, if any member of the Board of Directors assumes an additional position or begins to perform new relevant activities, in order to verify whether the time devoted to their responsibilities and obligations as a member of the Board of Directors of the Company is sufficient and is not diminished due to the new responsibilities assumed.

The Committee carried out partial assessment of the suitability of a number of directors, due to the performance of positions or assumption of responsibilities in companies or organizations not belonging to the Unicaja Group and their appointment as directors in companies representing Unicaja, reporting favorably.

(e) Activities performed to fulfill the duty of periodically evaluating the structure, size, composition and performance of the Board of Directors:

The Committee submitted its evaluation report on the functioning of the Board of Directors, its Committees and certain positions for 2022 to the Board of Directors.

At the beginning of fiscal year 2024, the Appointment Committee agreed to launch the evaluation of the functioning of the Board of Directors, its committees and certain positions for fiscal year 2023.

(f) Activities performed to fulfill the duty of evaluating the skills, diversity, balance of knowledge and experience required on the Board of Directors and the function of annually reviewing compliance with the Director Selection Policy.

The Appointment Committee has prepared the report on the application of the Director Selection and Appointment Policy and the Diversity Policy, concluding that the individual and collective suitability evaluation processes carried out in fiscal year 2023 have been developed in accordance with the criteria, principles and systems established in the aforementioned policies. In particular, the evaluations analyzed the impact in terms of diversity of knowledge, technical skills, experience, and gender, without implying discrimination based on age or disability, using the matrix of skills, knowledge and experience, ensuring that the overall composition and balance of skills of the Board of Directors was appropriate.

(g) Activities performed to fulfill duties related to the target representation for the underrepresented gender on the Board of Directors:

With regard to gender diversity objectives, in the selection processes for directors carried out in fiscal year 2023, the Appointment Committee has taken into account that the structure of the Board complies with Recommendation 15 of the Code of Good Governance, ensuring that the percentage of women is 40%. At year-end 2023, of the 14 directors currently on the Board of Directors, six were women (42.86%) and eight were men (57.1%).

Finally, in February 2024, the board agreed, in order to fill the existing vacancy on the board, to co-opt an independent director, so that once the regulatory authorization has been obtained and they have joined the Board of Directors, the percentage of women on the board will be 40%.

(h) Activities performed in compliance with the reporting on the nomination and removal of Senior Management:

With respect to the evaluation of the remaining members of the Subject Group who are not considered members of the Board of Directors, in fiscal year 2023, the Committee issued the corresponding reports on the evaluation of the suitability of the members of the Subject Group, reporting favorably on their appointments.

(i) Other actions:

In the last quarter, the Committee has been working on updating the internal policies related to the suitability, selection, diversity and succession of the Board of Directors and other key personnel in order to adapt them to the new governance model of the Bank.

At the time of the announcement of the Ordinary General Meeting in 2024, the Company plans to publish the Annual Operating Report of the Appointment Committee on the corporate website, setting out in greater detail the operation and activities carried out by this committee in 2023.

#### C.2.1 Remuneration Committee

##### 3) Actions of the Remuneration Committee in 2023:

(a) Activities performed to fulfill the duty of ensuring compliance with the Company's remuneration policy and the function of verifying the information on remuneration of Directors and Senior Management contained in the various corporate documents:

The Committee submitted to the Board of Directors the Directors' Remuneration Policy for the three-year 2024-2026 period and the report justifying the same. The Committee was informed of the annual evaluation of the application of the Remuneration Policy associated with risk management and submitted the 2022 Annual Report on Directors' Remuneration to the Board of Directors.

Prior to its approval by the Board of Directors, the committee verified the information on remuneration of directors and senior management contained in the various corporate documents, including the Annual Report on the Remuneration of Directors.

(b) Activities performed to fulfill the duty of preparing the decisions regarding compensation to be adopted by the Board of Directors:

The committee prepared the reports and submitted the proposals relating to the remuneration of the group subject to the Remuneration Policy associated with risk management.

At its various meetings held during 2023, the Remuneration Committee reported favorably on proposals for basic contractual conditions associated with appointments of certain members of the Identified Collective for the purposes of the Remuneration Policy associated with risk management, based on justified circumstances.

In particular, during this fiscal year, the Committee reported favorably on the contract of the new Chief Executive Officer and the Non-Executive Chairperson, as well as the proposal regarding the agreement to terminate the contract of Manuel Menéndez as executive director.

(c) Actions carried out in connection with incentive systems:

With respect to 2022, the Committee agreed to report favorably on the proposed payment of incentives and variable compensation for executive directors.

In relation to 2023, the Committee agreed to report favorably on the Identified Collective Incentive System, the Business Network System (including Corporate Banking), the Central Services System and the Customer Service Management System.

With regard to the definition of the 2023 objectives for the Identified Group, the Remuneration Committee reported favorably on the typology and weighting of the different variables applicable to this group, submitting the corresponding proposals to the Board of Directors for approval.

(c) Other actions:

The Committee approved its 2023 Action Plan, which included the main actions to be undertaken during the year.

At the time of the call for the 2024 Annual General Meeting, the Company intends to publish on the corporate website

the Annual Report on the Operation of the Remuneration Committee, which sets forth in greater detail the operation and activities carried out by this Committee in fiscal year 2023.

#### C.2.1 Risk Committee

##### (3) Actions of the Risk Committee in 2023:

(a) Actions related to the fulfillment of the function of advising the Board of Directors on the overall risk propensity, the function of ensuring the proper functioning of the risk control and management systems.

The Committee monitored the metrics and updated the Unicaja Banco Group's Risk Appetite Framework, periodically analyzing its monitoring reports, based on the Bank's financial situation and strategy. Credit risk was also monitored on a monthly basis, including, among others, the NPL, retail and fixed-income portfolios. Likewise, structural risks have been monitored, as well as technological risks and the monitoring of the IRB Project and Resolution matters, jointly with the Audit and Compliance Committee.

(b) Actions related to the function of ensuring that the risk control and management systems adequately mitigate risks within the framework of the policy and to the function of actively participating in the development of the Company's risk management policy.

In addition to the actions related to the Risk Appetite Framework mentioned above, the Committee participated in the preparation and agreed to submit to the Board of Directors, with a favorable report, the Annual Report on the Internal Capital Adequacy Assessment Process (ICAAP) 2022 and the Annual Report on the Internal Liquidity Adequacy Assessment Process (ILAAP) 2022.

The Committee also agreed to report the update of the internal capital allocation (ICAAP) and the identification of material risks and liquidity cushion allocation (ILAAP).

The committee took cognizance of the IRP (Information of Prudential Relevance) for fiscal year 2022, monitoring the process of preparing the Bank's Recovery Plan and the actions included in the 2023 Annual Resolubility Work Plan. It agreed to report favorably on the approval of the Corporate Resolubility Planning Policy and the update of the Bank's Irregular Asset Management Framework.

(c) Activities related to the adequacy of asset and liability pricing to the business model and risk strategy:



The committee reported favorably and submitted to the Board of Directors for its approval, the update of the Pricing Policy, which includes the pricing framework for the granting of operations that are subject at all times to the manual of policies, functions and procedures for customer credit risk. It also reported favorably on the Non-Financial Risk Management and Control Policy, which serves as a reference and consolidates the basic principles of management and control of these risks.

(d) Activities related to the collaboration on the establishment of rational remuneration policies and practices.

The Committee issued a favorable report on the proposed Incentive System for the group identified in the Compensation Policy associated with Risk Management for 2023

(e) Other actions:

At the first meeting held in 2023, the Committee approved the Committee's Action Plan for that fiscal year.

At the time of the announcement of the 2024 Ordinary General Meeting, the Company plans to publish on the corporate website the Annual Operating Report of the Risk Committee, which sets out in more detail the operation and activities carried out by this committee in 2023.

D.6

Along the same lines, Article 17 of the Board Regulations includes the duty of Board Members to abstain from:

- a) Executing transactions with the Company, except ordinary operations that are carried out by them as an ordinary customer and that are not significant, i.e. transactions that do not need to be reported in order to express a faithful presentation of the Company's equity, financial condition and results.
- b) Carrying out activities on their own behalf or on behalf of others that effectively compete, currently or potentially, with the Company or that, in any other manner, place them in a permanent conflict of interests with the Company.
- c) Attending and participating in deliberations and voting on agreements or decisions in which they or a person related to them have a direct or indirect conflict of interest. This abstention obligation will not apply to resolutions or decisions that affect them as a director, such as their appointment or revocation for positions on the administrative body or others of similar significance.

Article 18 of the Board Regulations prohibits directors from making use of the Company's confidential information for private purposes.

Furthermore, Article 20 of the Board Regulations provides that directors and persons related to them may not: a) take advantage of any business opportunity of the Company for their own benefit; b) make use of the Group's assets for private purposes; c) use their position in the Company to obtain a patrimonial advantage; d) obtain advantages or remuneration from third parties other than the Company and its Group associated with the performance of their duties, except in the case of mere courtesies.

Article 21 of the Board Regulations states that directors must inform the Company of all of the positions they hold and the activities they perform in other companies or entities, and, in general, of any fact or situation that may be relevant to their performance as directors of the Company.

As regards the communication procedure, those who are subject to conflicts of interest rules should immediately notify the Company of any conflict that they or those associated with them may have with the corporate interest, including where they have doubts as to whether there might be a conflict of interest for any cause whatsoever.

This notification should be made in writing, stating in sufficient detail the possible conflict and whether it is a direct or indirect conflict, the object and the main conditions of the operation and the planned decision, including an assessment of the (approximate) economic impact. This letter will be addressed to the chairperson of the Audit and Compliance Committee and submitted to the Secretariat for Governing Bodies, who in turn will send a copy of the communication received to all of the members of the Audit and Compliance Committee for appropriate processing.

Designated Persons should also refrain from taking any action related to the possible conflict until the Board of Directors issues a decision on the conflict situation that has been brought to its attention, after reviewing a report from the Audit and Compliance Committee.

If the person or any associated persons affected by the conflict of interest is a director, they should abstain from participating in the deliberation and voting on resolutions or decisions related to this conflict, both in the meetings of the Board of Directors and of any other corporate body, commission or committee in which they participate. They should also refrain from influence or participation in decision-making or voting on matters in which their objectivity or ability to properly perform their duties with respect to the Company may be compromised. Furthermore, they are to refrain from accessing confidential information affecting this conflict.

In addition, the Unicaja Banco Group's Code of Conduct includes certain general principles and recommendations relating to good governance and the basic ethical standards that govern actions in the different markets, with special attention paid to the prevention of conduct that may give rise to criminal liability. It is applicable to the Group's directors, officers and employees and expressly provides that subjects must avoid incurring in situations in which personal interests may come into conflict with the interests of the Group or of the company in which they carry out their activity.

Finally, the Internal Code of Conduct in the Securities Market of Unicaja Banco, S.A. includes the general policy for the prevention and management of conflicts of interest that may arise between the Bank's customers and the Bank itself. It is applicable to the members of the Board of Directors, other executives, employees and attorneys-in-fact, among others.

With the aims set out in the Protocol for the Management of the Financial Participation of the Unicaja Banking Foundation, providing for mechanisms to avoid possible conflicts of interest between the Unicaja Banking Foundation and Unicaja Banco, an Internal Protocol of Relations between the Unicaja Banking



Foundation and Unicaja Banco was signed on December 1, 2016. Its purpose includes ensuring that the financial activity of Unicaja Banco is managed independently of the charitable or other activities of Fundación Bancaria Unicaja, avoiding conflicts of interest in all cases.

## E.2

- Technology and Innovation Committee

Among the functions conferred on this Committee is the monitoring of the technological risk in general.

- Sustainability Committee

Among the functions attributed to this Committee is the monitoring of the processes of identification, evaluation, control and management of risks in the area of sustainability.

- Steering Committee

Among its functions, the following related to the RAF stand out:

- Validating and, where appropriate, submitting to the Governing Bodies proposals for documents relating to the Bank's strategic planning, among which is the RAF.
- Conveying the RAF's main criteria, whether they be the initial criteria or their subsequent adaptations, to the rest of the Bank, through the units that are in charge of each area, with the aim of having a solid "risk culture" at Unicaja Banco.
- Evaluating the implications of the RAF, in their respective areas of competence, in coordination with the Bank's internal Committees, which will in turn inform the competent units of them if necessary.

## E.3

- Risks related to environmental, social and governance factors.

Environmental, social and governance (ESG) factors may have a significant short-, medium- and long-term impact on the Bank's financial and non-financial risks, as any of these factors may have a material adverse impact on the Group's financial position, business and operating results.

Climate-related and environmental risks (environmental ESG factor) are risks arising from the Bank's exposure to counterparties that might potentially contribute to or be adversely affected by environmental factors, including factors resulting from climate change and other types of environmental degradation.

These risks are generally considered to comprise two main risk factors affecting economic activities, which in turn have an impact on the financial system. These are:

- Physical risk, which refers to the financial impact of a changing climate, including more frequent extreme weather events and gradual changes in climate, as well as environmental degradation, such as air, water and land pollution, loss of biodiversity and deforestation.

Physical risk is in turn classified as:

- o "Severe", where it arises from extreme events, such as droughts, floods and storms.
- o "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, counterparties or investors associate the Bank or its customers – particularly corporate or institutional clients – with adverse environmental effects (reputational risk).

Accordingly, physical and transition risks are factors of the existing risk, in particular the credit risk, the operational risk, the market risk and the liquidity risk, as well as the risks outside Pillar 1, such as the migration risk, the credit spread risk in the investment portfolio, the real estate risk and the strategic risk.

## E.6

- Market risk

Even though market risk is assigned to trading positions for solvency purposes, the Unicaja Banco Group has developed policies, processes and tools for managing the market risk corresponding to its entire portfolio of securities entered at a fair value for accounting purposes.

For the adequate management of market risk, the Structural and Risks Department, which reports to the Financial Risk Control Department, has tools for measuring, calculating and controlling market risks and the limits authorized by the Board of Directors. The most important of these are Value at Risk (VaR) and the operating limits for credit/counterparty risk that affect the Unicaja Banco Group's operations in capital markets, serving as a means of diversification in order to avoid excessively concentrated exposures to market risk.

The Unicaja Banco Group carries out the measurement and control function by establishing a scheme of delegations in financial market operations. The Group has detailed information on the different subrisks and has assigned limits within its Risk Appetite Framework that allow it to adequately monitor and, if necessary, mitigate such risks.

The ultimate responsibility for risk identification and control lies with the Governing Bodies of the Unicaja Banco Group. Thus, executive management is responsible for and actively participates in the entire risk management process (planning, approval, assessment and control of all risks inherent in the positions taken by the Bank in financial markets).

**- Interest Rate Risk in the Banking Book (IRRBB)**

The control functions performed and methodologies employed by the Bank also include the control of the effectiveness of balance sheet coverages as mitigation instruments and the use of stress testing measures. Thus, in the analysis, measurement and control of the interest rate risk assumed by the Group, it uses sensitivity measurement and analysis techniques of a wide range of scenarios that could significantly affect it to capture the different sources of risk.

Based on the results of the structural interest rate risk exposure the Unicaja Banco Group obtained on each analysis date, a series of actions aimed at mitigating such exposure are implemented until it is brought back to the acceptable levels defined by the Bank's risk profile, should this be necessary.

The Board of Directors approves the Bank's overall risk management strategy and laid down the general and control guidelines of this management.

The Assets and Liabilities Committee (ALC) develops the strategy within the framework and limits established by the Board of Directors.

**- Liquidity risk**

The Bank establishes prudent policies and goals that contemplate not only normal market conditions but also contingency plans for stress or crisis situations, both its own and of the market.

The Unicaja Banco Group has set limits to the liquidity risk to control its exposure thereto and maintain such exposure within authorized levels. Generally speaking, liquidity is considered adequate if potentially liquid assets and funding capacity are greater than the needs arising from the business and the costs of refinancing in the markets. The greater this difference, the greater the available liquidity.

The Unicaja Banco Group also practices a diversification policy in order to avoid excessively concentrated exposures to the structural liquidity risk. Likewise, in its management of liabilities, it diversifies its sources of funding, ensuring that they are diversified by market, maturity and product, in order to steer away from difficulties at particular moments of crisis or of the markets. The Risk Committee and the Board of Directors are regularly informed of and devote sufficient time to monitoring and supervising the Company's main risks, in order to be able to respond to any challenges that may arise.

**- Real estate risk**

The Unicaja Banco Group sets limits to the real estate risk relating to assets received in payment for debts in order to control this exposure and keep it within adequate levels.

These assets are managed in the Bank with the ultimate purpose of divesting or leasing them. To this end, the Unicaja Banco Group has holding companies specializing in the management of urban development projects, the marketing of real estate and the leasing of real estate assets.

It also has specific units to develop these strategies and coordinate the actions of the instrumental subsidiaries. In addition, the Bank has a decentralized governance structure that, through a framework of attributions, ensures this risk is properly managed and controlled.

**- Operational Risk**

Unicaja Banco assumes the following types of operational risk, pursuant to Regulation 575/2013 (CRR), in order to maintain a uniform and parameterized management of risk, in accordance with the standards defined in the New Basel Capital Accord (NBCA):

Internal fraud

External fraud

Employment and occupational health and safety practices

Customers, products and business practices

Damage to tangible physical assets

Interruption of the activity and system failures

Process execution, delivery and management

The emergence in recent years of new potential risks for financial institutions is driving the transition towards an operational risk management model in Unicaja Banco that contemplates an expanded taxonomy that addresses new emerging or potential risks, incorporating, therefore, a greater number of risk typologies and which are listed below: people (human resources), internal fraud, external fraud, conduct, transactional processes, technology; physical asset security and information security (including cybersecurity); business continuity; regulatory compliance; financial crime; legal; suppliers/third parties; financial and tax reporting; data and model management.

The Unicaja Banco Group has established a series of procedures for capturing operational loss events.

These provide the Group with the necessary information to be able to implement the corresponding mitigation instruments of its operational risk management policy. It also has an Operational Risk Policy, approved by the Board of Directors. The Group's operational risk management not only covers the recognition of loss-generating events and their correct entering into its accounts but also promotes its active control and management facet in order to minimize and reduce all losses and negative impacts arising from this type of risk.

The Unicaja Banco Group uses other operational risk mitigation measures to manage the operational risk. Among these measures, the following stand out: (i) the development of self-assessment exercises and (ii) the system of KRIs (key risk indicators) to measure the evolution of risk factors. Since December 2017, the Bank has been using the Standardized Approach as its method for quantifying its operational risk in terms of capital with the aim of improving how it manages this risk, which is in line with its risk culture.

Among the types of risks included within operational risk are technology risk, defined as the risk arising from system, network and hardware or software failures; and information security risk (including cybersecurity), which considers the risk arising from information security incidents, including the loss, theft or misuse of information (of all types, customers, employees, owned by the organization), as well as non-compliance with rules relating to information security. In relation to these risks, Unicaja Banco has a catalog of metrics for their quantification, control and monitoring within the Bank's Risk Appetite Framework. It also ensures the proper governance of these risks to provide resilient and quality services to its customers, shareholders, and other stakeholders.

Furthermore, model risk is also included, which includes losses arising as a consequence of decisions based mainly on the result of (internal) models, due to errors in the development, implementation or use of such models. The Approach Committee is the management body in charge of supervising, approving and ratifying all those processes in the life cycle of the corporate approaches that require it.

Within operational risk there is also conduct risk, defined as risk caused by inadequate practices in the relationship of the Bank or its employees with its customers, the treatment and the products offered and their suitability. The Unicaja Banco Group ensures the correct creation, issuance and distribution of products and the proper provision of services while ensuring compliance with current legislation. One of the Bank's aims is to ensure that new products are subjected to the necessary analysis and review procedures in order to mitigate the risk of litigation as far as possible.

In the tax area, Unicaja Banco's Tax Strategy policy, as approved by the Board of Directors, regulates a fiscal risk management system which operates according to the scheme described in Section E.1 above.

The Tax Advisory Area, which reports to the Corporate Accounting and Reporting Department, is responsible for developing the control mechanisms and internal rules necessary to ensure the application of current fiscal regulations and the objectives and guidelines set out in the aforementioned document. For these purposes, it has a Manual that regulates the functions entrusted to it for the management of the Tax Strategy policy approved by the Board of Directors – tax management, fiscal advice and defense of the Company's tax interests. All three functions have response mechanisms that focus on tax risks.

With the periodicity regulated in Tax Strategy, these implemented functions and the controls are reported to the Risk Control and Supervisory Relations Department (CRO) as a second line of defense.

The Internal Audit Department annually reviews the monitoring of the Tax Strategy policy as a third line of defense, with the Audit and Compliance Committee supervising risk control in tax matters.

#### - Reputational risk

The Unicaja Banco Group has traditionally been very demanding as regards aspects relating to reputational risk management.

Customer satisfaction and the good image of the Bank are permanent goals of all its employees and of the Company's highest levels of governance and management.

This constant effort to maintain and reinforce its good image is rooted in its global culture and is embodied in, among other concrete manifestations:

The Bank's strategic objectives.

Code of Conduct, Corporate Social Responsibility Policy, Sustainability Policy, Environmental Policy, Energy and Climate Change and the Criminal Risk Prevention Program approved by the Board of Directors

The actions of the three lines of defense.

Compliance with the general regulatory framework and, in particular, with the Markets in Financial Instruments Directive (MiFID) and financial service user protection regulations.

The process of continuously training employees in all areas in which they work, including, specifically, training in ethical aspects, as established in the "Code of Conduct".

#### - Business and strategic risk.

In order to analyze the soundness of its business model, the Group analyzes potential vulnerabilities through sensitivities and stress exercises. Metrics related to business and strategic risk are also defined and monitored on a recurring basis through the Risk Appetite Framework.

#### - Risk related to environmental, social and governance factors

In order to properly manage ESG risks (which encompasses climate-related and environmental risks), the Bank has launched a series of initiatives, including an Action Plan on Sustainable Financing – approved in June 2020 and revised in April and November 2021 – which culminated in 2023, whose purpose is to measure in depth the impact of such risks on its financial structure and to enable it to act efficiently in this area in the medium and long term.

In 2023, the Bank continued to incorporate climate and environmental factors into risk decision-making, with a special focus on the risk admission process in the corporate segment.

2. It is hereby stated that the Company is not subject to corporate governance legislation other than Spanish legislation.

3. Voluntarily adherence to other codes of ethical principles or good practices (international, sectoral or from another area).

Voluntarily adherence to other codes of ethical principles or good practices (international, sectoral or from another area).

#### Code of Good Tax Practices

Since December 2017, the Company has adhered to the Code of Good Tax Practices approved by the Large Companies Forum, according to the wording proposed by the State Tax Administration Agency (AEAT). With this adherence, all those best practices that allow an adequate prevention and reduction of tax and reputational risks are adopted, so as to generate greater legal and economic security for the Group and for society as a whole.



#### United Nations Global Compact

Unicaja Banco voluntarily adhered as a signatory to the international initiative of the United Nations Global Compact in July 2013, committing to the 10 Principles of the Global Compact in the areas of Human Rights, Labor Standards, Environment and Anti-Corruption.

#### Spanish Global Compact Network

In the exercise of its corporate social responsibility, Unicaja Banco joined this Network as a partner in April 2017, which means supporting, among other aspects, the achievement of the Sustainable Development Goals (SDGs) of the United Nations.

#### United Nations Agency UNITAR (United Nations Institute for Training and Research)

The agreement signed in September 2018 with the United Nations agency UNITAR and which offers financial support to the International Training Center for Authorities and Leaders (CIFAL) in Málaga, supports the implementation of actions aimed at promoting social and financial inclusion and sustainable development, within the framework of SDGs. In May 2022, this agreement was renewed until 2024.

#### Madrid COP25: collective agreement on climate action

At the United Nations Climate Change Conference (COP25), held in Madrid in December 2019, Together with other Spanish financial institutions, Unicaja Banco signed a collective climate action agreement, whereby it undertakes, among other measures, to reduce the carbon footprint of its credit portfolios within a specific period of time, in a manner that can be measured using internationally approved criteria, and in line with the objectives set out in the Paris Agreement. In accordance with the above, decarbonization targets have been published in 2023 for a significant portion of the loan portfolio.

#### Carbon Disclosure Project (CDP)

In 2023, the Carbon Disclosure Project (CDP) questionnaire on Unicaja's environmental management and impact was completed for the first time. The grade obtained was "C", on a scale ranging from "A" (best grade) to "D-" (worst grade). The letter "F" denotes cases in which CDP requests to participate but the entity does not do so.

#### The Code of Best Practices for the viable restructuring of debts secured by mortgages on primary residences

The Bank is adhered to this Code established in Royal Decree-Law 6/2012 of March 9, on urgent measures for the protection of mortgagors without resources, and the subsequent amendments introduced by Law 1/2013 of May 14, 2013, by Royal Decree-Law 1/2015 of February 27, 2015, by Royal Decree-Law 5/2017 of March 17, 2017, Law 5/2019 of March 15, 2019, and by Royal Decree-Law 19/2022, of November 22, 2022.

#### Code of Best Practices on urgent measures for mortgage debtors at risk of vulnerability

The Bank also adheres to this other Code, introduced by Royal Decree-Law 19/2022 of November 22, 2022, establishing a Code of Good Practices to alleviate the rise in interest rates on mortgage loans on primary residences, amending Royal Decree-Law 6/2012 of March 9, 2012, on urgent measures for the protection of mortgage debtors without resources, and adopting other structural measures to improve the mortgage loan market.

#### Social Housing Fund

In January 2013, together with other public and private entities, Unicaja Banco signed the Agreement for the creation of a Social Housing Fund, which creates a fund of housing provided by the participating entities, offered for rent to families who have lost their homes due to non-payment of their mortgage loan and are in a situation of special vulnerability. This measure was originally covered by Royal Decree-Law 27/2012 of November 15, 2012, on urgent measures to strengthen the protection of mortgage debtors. Unicaja Banco accepted the various renewals of the Fund, most recently in December 2022, when its general term was extended to January 2024. Unicaja Banco contributes 471 homes to the Fund.

#### Financial Education Plan

Since 2010, firstly through Unicaja and subsequently through Unicaja Banco, the Company has been a signatory to the National Financial Education Plan through the Spanish Confederation of Savings Banks (2022-2025 Plan), currently promoted by the Bank of Spain, the National Securities Market Commission and the Ministry of Economic Affairs and Digital Transformation, the aim of which is to improve economic and financial knowledge among the general public.

In June 2016, the Edufinet project, currently promoted by Unicaja Banco and Fundación Unicaja, created in 2005 and with public activity since 2007, adhered to the "Code of best practices for financial education initiatives", developed by the institutions driving the National Financial Education Plan with the aim of joining efforts to improve knowledge and skills in financial matters.

#### Strategic protocol to reinforce the social and sustainable commitment of the banking system

In February 2022, the Bank signed up to the update of the strategic protocol promoted by the sector to reinforce the social and sustainable commitment of the banking sector, especially with regard to the elderly and the disabled.

This protocol envisages, among other measures: (i) extending the hours of face-to-face service for cash services provided at the teller window or teller, (ii) providing preferential treatment to the elderly in branches, (iii) training staff specifically on the needs of this group, and offering customers financial and digital education and fraud prevention activities, (iv) preferential telephone service at no extra cost, through a personal interlocutor and (v) improving the accessibility and simplicity of the entire network of ATMs, among others.

A new review of the sector protocol was formalized in October 2022 to include new aspects related to financial inclusion in rural areas ("Roadmap to strengthen financial inclusion in rural areas"). This roadmap contemplates, for those municipalities with more than 500 inhabitants without an access point to financial

## ANNUAL CORPORATE GOVERNANCE REPORT FOR LISTED CORPORATIONS

services, the commitment to ensure at least one access point (bank office, ATM, mobile offices, financial agents); and, for those with less than 500 inhabitants, the offer of basic banking services, guaranteeing access to cash through the cash back or cash in shop formulas, or the use of the Correos Cash service.

### Advertising-commercial communications

Since November 2010, Unicaja Banco has been a member of the Association for the Self-Regulation of Commercial Communication (Autocontrol), an independent self-regulatory body for the advertising industry in Spain.

This annual corporate governance report was approved by the Company's Board of Directors during its session held on

2/29/2024

State whether there have been directors that have voted against or abstained from the approval of this Report.

☐ Yes

☒ No

## **ANNEX IV**

### **ANNUAL REPORT ON DIRECTORS' REMUNERATION**

The Annual Directors' Remuneration Report of Unicaja Banco, S.A. for the fiscal year ended on December 31, 2023 has been appended hereto as an integral part hereof.

---

ISSUER'S IDENTIFICATION DETAILS

---

End date of the year concerned:

12/31/2023

Tax identification number

A93139053

Company Name:

UNICAJA BANCO, S.A.

Registered office:

AV. ANDALUCIA N.10-12 (MALAGA)

## ANNUAL REMUNERATION REPORT FOR DIRECTORS OF LISTED CORPORATIONS

### A. REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT FISCAL YEAR

- A.1.1** Explain the current director remuneration policy applicable to the current fiscal year. To the extent relevant, certain information may be included by reference to the remuneration policy approved by the General Shareholders' Meeting, provided that the inclusion is clear, specific and concrete.

The specific determinations for the current fiscal year should be described, both for the remuneration of directors for their status as such and for the performance of executive functions that the board has undertaken, both pursuant to the provisions of the contracts signed with the executive directors and with the remuneration policy approved by the General Shareholders' Meeting.

In all circumstances, the following aspects should be reported as a minimum:

- a) Description of the procedures and bodies of the company involved in the determination, approval and application of the remuneration policy and its conditions.
- b) Indicate and, if applicable, explain whether comparable companies have been taken into account to establish the company's remuneration policy.
- c) Information on whether any external advisors have participated and, if so, their identity
- d) Procedures contemplated in the current director remuneration policy for applying temporary exceptions to the Policy, conditions under which such exceptions may be used and components that may be subject to exception under the policy.

Article 29 of the Unicaja Banco, SA (hereinafter, "Unicaja Banco", the 'Company' or the "Bank") bylaws establishes that the position of director will be remunerated and regulates the remuneration structure of its directors. This structure is developed through the Directors' Remuneration Policy (hereinafter referred to as the "Remuneration Policy" or the "Policy").

When the term of the Directors' Remuneration Policy, approved by the General Shareholders' Meeting of Unicaja Banco, SA in 2021, expires in 2023, before the end of its term, the Board of Directors proposed to submit to the General Shareholders' Meeting the approval of a new Remuneration Policy, contemplating the possibility of its application from the date of its approval, in order to adapt the remuneration scheme to the new governance model of the Company, characterized by the transition to a non-executive chairpersonship. The current Policy was therefore approved by the Extraordinary General Shareholders' Meeting held on November 14, 2023, being applicable from the date of its approval and during the following three fiscal years, 2024, 2025 and 2026.

This Policy seeks to promote sound and effective risk management that, while favoring the efficient development of the Company's business management, does not entail the assumption of excessive risks. The Policy applies to all Directors, executive and non-executive, who hold office during all or part of the fiscal years in which the Policy remains in effect.

The Remuneration Policy complies with current regulations and, in particular, with those relating to the remuneration systems of Credit Institutions, and is aligned not only with the current regulatory and statutory framework, but also with best practices and comparable market standards. The new features introduced in this Policy with respect to that approved in 2021 are as follows:

- a) Adaptation of the remuneration system to the Company's new governance model, with a non-executive chairpersonship and a single director with executive functions, the chief executive officer.
- b) Certain changes to the remuneration scheme applicable to the chief executive officer.
- c) Introduction of certain amendments to the scheme applicable to the remuneration of directors in their capacity as such, seeking a closer approximation to best market practices.

Thus, the remuneration of directors in their capacity as such, which consists of a fixed allowance and the payment of per diems for attending meetings of the Board of Directors and its committees, establishes a new maximum amount to be paid annually for this item, which already includes the remuneration corresponding to the non-executive chairpersonship.

CONTINUED IN SECTION D.1.

- A.1.2** Relative importance of variable remuneration items with respect to fixed items (remuneration mix) and what criteria and objectives have been taken into account in their determination and to ensure an appropriate balance between the fixed and variable components of remuneration. In particular, indicate the actions taken by the company in relation to the remuneration system to reduce exposure to excessive risks and align it with the company's objectives, values and long-term interests, including, where appropriate, a reference to measures planned to ensure that the remuneration policy addresses



## ANNUAL REMUNERATION REPORT FOR DIRECTORS OF LISTED CORPORATIONS

the company's long-term performance, measures taken in relation to those categories of personnel whose professional activities have a material impact on the entity's risk profile, and measures planned to avoid conflicts of interest.

Indicate also whether the company has established any vesting or consolidation period for certain variable remuneration items, in cash, shares or other financial instruments, a deferral period for the payment of amounts or delivery of financial instruments already vested and consolidated. Also indicate whether any clause has been agreed to reduce deferred remuneration not yet consolidated or obliging the director to return the remuneration received, when such remuneration has been based on data whose inaccuracy has subsequently been manifestly demonstrated.

The remuneration system applicable to the members of the Board of Directors will be governed by the following principles, which also include those set forth in Article 34 of the LOSS and its implementing regulations:

- a. Promote and be compatible with adequate and effective risk management, whilst not providing incentives to assume risks that exceed the level tolerated by the Company.
- b. Be compatible with the business strategy, objectives, values and long-term interests of the Company, avoiding conflicts of interest.
- c. In relation to executive directors, maintain a balanced and efficient relationship between variable remuneration and fixed components, where applicable. In particular, the latter will constitute a sufficiently large part of the total remuneration. The variable component shall in no case exceed 100% of the fixed component of the total monetary remuneration of the executive Director.
- d. Distinguish clearly between the criteria for the establishment of the different components of the overall remuneration, in general by the following parameters:
  - Fixed component: This shall primarily reflect relevant professional experience, dedication and responsibility in the organization.
  - Variable component: The variable remuneration, where it is expected to accrue and be received, should reflect performance in excess of that required to meet that stipulated in the job description as part of the performance conditions. When remuneration is linked to results, the right to receive it and the total amount thereof shall be based, in all circumstances, on objective indicators that will also be combined with a performance evaluation that measures qualitative aspects.
- e. Up to 100% of the total variable remuneration will be subject to malus clauses which, if applicable, may result in the cancellation of the deferred portion and the recovery of remuneration already paid (clawback).

The total variable remuneration will therefore be eliminated or significantly reduced when Unicaja Banco obtains negative or poor financial results, taking into account both the current remuneration and reductions in payments of previously accrued amounts, if any, through remuneration reduction clauses or recovery of remuneration already paid.

Up to 100% of the total variable remuneration will here be subject to reduction clauses when there is a deficient financial performance, either in the Company as a whole or in a specific department or unit, whose performance is significant for the company, under the terms described in the corresponding variable remuneration plan.

Likewise, the variable remuneration already paid will be subject to clawback if, during the term foreseen in the corresponding variable remuneration plan, there is a deficient financial performance, in the terms indicated in the previous paragraph, directly attributable to the Director, as well as in cases of fraud or other fraudulent conduct or serious negligence that causes significant losses.

f. the incentive systems will, in all cases, take into account the grading of the amount of the variable remuneration. The variable component of remuneration will therefore function as follows:

- Not limit the Company's ability to strengthen its capital base.
- Be related to the professional performance of its beneficiaries and will not derive solely from the general evolution of the markets or the financial sector, or other similar circumstances.
- Take into account any qualifications contained in the external auditor's report that reduce or may reduce the Company's results.
- Be eliminated or significantly reduced in the event of a negative performance of the Company's results or its capital ratios, either in relation to those of previous years or to those of similar entities, or a negative performance of other parameters such as the degree of achievement of budgeted objectives.
- In all cases, the payment of any variable compensation will be subject to compliance with capital requirements and supervisory requirements, in particular those relating to the "Maximum Distributable Amount" (MDA).
- Personal hedging strategies or insurance related to compensation and liability that undermine the effects of risk alignment included in the compensation systems may not be used.
- The receipt of a substantial portion of variable compensation will be deferred for a certain period of time, taking into account the economic cycle, the nature of the business and its risks.
- At least 50% of the variable remuneration, both of the deferred and non-deferred portion, will be paid by means of the delivery of shares or other instruments of the Company of an equivalent nature.

g. The policy will be of a non-discriminatory remuneration type in terms of gender, that is to say based on equal remuneration between male and female directors for the same function or for a function of equal value.

h. The variable remuneration criteria will ensure an incentive structure adjusted to the Bank's risk propensity and business objectives in relation to sustainability risks, the adoption of measures to prevent conflicts of interest and the promotion of actions with a positive impact in the area of ESG factors (environmental, social and corporate governance), meaning that specific metrics linked to this area will be included in the definition of the variable component of the remuneration. The aim is for variable remuneration to contribute to making the Company's business strategy sustainable and socially responsible.

The main characteristics of the Incentive System for the 2024 fiscal year for Executive Directors are detailed below (section A.1.6).

## ANNUAL REMUNERATION REPORT FOR DIRECTORS OF LISTED CORPORATIONS

With regard to the measures established to avoid conflicts of interest, in accordance with the provisions of the Company's Bylaws and the Regulations of the Board of Directors, the directors have a duty of loyalty to the Company and the obligation to adopt the necessary measures to avoid situations of conflicts of interest, avoiding situations in which their interests, whether their own or those of others, may conflict with the corporate interest, immediately informing the Company of any situations that could generate a possible conflict, whether real or potential. Likewise, the Directors may not (a) take advantage of any business opportunity of the Company for their own benefit; (b) make use of the Group's assets for private purposes; (c) use their position in the Company to obtain a patrimonial advantage; they must inform the Company of all the positions they hold and the activities they carry out in other companies or entities, and, in general, of any fact or situation that may be relevant to their performance as directors of the Company.

As regards remuneration, the Remuneration Committee is responsible for submitting proposals relating to individual remuneration, the incentive system and other contractual conditions of the executive directors. It also prepares decisions on the objectives, criteria and metrics that must be met in order to receive variable remuneration and, if applicable, verify whether the circumstances are met to apply the reduction or recovery clauses.

The Risk Committee works alongside the Remuneration Committee in establishing sound policies and practices in this regard, examining whether the incentive policy provided for in the remuneration system takes into consideration risk, capital, liquidity and the likelihood and timing of returns. Specifically, the Risk Committee intervenes, where appropriate, in the actual determination of the total incentive pool to be distributed, in the setting of objectives and performance measurement, as well as at the time of payment of variable remuneration, in order to verify that the remuneration is adjusted for all types of current and future risks, and that the necessary cost of capital and liquidity are taken into account.

The Remuneration and Risk Committees are bodies made up entirely of non-executive members and the majority of them, and in any case their Chairperson, are independent directors. Within the Board of Directors, the director concerned, in accordance with the provisions of the Regulations of the Board of Directors on the duties of directors to avoid conflicts of interest, is obliged to abstain from attending and participating in deliberations and voting on resolutions or decisions that are related to their remuneration.

### A.1.3 Amount and nature of the fixed components that are expected to accrue to the directors in their capacity as such during the year.

As mentioned above, Article 29 of the Company's bylaws establishes that the position of director will be remunerated and regulates the remuneration structure of Unicaja Banco's directors. Specifically, section 2 of this article establishes that the remuneration of the directors in their capacity as such will consist of a fixed allowance and the payment of per diems for attending the meetings of the Board of Directors and its committees.

In accordance with the current remuneration policy, the maximum amount of annual remuneration to be paid to all the Board Members, in their capacity as such, will amount to 1,950,000 euros gross per annum in 2024. This amount includes the amount of 300,000 euros gross that is set as annual remuneration for the non-executive chairperson for the performance of the duties set forth in the Capital Companies Act, in the bylaws, in the Regulations of the Board of Directors, and those that the Board of Directors may agree to entrust to this position.

As it appears from the current Remuneration Policy, for fiscal year 2024, such amount will be distributed as follows:

- 60,000 euros gross per annum for membership on the Board.
- 300,000 euros gross per annum for the performance of the non-executive Chairpersonship of the Board of Directors.
- 20,000 euros gross per annum for serving as non-executive Vice-Chairperson of the Board of Directors.
- 20,000 euros gross per year for the performance of the duties of Coordinating Director.
- 15,000 euros gross per year for the performance of the duties of Secretary, Director, of the Board of Directors.
- 15,000 euros gross per year for membership of the Audit and Compliance Committee and the Risk Committee.
- 12,000 euros gross per year for membership of the Nomination Committee and the Remuneration Committee.
- 10,000 euros gross per year for membership in the Technology and Innovation Committee and the Sustainability Committee
- 10,000 euros gross per year for acting as Chairperson of a Board of Directors Support Committee.
- 5,000 euros gross per year for acting as Secretary of a Board of Directors Support Committee.
- 500 euros gross for attendance fees to the Board and 300 euros gross for attendance fees to the Support Committees.

The Board, in use of its powers attributed by the Capital Companies Act and the Bylaws, and always within the maximum limit approved by the General Shareholders' Meeting, may approve a different distribution under the criteria of functions, responsibility, complexity or dedication or other different criteria it may deem appropriate in the future, which will be duly reported in the corresponding Annual Report on Directors' Remuneration.

### A.1.4 Amount and nature of the fixed components that will be accrued during the year for the performance of senior management functions by the executive directors.

The Policy states that, in addition to the remuneration of the members of the Board for their status as such, the executive Directors will receive a fixed annual remuneration for the performance of their executive duties, as agreed in their respective contracts with the Company.

The maximum fixed monetary compensation for the performance of executive duties for the fiscal year 2024 for the Chief Executive Officer, the only position with executive duties, amounts to 529,000 euros gross/year.

This amount will be updated in accordance with the salary revision percentage established in the collective bargaining agreement applicable to the company's employees for 2024. At the date of issuance of this report, the aforementioned Agreement has not yet been signed.

In the event that the executive directors receive remuneration for holding positions in investee companies, the gross amount received will be deducted from the amount to be paid by the Company, unless the Board of Directors exceptionally and with reasons to the contrary is agreed by the Board of Directors.

## ANNUAL REMUNERATION REPORT FOR DIRECTORS OF LISTED CORPORATIONS

### A.1.5 Amount and nature of any component of remuneration in kind that will accrue during the year, including, but not limited to, insurance premiums paid in favor of the director.

In accordance with the Policy, there will be no accruals for compensation in kind in relation to the Directors in their capacity as such. On the other hand, remuneration in kind is provided for executive directors. Thus, during the 2024 financial year, the Chief Executive Officer will enjoy, as other social benefits, health insurance for a maximum annual amount of 5,000 euros gross.

### A.1.6 Amount and nature of the variable components, differentiating between those established for the short and long term. Financial and non-financial parameters, including social, environmental and climate change parameters, selected to determine the variable remuneration for the current year, an explanation of the extent to which such parameters are related to the performance of the director, the entity and its risk profile. The foreseeable methodology, timeframe and techniques determine, at the end of the year, the effective degree of compliance with the parameters used in the design of the variable remuneration, explaining the criteria and factors applied in terms of the time required and methods for verifying that the performance conditions or any other type of conditions to which the accrual and consolidation of each component of the variable remuneration were linked have been effectively met.

Indicate the range in monetary terms of the different variable components based on the degree of compliance with the established objectives and parameters, and if there is any maximum monetary amount in absolute terms.

No variable compensation has been established for non-executive directors.

With respect to executive directors, Article 29.3 of the bylaws provides that part of the remuneration of executive directors may be variable, and that it will be correlated to some indicator of the performance of the director and of the Company.

Executive directors will only be entitled to receive variable remuneration when the conditions for this are met in accordance with the provisions of their respective contracts and the remuneration policies and plans applicable to them.

Thus, in accordance with the provisions of Article 29.4 of the Company's Bylaws, executive directors, as part of the variable remuneration system determined by the Board of Directors in accordance with the provisions of the remuneration policy applicable from time to time, will be entitled to be paid through the delivery of shares or stock options, or through remuneration indexed to the value of the shares. The application of any of these compensation methods should be previously agreed by the General Shareholders' Meeting, which will determine the maximum number of shares that may be assigned in each year, the price for the year or the system for calculating the price of the stock options for the year, the value of the shares, if any, to be taken as a reference, as well as the term of the plan.

The Extraordinary General Shareholders' Meeting, held on November 14, 2023, resolved to authorize the Board of Directors to deliver to the Executive Directors, during the term of the Directors' Remuneration Policy, and provided that the conditions established for this purpose are met, the number of shares equivalent to a maximum aggregate total amount of shares of up to 1,260,648 euros, at a rate of up to 964,408 euros for short-term variable remuneration (up to 296,240 euros for each full year and up to 75,688 euros for the proportional part of the year 2023 in which this Policy will be in force) and up to 296,240 euros for long-term variable remuneration.

The amount corresponding to the short-term compensation for each fiscal year will be subject to annual updating in accordance with the salary revision percentage established in the collective bargaining agreement applicable to the Company's employees, causing the correlative update in the total maximum amount during the entire term of the policy.

For the purpose of determining the number of shares to be delivered on each of the corresponding dates, the price of the Unicaja Banco share that corresponds to the average value of the listed price of the Unicaja Banco share between the closing date of the fiscal year and the date of approval of the financial statements for that fiscal year by the Ordinary General Shareholders' Meeting (both exclusive) will be taken into account.

The executive directors will be entitled to short-term variable remuneration, which will be approved annually by the Board of Directors, at the proposal of the Remuneration Committee, and which will be intended to reward the director's performance during the year, through the fulfillment of objectives to be defined by the Board of Directors, pursuant to the provisions of this Remuneration Policy and the Company's General Incentive Scheme, and which will combine financial and non-financial variables.

The variables that may be taken into consideration for setting the objectives on which the accrual of this compensation component is conditioned may include, but are not limited to, the following: ROTE. Efficiency ratio. Variation of Non-Performing Assets (NPA's), RAF metrics and aspects related to quality, regulatory compliance and sustainability.

Short-term variable compensation should not exceed 100% of the fixed component of the gross annual cash compensation of the executive director. This amount will be considered as the reference for a level of one hundred percent compliance with the objectives set. It will be the responsibility of the Board of Directors, at the proposal of the Remuneration Committee, to set and evaluate compliance with the assigned objectives each year.

In addition, the Board of Directors, at the proposal of the Remuneration Committee, may grant executive directors the right to receive multi-year variable remuneration, which will consist of a remuneration system that establishes a reference amount and multi-year objectives that can be measured and that allow the performance of the executive directors to be evaluated. These objectives may be associated with the achievement of a 100% compliance rate of variable remuneration in the short term, successively throughout the reference cycle. This will remain in effect for three years, after which the degree of compliance with the objectives assigned thereto will be evaluated. The maximum amount to be received by those executive directors to whom this long-term variable remuneration is recognized will be 529,000 euros at the end of the cycle. This amount corresponds to a degree of achievement of the objectives of at least 100%.

## ANNUAL REMUNERATION REPORT FOR DIRECTORS OF LISTED CORPORATIONS

With respect to the conditions applicable to the accrual and payment of variable remuneration, the following should be noted:

- i. Limit on the ratio between fixed and variable remuneration elements. The variable component of the remuneration may not exceed 100% of the fixed component of the total remuneration. However, in accordance with the provisions of Article 34.1.g. LOSS, this limit may be increased up to 200% when so approved by the General Shareholders' Meeting, in compliance with the procedure set forth in the same provision.
- ii. *Ex ante* and *ex post* adjustments to variable compensation. Variable remuneration will be risk-adjusted and be based on the performance measurement of eligible executive directors, through the application of ex-ante and ex-post compensation adjustments. *Ex ante* adjustments are related to the requirement to comply with capital, liquidity and supervisory requirements, particularly those related to the "maximum distributable amount".

*Ex post* adjustments will consist of the application of the criteria relating to deferral and payment in instruments.

60% of the variable remuneration accrued in each fiscal year by the executive directors will therefore be deferred for a period of five years, and will be subject to ex post adjustments for results and for the evolution of the Company's risk, capital and liquidity in the period from which they arise.

Deferred remuneration will be paid over the deferral periods on a pro rata basis, and the compensation payable under the deferral provisions will not be received more rapidly than on a pro rata basis.

At least 50% of the variable remuneration, whether deferred or not, will be paid in Unicaja Banco shares or other financial instruments subject to the corresponding withholding periods.

Specifically, the variable compensation will be paid according to the following payment schedule:

- A non-deferred payment, representing 40% of the variable remuneration granted. 50% will be paid in cash and 50% in shares on the payment date generally applied to the variable remuneration of the Bank's employees in relation to the financial year of reference.
- A first deferred payment, representing 12% of the variable remuneration granted. This will be paid fully in cash on the first anniversary of the date of the non-deferred payment.
- A second deferred payment, representing 12% of the variable remuneration granted. This will be paid fully in cash on the second anniversary of the date of the non-deferred payment.
- A third deferred payment, representing 12% of the variable remuneration granted. This will be paid fully in cash on the third anniversary of the date of the non-deferred payment.
- A fourth deferred payment, representing 12% of the variable remuneration granted. This will be paid fully in cash on the fourth anniversary of the date of the non-deferred payment.
- A fifth deferred payment, representing 12% of the variable remuneration granted. This will be paid fully in cash on the fifth anniversary of the date of the non-deferred payment.

During the deferral period, title to the cash and instruments whose delivery is deferred belongs to Unicaja Banco. The Company will not pay interest or dividends with respect to cash or instruments whose delivery is deferred at any time.

Once the shares or financial instruments corresponding to the remuneration systems have been assigned, the executive directors may not transfer their ownership or exercise them until a period of three years has elapsed (retention period).

An exception is made in the case in which the director maintains, at the time of the transfer or exercise, a net economic exposure to the variation in the price of the shares for a market value equivalent to an amount of at least twice their annual fixed remuneration through the ownership of stock options or other financial instruments, in which case the excess of shares over that amount will only be subject to a one-year retention period.

The foregoing will not apply to shares that the director needs to dispose of in order to meet the costs related to their acquisition or, subject to the favorable opinion of the Remuneration Committee, to reduce the retention period by up to one year in order to meet extraordinary situations that arise or require it.

iii. Effects deriving from the termination of the contractual relationship. In the event the contractual relationship is terminated prior to the end of the accrual period, the following rules will apply:

- In the event that the termination is due to the will of the executive director or to the will of Unicaja Banco due to the existence of a breach by the executive director, the executive director will not be entitled to any amount as variable remuneration, whether short or long term.
- In the event that the termination is due to the unilateral will of Unicaja Banco (without just cause), the executive director will be entitled to the proportional part of the period worked, provided that the assigned objectives are met. In the case of long-term compensation, the executive director must have completed at least two thirds of the reference cycle.

The payment of this short-term variable remuneration will be linked to the fulfillment of the objectives to be defined by the Board of Directors, following a proposal from the Remuneration Committee, which may be referenced, among others, to (i) the strategic objectives set forth in the Company's current Business Plan -including, in any case, compliance with the minimum level of recurring profit before taxes, (ii) the profitability (ROE) of Unicaja Banco compared to the rest of the System, and (iii) in short, the factors and criteria - including those relating to ESG - referred to in the Remuneration Policy. Each of these objectives will be assigned a weighting on the total short-term variable remuneration, as well as a scale of achievement, without the maximum amount exceeding the limit of 100% of the annual fixed remuneration. The Board of Directors will be responsible for evaluating the degree of compliance with the aforementioned objectives on an annual basis, following a proposal from the Remuneration Committee. In addition, a corrective adjustment for risks associated with capital and liquidity ratios, as well as compliance factors, will be applied to variable compensation. This adjustment may result in the reduction or cancellation of the variable remuneration to be received. Once the amount finally accrued is defined, the deferral mechanisms, payment in instruments, and submission to malus and clawback clauses regulated in the Policy will be applied. The specific objectives to which the accrual of short-term variable remuneration will be linked will be detailed in the corresponding Annual Reports on Directors' Remuneration.

The annual variable remuneration corresponding to the 2024 fiscal year for executive directors is determined based on the level of compliance with corporate objectives. The corporate objectives system is composed of five elements:

The annual variable remuneration for the year 2024 for executive directors is determined based on the level of achievement of corporate objectives.

The target variables are classified into five blocks:

1. Profitability: Return on tangible equity (ROTE)
2. NPEs: Prudential NPAS and NPLS ratios

## ANNUAL REMUNERATION REPORT FOR DIRECTORS OF LISTED CORPORATIONS

### 3. Business objectives

#### 4. Efficiency ratio (ratio of operating expenses to gross margin)

#### 5. ESC objective: The ESC target is defined as a synthetic index of three indicators (sustainable financing, portfolio decarbonization and customer NPS).

To determine the level of compliance with the corporate objectives system, a weighting is assigned to each variable: 1 - Profitability: 35% weighting, 2 - NPEs: 20% weighting, 3 - Business objectives: 20% weighting, 4 - Efficiency ratio: 15% - weighting and 5 - ESC objectives: 10% weighting

The achievement curve for corporate objectives is between 90% and 150%.

There are three key factors whose non-compliance blocks the collection of incentives: corporate objectives, budgeted recurring BAI and minimum individual performance level.

A level of achievement in any of the key objectives below the compliance requirements established will determine that the variable compensation incentive to be distributed will be 0.

The maximum remuneration to be received by the executive directors foreseen in the Remuneration Policy of the Directors of Unicaja Banco, SA. for the 2024-2026 period is 100% of the fixed remuneration; however, the remuneration foreseen in the contract formalized with the Chief Executive Officer is 25% of the fixed remuneration.

The corporate objectives system is approved by the Board of Directors at the proposal of the remuneration Committee.

**A.1.7** Main characteristics of long-term savings systems. Among other information, it will indicate the contingencies covered by the system, whether this is a defined contribution or defined benefit system, the annual contribution to be made to the defined contribution systems, the benefit to which the beneficiaries are entitled in the case of defined benefit systems, the conditions for consolidation of the economic rights in favor of the directors and their compatibility with any type of payment or indemnity for early termination or severance, or derived from the termination of the contractual relationship, under the terms provided for between the company and the director.

Indicate whether the vesting or consolidation of any of the long-term savings plans is linked to the achievement of certain objectives or benchmarks related to the director's short- and long-term performance.

Non-executive directors are not entitled to this form of remuneration.

Pursuant to Article 29.3 c) of the Company's Bylaws, the remuneration of the Executive Directors may include a part for attendance, which will include the appropriate welfare and insurance systems.

In accordance with the provisions of the current Remuneration Policy, as regards social welfare, the executive Directors are entitled to a welfare portion consisting of a defined savings contribution in their favor, instrumented in an insurance contract or in a savings instrument which, fulfilling an equivalent purpose, is compatible with the legal nature of the relationship between the Chief Executive Officer and the Company.

The contingencies protected by these instruments are retirement, disability – total disability, absolute disability or severe disability – and death.

The contributions made by the Company in these pension systems, in favor of the executive directors, will be -with the exception that will be stated below for the so-called discretionary pension benefits- considered as fixed remuneration, provided that they comply with the following requirements: (a) are predetermined from the outset and are not made dependent on variable elements or the achievement of objectives; and (b) are not the result of extraordinary contributions (especially if such contributions are close to retirement age)

Without prejudice to the foregoing, in application of the provisions of Paragraph 2, Section 1 of Rule 41 of Circular 2/2016, 15% of the contributions made to the executive directors will be considered as variable remuneration - and therefore its accrual will be subject to compliance with the same objectives to which the variable remuneration is conditioned - and will be instrumented in a specific policy that complies with the requirements of the discretionary pension benefits: specifically, the policy (a) will incorporate the necessary provisions to ensure the application of the rules regarding payment in the form of instruments and retention by the Company set forth in the Remuneration Policy and allow for the reduction and recovery of amounts; (b) will include, if necessary, the right of redemption -or equivalent- by the Company; (c) will establish that, when the executive director leaves the Company -either due to retirement or for any other reason-, the discretionary pension benefits will be subject to a retention period of five years. This period will be counted from the moment in which the services rendered to the Company cease and during which the aforementioned reduction and recovery clauses may be applied. Therefore, the forfeiture of the contributions made by the Company – even when the retention period has already begun – will be caused by the willful or grossly negligent breach by the person entitled thereto of their duties as an executive director, as determined by resolution adopted by the Board of Directors.

Specifically, this contribution will have a maximum annual amount of 200,000 euros gross, of which (a) 85% will be considered as fixed remuneration and (b) 15% will be considered as variable remuneration and will be classified as discretionary pension benefits. This maximum annual amount will be applicable during the term of the policy, without being subject to updating

In line with the current Remuneration Policy, discretionary pension commitments will be established under criteria that, in any case, are aligned with the interests of the Company, so that their accrual and effectiveness periods do not give rise to remuneration for this concept that is not in line with the economic situation of the Company at the time they are made effective.

Contributions made from the savings system (regardless of whether they are treated as discretionary pension benefits) are compatible with any type of compensation for early termination or termination of the contractual relationship between the company and the director.

**A.1.8** Any type of payment or indemnity for early termination or termination of the contractual relationship under the terms established between the company and the director, whether the termination is at the will of the company or of the director,

## ANNUAL REMUNERATION REPORT FOR DIRECTORS OF LISTED CORPORATIONS

as well as any type of agreed covenants, such as exclusivity, post-contractual, non-competition and permanence or loyalty, which entitle the director to any type of payment.

Given the legal nature of the relationship between the Directors in their capacity as such and the Company, no severance payments for termination of performance are foreseen.

In the event of termination of the contractual relationship, the executive directors would be entitled to receive, as agreed with them, an indemnity compensation, the amount of which will be referenced to the fixed annual monetary remuneration for the performance of executive duties of their creditor, without exceeding one year.

Payments made for the early termination, if any, of the contracts of the Executive Directors, due to circumstances not attributable to them, will be reasonable and proportionate.

Additionally, post-contractual non-competition agreements may be established, as determined by the Board of Directors, with a maximum compensation of the amount of one year's fixed monetary remuneration.

In any case, termination indemnities and post-contractual non-competition agreements will be subject to the limitations and restrictions applicable from time to time to credit institutions, will not exceed an amount equivalent to two years of the total annual remuneration and will not be paid until the Company has been able to verify that the Director has complied with the criteria and conditions established for their receipt.

To the extent required by Section 172 of the EBA Guidelines, part or all of the indemnity to be paid upon termination of the contractual relationship will be considered variable remuneration and, therefore, will be subject to the same payment mechanisms and limitations regarding deferral, payment in instruments and subject to malus and clawback clauses regulated in the Remuneration Policy.

Payments due to termination or contractual termination will include any payments whose accrual or payment obligation arises as a consequence of or at the time of termination of the contractual relationship that existed between the director and the company, including amounts that were not previously consolidated from long-term savings systems and amounts that are paid based on post-contractual non-competition agreements.

Notwithstanding the foregoing, the contract signed with the current Chief Executive Officer does not provide for remuneration for termination thereof, without prejudice to the rights that may correspond to him in the event that an agreement is also made to terminate the previous employment relationship maintained with the Company and whose suspension was agreed upon after his appointment as Chief Executive Officer.

In addition, the Chief Executive Officer may receive, by way of post-contractual non-competition, a maximum indemnity in the amount of one year's gross fixed remuneration in cash. The payment of such indemnity will be made at the end of the non-competition period, after verification of compliance with the non-competition obligation.

Specifically, the contract with the current Chief Executive Officer incorporates a post-contractual non-competition obligation, with a duration of 12 months, compensated by a maximum amount of one year's gross fixed remuneration in cash.

**A.1.9** Indicate the conditions that must be respected in the contracts of those who perform senior management functions as executive directors. Among other areas, information will be provided on the duration, limits on the amounts of remuneration, permanence clauses, notice periods, as well as payment in lieu of the aforementioned notice period, and any other clauses relating to hiring bonuses, as well as indemnities or golden parachutes for early termination or termination of the contractual relationship between the company and the executive director. Include, among others, non-competition, exclusivity, permanence or loyalty and post-contractual non-competition pacts or agreements, unless they have been explained in the previous section.

The main terms and conditions to be respected in the contracts with the Company's executive directors are as follows:

- Duration: Indefinite, although it will depend on the maintenance of executive functions. The loss of the status of executive director will automatically cause the termination of the contract. The cases of ordinary renewal of the term of office as a member of the Board of Directors – unless the termination occurs – will not be considered as a cause for termination of the contract.

- Remuneration for termination of the contractual relationship: The chief executive officer's contract may contemplate the indemnities provided for in the Bank's Remuneration Policy, referred to in the preceding section.

However, as also indicated in the previous section, given the previous employment relationship with the current chief executive officer, their contract does not provide for remuneration for the termination thereof, without prejudice to the rights that may correspond to them in the event that the termination of the previous employment relationship with the Company, which has been suspended since their appointment as executive director, is also agreed.

- Exclusivity agreements: The contract establishes an obligation of exclusivity or full dedication of the CEO, meaning that their activity in the Company will only be compatible with the attention of responsibilities in their own companies, provided that they do not concur with the activity of the Bank or of the Group to which they belong, nor impede or hinder the exercise of their responsibilities in these, avoiding the appearance of all types of conflicts of interest.

- Post-contractual non-competition agreements: 12 months, with a maximum remuneration of the amount of an annuity of the gross fixed remuneration in cash.

- Permanence or loyalty agreements: Not established.

- Confidentiality: The agreement incorporates the CEO's obligation of confidentiality with respect to all information and documentation related to the Company's activity and business - regardless of the medium, to which they have had access by reason of their position and which has been classified as confidential or which,



## ANNUAL REMUNERATION REPORT FOR DIRECTORS OF LISTED CORPORATIONS

according to its content, may reasonably be considered as such, since it affects procedures, strategies, clients, commercial data, etc. This obligation of confidentiality continues even after the termination of the contract.

· Use and return of the Company's resources: The contract provides for the delivery to the CEO of the material resources necessary for the proper performance of the activity, as well as the obligation to return them upon termination of the contractual relationship

· Notice period: The contract establishes a notice period of three months for the party interested in terminating the relationship.

**A.1.10** The nature and estimated amount of any other supplementary compensation that will be accrued by the directors in the current fiscal year in consideration for services rendered other than those inherent to their position.

No accruals for this item are expected to occur in 2024.

**A.1.11** Other remuneration items such as those derived, if applicable, from the granting by the company to the director of advances, loans and guarantees and other compensation.

No accruals for this item are expected to occur in 2024.

**A.1.12** The nature and estimated amount of any other expected supplementary remuneration not included in the preceding paragraphs, whether paid by the entity or another entity of the group, which the directors will accrue in the current year.

No accruals for this item are expected to occur in 2024.

**A.2.** Explain any relevant changes in the remuneration policy applicable in the current fiscal year derived from:

- a) A new policy or a modification of the policy already approved by the board.
- b) Relevant changes in the specific determinations established by the board for the current fiscal year of the current Remuneration Policy with respect to those applied in the previous fiscal year.
- c) Proposals that the Board of Directors would have agreed to submit to the General Shareholders' Meeting to which this annual report will be submitted and which are proposed to be applicable to the current fiscal year.

As mentioned above, for the preparation of the new Remuneration Policy, the Remuneration Committee has carried out a review of the Remuneration Policy applicable for the 2021-2023 period, identifying those issues that need to be modified so that the Policy is not only aligned with the current regulatory and statutory framework, but also with the best practices and comparable market standards.

Thus, the new features introduced in the current Remuneration Policy, which was approved by the General Shareholders' Meeting last November 2023, are as follows:

1. Adaptation of the remuneration system to the Company's new governance model, with a non-executive Chairpersonship and a single director with executive functions, the Chief Executive Officer. In this regard, and in order to adequately contextualize the modification of the Policy, it is necessary to indicate that in compliance with the provisions of Section 16.2 of the Unicaja Banco and Liberbank S.A. Common Merger Plan, two years after the merger was executed, the modification foreseen in Unicaja Banco's governance model was to be carried out, so that the chairpersonship of Unicaja Banco's Board of Directors would become non-executive. Consequently, the functions of the CEO would be adapted and the CEO would be re-evaluated.

The transition to the non-executive Chairpersonship took place on September 29, 2023, following the appointment, on the same date, of a new CEO, once the required regulatory authorizations had been obtained.

Thus, the remuneration of the chairperson of the Board of Directors now consists exclusively of the remuneration derived from their position as a member of the Board of Directors and additional remuneration for the duties and responsibilities inherent to said position. The annual limit of remuneration to directors in their capacity as such has been increased to accommodate market practices and incorporate the remuneration of the non-executive chairpersonship, while the amount corresponding to executive directors has been decreased.

2: Certain adjustments have been made to the remuneration scheme applicable to the CEO who, following the review of the governance model, now assumes executive functions, without prejudice to the continuity of the scheme applicable to the CEO, as set forth in the Policy.

In this regard, the following adjustments, among others, have been made:

i. The amount set as a reference for variable compensation was increased, bringing it closer to market practice in terms of fixed vs. variable compensation mix. Specifically, the variable remuneration may reach up to one hundred percent of the fixed remuneration, in accordance with the provisions of Article 34.1.g. of Law 10/2014.

## ANNUAL REMUNERATION REPORT FOR DIRECTORS OF LISTED CORPORATIONS

- ii. The objectives to which the long-term variable remuneration is linked are modified, so that they are no longer only connected to the fulfillment, during the defined cycle, of the objectives of the annual variable remuneration, but also establish the possibility of setting specific objectives for this component of the remuneration.
- 3. Certain amendments were introduced to the scheme applicable to the remuneration of directors in their capacity as such, seeking a closer approximation to best market practices. In this regard, the following amendments were approved:
  - i. The amount of fixed remuneration for the performance of the office of director in their capacity as such has been increased, with a corresponding decrease in the amount of attendance fees.
  - ii. The remuneration for the performance of positions on the Board of Directors support committees contemplates the following changes: (1) membership in the support committee is now remunerated - previously, only offices were remunerated and (2) different amounts are established for membership in one or another committee, replacing the previous scheme in which the amounts were linear for all the support committees. Likewise, the amount of the per diems for attendance to the Committees has been reduced.
- 4. Variable remuneration is linked to the achievement of sustainability objectives, providing for the inclusion of specific metrics aimed at effectively contributing to the achievement of the challenges and commitments assumed by the Unicaja Banco Group in the ESG area.
- 5. Finally, as part of the review process carried out by the Remuneration Committee, various technical improvements have been made to the wording of the Policy in order to improve its transparency and facilitate understanding of the concepts included in it.

**A.3.** Identify the direct link to the document containing the company's current Remuneration Policy, which should be available on the company's website.

<https://www.unicajabanco.com/en/gobierno-corporativo-y-politica-de-remuneraciones/gobierno-corporativo-y-politica-de-remuneraciones/informacion-sobre-remuneraciones>



## ANNUAL REMUNERATION REPORT FOR DIRECTORS OF LISTED CORPORATIONS

- A.4.** Explain, taking into account the data provided in Section B.4, how the shareholders' vote was taken into account in the general meeting at which the annual remuneration report for the previous year was submitted to a consultative vote.

The 2022 Annual Directors' Remuneration Report obtained 95.701% of votes in favor at the Ordinary General Shareholders' Meeting held on March 30, 2023.

### **B. OVERALL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE FINISHED YEAR**

- B.1.1** Explain the process followed to apply the Remuneration Policy and determine the individual remuneration reflected in section C of this report. This information will include the role played by the Remuneration Committee, the decisions taken by the Board of Directors and, if applicable, the identity and role of the external advisors whose services have been used in the process of applying the Remuneration Policy in the finished year.

The Remuneration Policy for the Directors of Unicaja Banco, SA for the 2021-2023 period, which was in force until November 14, 2023, establishes that the maximum annual remuneration to be paid to all the directors, in their capacity as such, will amount to 1,187,000 euros gross per annum, an amount which will be duly updated in accordance with the salary revision percentage established in the collective bargaining agreement applicable to the Company's employees, so that for 2023 it amounted to 1,207,862 euros gross.

However, as already mentioned, the Board of Directors submitted the modification of this maximum amount to include the fixed remuneration corresponding to the non-executive Chairpersonship to the General Shareholders' Meeting held in November 2023. In addition, certain modifications have been introduced in the scheme applicable to the remuneration of the directors in their condition as such, seeking a greater approximation to the best market practices, increasing the amount of the fixed remuneration for the performance of the position of director in their condition as such, and a correlative decrease in the amount of attendance fees and with respect to the Support Committees, the membership of the Support Committee is now remunerated – previously, only the offices were remunerated – and different amounts are established for the membership of one or another committee, replacing the previous scheme in which the amounts were linear for all the Support Committees. Likewise, the amount of the per diems for attendance to the Committees has been reduced.

Therefore, as from November 14, the date of entry into force of the new Remuneration Policy, applicable to the 2024-2026 period, and until December 31, 2023, the proportional part of the new maximum amount established for the remuneration of directors in their condition as such 1,950,000 euros is taken into account, which as explained above includes changes in the scheme applicable to the remuneration of directors in their condition as such and the part corresponding to the non-executive Chairman for the performance of their duties.

The Board of Directors has distributed the fixed remuneration for positions and attendance fees over the year 2023, according to the functions and responsibilities attributed to each director.

Of the total maximum amount of the remuneration set for all the directors in their capacity as such, amounting to 1,050,168.50 euros gross, corresponding to the proportional part of the term of the 2021-2023 policy (until November 14), and taking into account the variation in the number of members of the Board of Directors that occurred during the year, the amount finally used amounted to 910,124.64 euros. Since November 14, the amount used in accordance with the new distribution criteria has been 236,363.78 euros of the total of 254,583.33 euros that should have been applied to this period, taking into account that this amount includes the part corresponding to the remuneration of the non-executive chairpersonship of the entity.

With respect to the variable remuneration of the members of the Identified Group, the Remuneration Committee has carried out the following actions during the year 2023:

The Remuneration Committee, at its meeting held in May 2023, in view of the information presented in relation to the fulfillment of objectives for fiscal year 2022, agreed to report favorably on the proposal for the payment of incentives corresponding to fiscal year 2022 and to submit it to the Board of Directors for approval.

Regarding the variable remuneration of executive directors:

- At its meeting held on June 1, 2023, within the framework of the agreement to terminate the business relationship with the outgoing Chief Executive Officer, the Remuneration Committee reported favorably on the payment of the amount of 110,018.99 euros gross as variable remuneration for the year ended December 31, 2022, after verifying compliance with the corporate objectives and complying with the requirements regarding deferral, retention and payment in instruments, as provided both in the contract and in the Directors' Remuneration Policy.

Specifically, the amount paid in 2023 corresponding to the variable remuneration accrued in 2022 amounts to 44,007.60 euros.

With regard to contributions to the social welfare system, it reported favorably on the contribution corresponding to 15% of the annual amount, corresponding to discretionary pension benefits, which are considered as variable remuneration (30,000 euros).

- At its meeting held on June 26, 2023, the Remuneration Committee reported favorably on the contribution corresponding to discretionary benefits of the Executive Chairman's social welfare system for the 2022 fiscal year, amounting to 15% of the total amount of 43,658.93 euros.

With respect to the incentive system for fiscal year 2023, the Remuneration Committee has carried out the following actions:

- Report favorably on the Incentive System for the Identified Group, to which the executive directors belong, establishing the objectives, the weighting of the metrics, as well as the scale to be applied to the fulfillment of each one of them, being submitted to the Board of Directors for its approval.

- Periodic monitoring of the Corporate Objectives throughout the year.

## ANNUAL REMUNERATION REPORT FOR DIRECTORS OF LISTED CORPORATIONS

Following a favorable report from the Remuneration Committee, at its meeting held on February 16, 2024 the Board of Directors concluded that one of the key restrictions, namely the self-financing restriction, had not been met, and therefore no right to receive variable remuneration in 2023 accrued, despite the fact that compliance with the corporate objectives was above 90%.

With respect to the establishment of the multi-year incentive system for the Chief Executive Officer, it was not approved.

In the process of applying the Remuneration Policy in 2023, the Bank has relied on Sagardoy Abogados as external advisors for the agreement to terminate the contract with Manuel Menéndez Menéndez.

### **B.1.2** Explain any deviations from the established procedure for the application of the Remuneration Policy that have occurred during the fiscal year.

There have been no deviations from the procedure established for the application of the Remuneration Policy during fiscal year 2023.

### **B.1.3** Indicate whether any temporary exceptions to the remuneration policy have been applied and, if so, explain the exceptional circumstances that have led to the application of these exceptions, the specific components of the remuneration policy affected and the reasons why the entity considers that these exceptions have been necessary to serve the long-term interests and sustainability of the company as a whole or to ensure its viability. Also quantify the impact that the application of these exceptions has had on the remuneration of each director during the year.

There have been no exceptions to the application of the Remuneration Policy during fiscal year 2023.

### **B.2.** Explain the different actions taken by the company in relation to the remuneration system and how they have contributed to reducing exposure to excessive risks, aligning it with the company's objectives, values and long-term interests, including a reference to the measures that have been adopted to ensure that the remuneration accrued has taken into account the company's long-term results and achieved an appropriate balance between the fixed and variable components of the remuneration. Also outline the measures have been taken in relation to those categories of personnel whose professional activities have a material impact on the entity's risk profile, and what measures have been taken to avoid conflicts of interest, if any.

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

This set of regulations is reflected, in particular, in the Remuneration Policy Associated with Risk Management, which applies not only to Directors, but also to Senior Executives, risk-taking employees, those exercising control functions and all employees receiving overall remuneration that includes them in the same remuneration scale as senior executives and risk-taking employees whose professional activities have a significant impact on Unicaja Banco's risk profile at group, parent company and subsidiary levels (the "Identified Group").

These criteria, which particularly affect the Directors, were expressly included in the Policy for the 2021-2023 period, specifically in section 2, "General Principles of Unicaja Banco's Remuneration Policy", and have been maintained in the new Remuneration Policy approved in November 2023, having been mentioned in section A.1.2. of this report, to which we refer.

In compliance with the provisions of Article 32 et seq. of Law 10/2014, as well as by the EBA Guidelines, the Directors' Remuneration Policy provides that both a percentage of the variable remuneration, as well as payments for early termination and the so-called discretionary pension benefits are paid through shares, thus achieving an ideal correlation between the remuneration of the directors and the long-term strategy and interests of the Bank.

Continued in Section D1.

### **B.3.** Explain how the remuneration accrued and consolidated in the year complies with the provisions of the current remuneration policy and, in particular, how it contributes to the sustainable and long-term performance of the company.

Outline the relationship between the remuneration obtained by the directors and the company's short and long term results or other measures of performance, explaining, if applicable, how variations in the performance of the company may have influenced the variation in the remuneration of the directors, including those accrued where payment has been deferred and how these contribute to the short and long term results of the company.

The total remuneration earned by non-executive directors in their capacity as such does not exceed the maximum amount established in each of the Remuneration Policies in force during the year, respecting both the maximum proportional amount established in the Policy in force until November 13, once updated in accordance with the salary review percentage established in the Collective Bargaining Agreement applicable to the Company's employees, and the

## ANNUAL REMUNERATION REPORT FOR DIRECTORS OF LISTED CORPORATIONS

maximum proportional amount corresponding to the new Policy, applicable as from November 14, which includes the proportional part corresponding to the non-executive Chairpersonship.

The total amount of the fixed monetary remuneration of the executive directors, the annual contribution to long-term savings systems and the amount of health insurance corresponding to the executive directors also respect the maximum amount established in the applicable Remuneration Policies.

Only the annual variable remuneration of executive directors is linked to the results of the Bank, being therefore linked to its main economic indicators, so that the right to receive it and its total amount will be based, in all cases, on objective indicators, without prejudice to the qualitative and/or non-financial evaluation carried out by the Remuneration Committee based on non-financial criteria but which may be relevant in relation to the receipt of the variable remuneration by the Director in question.

Likewise, as indicated in the previous section, the fact that a percentage of variable remuneration, such as early termination payments and discretionary pension benefits, is paid in shares, provides a perfect correlation between directors' remuneration and the Bank's long-term strategy and interests.

**B.4.** Report the result of the consultative vote of the General Shareholders' Meeting on the annual report on remuneration for the previous year, indicating the number of abstentions, negative votes, blank votes and votes in favor, that have been cast:

	Number	% of total
Votes cast	2,285,240,664	100
	Number	% of issued
Votes against	18,825,886	0.8
Votes in favor	2,187,008,624	95.7
Blank votes	24,424	0
Abstentions	79381.730	3.50

## ANNUAL REMUNERATION REPORT FOR DIRECTORS OF LISTED CORPORATIONS

### Observations

**B.5.** Explain how the fixed components accrued and consolidated during the year by the directors in their capacity as such have been determined, their relative proportion for each director and how they have varied with respect to the previous year.

The individual remuneration of the Directors in their condition as such, until November 14, date of the entry into force of the new Remuneration Policy, consisted of the following:

- (i) a fixed annual amount for membership on the Board;
- (ii) amounts allocated for the performance of offices on the Board and on the Committees; and
- (iii) per diems for attending meetings of the Board of Directors and its committees.

The breakdown of the remuneration of the Board Members in their condition as such by the positions and responsibilities attributed to each one, was in accordance with the following rules:

- Fixed compensation per office:
- Membership on the Board: 45,000 euros gross/year
- Vice-Chairperson: 15,000 euros gross/year
- Coordinating Director: 15,000 euros gross/year
- Board Secretary: 12,500 euros gross/year
- Committee Chairman: 10,000 euros gross/year
- Committee Secretary: 7,500 euros gross/year
- Per diems for attendance to the Board or Committees: 700 euros gross/session

There are no variations with respect to the 2022 fiscal year with respect to the individual amounts corresponding to the directors for their membership on the Board, for the exercise of positions on the Board or its Committees, or for attendance fees paid during the period of validity of the former Remuneration Policy (January 1 to November 14). The variations with respect to the previous year are due to the periods in fiscal year 2023 in which the Board was not composed of 15 members, due to the resignation and non-ratification of the appointments of directors during the fiscal year and the moment of incorporation of the new directors, as well as the greater number of meetings of some Committees with respect to the previous year and the variations that occurred during the fiscal year in positions on the Board and the Committees.

CONTINUED IN SECTION D.1.

**B.6.** Explain how the salaries accrued and consolidated, during the year ended, by each of the executive directors for the performance of management functions have been determined, and how they have varied with respect to the previous year.

The Board Members, for the performance of executive duties, received the following fixed annual remuneration:

The Executive Chairman, Manuel Azuaga Moreno, received 446,852.31 euros gross, the proportional part of the period up to September 29 when the chairpersonship became non-executive, being the only modification with respect to the previous year, together with the updating of the amount in accordance with the salary revision percentage established in the collective bargaining agreement applicable to the Bank's employees.

The Chief Executive Officer, Manuel Menéndez Menéndez, received 382,155.89 euros gross. The difference with respect to the previous year is due to the fact that he left his position as Chief Executive Officer of the Bank effective September 20, not having held the position during the entire fiscal year, and in addition to the update that took place in the maximum amount of his fixed compensation, in accordance with the salary review percentage established in the collective bargaining agreement applicable to the Bank's employees.

The amount paid to the new Chief Executive Officer, Isidro Rubiales Gil, amounts to the sum of 133,719.43 euros, corresponding to the period between September 29 and December 31 during which he has held office.

**B.7.** Explain the nature and main characteristics of the variable components of the remuneration systems accrued and consolidated in the year ended.

In particular:

- a) Identify each of the compensation plans that have determined the different variable compensation accrued by each of the directors during the year ended, including information on their scope, date of approval, date of implementation, vesting conditions, if any, vesting periods and term, criteria used to evaluate performance and how this has impacted the setting of the variable amount accrued, as well as the measurement criteria that have been used and the period necessary to be able to adequately measure all the conditions and criteria stipulated. Explain in detail the criteria and factors that have been applied in terms of the time required and methods to verify that the

## ANNUAL REMUNERATION REPORT FOR DIRECTORS OF LISTED CORPORATIONS

performance conditions or any other type of conditions to which the accrual and consolidation of each component of the variable remuneration was linked have been effectively fulfilled.

- b) In the case of stock option plans or other financial instruments, the general characteristics of each plan will include information on the conditions both to acquire unconditional ownership (vesting) and to be able to exercise such options or financial instruments, including the exercise price and term.
- c) Each of the directors, and their category (executive directors, external proprietary directors, external independent directors and other external directors), who are beneficiaries of remuneration systems or plans that include variable compensation.
- d) If applicable, information will be provided on the established accrual or deferral periods that have been applied and/or the periods of withholding/non-disposal of shares or other financial instruments, if any.

Explain the short-term variable components of the compensation systems:

In accordance with the provisions of the 2021-2023 Directors' Remuneration Policy, the principles for setting, where applicable, the variable components of the remuneration of executive directors are as follows:

- The payment of incentives will be linked in a balanced manner to the fulfillment of the strategic objectives set forth in the Company's current Business Plan and to the comparative profitability of Unicaja Banco with the rest of the System.

- Variable remuneration will be affected by changes in the Company's results, adjusting for all types of current and future risks, taking into account the cost of capital and required liquidity, which may cause variable remuneration to be reduced to zero.

- In the event that the short-term liquidity ratio is not met, the payment of the variable remuneration will be deferred for one year and, if the ratio is not met in a second consecutive year, the variable remuneration will not be paid.

- The target variables and metrics in relation to the accrual, quantification and payment of the variable remuneration of executive directors are established and evaluated annually by the Board of Directors of Unicaja Banco, at the proposal of the Remuneration Committee, within the framework established in this Policy.

The only executive Director to whom a variable remuneration plan is recognized is the Chief Executive Officer. The maximum amount projected in annual terms to which the Chief Executive Officer's variable remuneration plan could give rise for 2023 will be the amount resulting from applying 25% to the figure for the restated annual fixed monetary compensation, i.e. 132,613 euros.

The main characteristics of the short-term (annual) Incentive System applicable to the Identified Group, of which the Chief Executive Officer is a member, approved by the Board of Directors in accordance with the Policy, are detailed below.

The annual variable compensation for the year 2023 for eligible executive directors has been determined based on the level of compliance with corporate objectives.

The system of corporate objectives for the 2023 financial year, reported in the 2022 IARC, was modified in June by the Board of Directors, following a favorable report from the Remuneration Committee, with the inclusion in the "Group" block of the NPS Customers variable as a measure of the quality of service provided to customers. In addition, it was proposed to modify the weightings of the digital sales and climate risk variables, so that the three "Group" variables have a weight of 5% each.

The corporate objectives system is composed of 4 elements a) Target variables or KPIs: b) Weightings: c) Goals and: d) Levels of compliance.

a) The target variables are classified into four blocks:

1. Profitability: Return on tangible equity (ROTE) Efficiency (efficiency ratio) and Cost of Risk

2. Balance Sheet Non-Profitable Assets (NPA). Performing loans (annual growth) and retail customer funds under management (annual growth).

3. Group: Digital sales Climate risk and customer Net Promoter Score (NPS)

Climate risk is defined in turn as a synthetic index of 3 indicators:

- Percentage of interest income and financial fees generated by companies in the most greenhouse gas (GHG) intensive sectors as a percentage of total interest income and financial fees in the corporate loan portfolio. This indicator has a weight of 10% in the construction of the synthetic index.

- Weighted average by exposure of GHG emissions per Euro of turnover for each of the 15 accredited companies with the highest exposure in the sectors considered to be intensive in GHG emissions. This indicator has a weight of 50%.

- Percentage of the outstanding debt of the mortgage portfolio of individuals whose collateral has an Energy Efficiency Certificate (EEC) A or B over the total outstanding debt of the mortgage portfolio of individuals. This indicator has a weight of 40% in the construction of the synthetic index.

4. Solvency: CET 1 Fully loaded and Pay-out ratio.

b) Weightings:

To determine the level of compliance with the corporate objectives system, a weighting is assigned to each variable:

1 Profitability, 45% weighting: (i) ROTE (30%), (ii) Efficiency (10%) and (iii) Cost of risk (5%).

2 Balance Sheet, 40% weighting: (i) NPA (20%): (ii) Performing loans (10%) and (iii) Resources managed for retail clients (10%).

3 Group, 15% weighting (i) Digital sales (5%) and (ii) Climate risk (5%) and (iii) NPS clients (5%).

## ANNUAL REMUNERATION REPORT FOR DIRECTORS OF LISTED CORPORATIONS

The solvency variables are not weighted because they act as a “key”. Failure to reach the solvency and pay-out level defined in the goals will cancel the fulfillment of the other variables.

c) Targets: they emanate directly from the Strategic Plan and are annual in nature and are the numerical value of a target variable or KPI.

d) Levels of compliance: The fulfillment of the objectives is represented by a line that relates the levels of fulfillment to the different values of the objective variable. It can range from 0% to 150% and is determined by the following formula: Compliance level =  $100\% \pm \text{Dispersion factor (actual data - target data)}$ .

In addition, the variable remuneration for 2023 was conditioned, among other requirements, to the Company reaching at least the target ROTE level established for 2023.

In fiscal year 2023, compliance with corporate objectives was above 90% and the self-financing restriction was not met, so no entitlement to receive variable compensation in 2023 has accrued for eligible executive directors.

### Explain the long-term variable components of compensation systems:

Pursuant to the provisions of the Remuneration Policy applicable to the three-year 2021-2023 period, the Board of Directors may establish in favor of the Chief Executive Officer a multi-year variable remuneration, in addition to the annual variable remuneration and subject to the same restrictions. According to such multi-year variable remuneration, the CEO will be entitled to receive it if, in terms of annual projection, the average rate of achievement of the objectives of the fiscal years to be considered, as well as the degree of achievement of the main objectives of the Business Plan, measured as a single synthetic indicator, is equal to or higher than 100%. This additional variable remuneration will not exceed the sum of 130,000 euros, which corresponds to 25% of the annual fixed monetary remuneration corresponding to fiscal year 2021.

The multi-year variable remuneration referred to in the aforementioned Remuneration Policy corresponding to the Chief Executive Officer has not been approved, and therefore there is no type of long-term variable remuneration for the three-year period from 2021 to 2023.

**B.8.** Indicate whether certain accrued variable components have been reduced or claimed back when, in the first case, the payment of unconsolidated amounts has been deferred or, in the second case, consolidated and paid, based on data whose inaccuracy has been subsequently and manifestly proven. Describe the amounts reduced or refunded by the application of the malus or clawback clauses, why they have been executed and the fiscal years to which they correspond.

No reduction or refund of any amount or any circumstance that would justify a reduction or refund has been claimed.

**B.9.** Explain the main characteristics of the long-term savings systems whose amount or equivalent annual cost is shown in the tables in Section C, including retirement and any other survival benefits, which are financed, partially or totally, by the company, whether internally or externally funded, indicating the type of plan, whether it is a defined contribution or defined benefit plan, the contingencies it covers, the conditions of consolidation of the economic rights in favor of the directors and its compatibility with any type of compensation for early termination or termination of the contractual relationship between the company and the director.

In the area of social welfare, the executive directors are entitled to a welfare component consisting of a defined savings contribution for their benefit, instrumented in an insurance contract.

These maximum annual contributions for the year 2023 were included in the current Remuneration Policy for the 2021-2023 period. Specifically, for fiscal year 2023, the maximum contributions established for each executive director are as follows:

- Manuel Azuaga Moreno: 291,000 euros.
- Manuel Menéndez Menéndez: 200,000 euros.

For executive directors, a significant portion of contributions to pension commitments or savings insurance covering similar contingencies, which will not be less than 15%, will be based on variable components and will be treated as discretionary pension benefits.

In the event that discretionary pension benefits have been instrumented through an insurance policy, the policy must include the necessary provisions to ensure the application of the rules regarding payment in the form of instruments and withholding by the Company included in the current Remuneration Policy.

In line with the aforesaid Policy, discretionary pension commitments will be established under criteria that, in any case, are aligned with the interests of the Company, so that their accrual and effectiveness periods do not give rise to remuneration for this concept that is not in line with the economic situation of the Company at the time they are made effective.

The forfeiture of the contributions made by the Company will be caused by the wilful or grossly negligent breach by the person entitled thereto of their duties as an executive director, as determined by resolution adopted by the Board of Directors.

As a form of variable remuneration, these discretionary pension commitments will be subject to deferral and will be partially paid in Unicaja Banco shares. Likewise, malus and clawback clauses will be applied to this type of remuneration.

## ANNUAL REMUNERATION REPORT FOR DIRECTORS OF LISTED CORPORATIONS

The contingencies covered are survival to a specific date (access to retirement status), death and total permanent disability, absolute disability or severe disability. Contributions made from the savings system (regardless of whether they are treated as discretionary pension benefits) are compatible with any type of compensation for early termination or termination of the contractual relationship between the company and the director.

The defined contributions of a fixed amount in cash corresponding to 2023 and made in 2023, due to the termination of the relationship with the Chief Executive Officer and the transition to the non-executive presidency that occurred during this fiscal year, are as follows:

- Manuel Azuaga Moreno: 184,863.21 euros. (Corresponding to the period from January 1, 2023 to September 29, 2023).
- Manuel Menéndez Menéndez: 122,777.81 euros (Corresponding to the period from January 1, 2023 to September 20, 2023).

In fiscal year 2023, contributions of the amount corresponding to the discretionary pension benefits for fiscal year 2022 have been made, once the compliance with the variable income objectives has been verified, according to the following detail:

- Manuel Azuaga Moreno: 43,658.93 euros
- Manuel Menéndez Menéndez: 30,000 euros

With respect to the year 2023, it is not appropriate to make the contribution corresponding to the discretionary pension benefits, since the objectives established for earning the right to receive the variable remuneration have not been met.

**B.10.** Explain, if applicable, the indemnities or any other type of payment derived from the early termination, whether the termination is at the will of the company or of the director, or from the termination of the contract, under the terms provided therein, accrued and/or received by the directors during the fiscal year ended.

Of the total financial compensation foreseen for the departure in 2019 of the former Chief Executive Officer, the amount of 26,128.06 euros gross corresponding to 20% of the deferred part of the financial compensation has been paid in 2022, as a 5-year deferral is applicable. Of the total amount paid this year, 50% (13,064.03 euros gross) was paid in cash and the other 50% (13,064.03 euros gross) was paid in shares with a one-year retention period.

Of the total financial compensation foreseen for the departure in 2023 of the CEO. In 2023, Manuel Menéndez Menéndez was paid 211,655.57 euros gross, corresponding to 40% of the non-deferred portion of the financial compensation. Of the total amount paid this year, 50% was paid in cash (105,827.78 euros gross) and the other 50% was paid in shares (105,827.79 euros gross).

## ANNUAL REMUNERATION REPORT FOR DIRECTORS OF LISTED CORPORATIONS

- B.11.** Indicate whether there have been any significant changes in the contracts of those who perform senior management functions as executive directors and, if so, explain them. Also explain the main conditions of the new contracts signed with executive directors during the year, unless they have been explained in section A.1.

The non-executive Chairman's contract remained unchanged until its termination on September 20, 2023, when the Chairpersonship became non-executive. In relation to the contract of Manuel Menéndez Menéndez, as Chief Executive Officer, there were no modifications during the period that was in force until its termination on September 20, 2023. Regarding the contract of Isidro Rubiales Gil, the current CEO, its main characteristics have already been reported in Section A above.

- B.12.** Explain any supplementary remuneration accrued to directors in consideration for services rendered other than those inherent to their position.

No remuneration has been accrued for this concept.

- B.13.** Explain any remuneration derived from the granting of advances, credits and guarantees, indicating the interest rate, their essential characteristics and the amounts eventually repaid, as well as the obligations assumed on their behalf by way of guarantee.

No remuneration has been accrued for this concept.

- B.14.** Detail the remuneration in kind accrued by the directors during the year, briefly explaining the nature of the different salary components.

No remuneration has been accrued for this concept.

- B.15.** Explain the remuneration accrued by the director by virtue of payments made by the listed company to a third party entity in which the director provides services, when such payments are intended to remunerate the director's services in the company.

No remuneration has been accrued for this concept.

- B.16.** Explain and detail the amounts accrued during the year in relation to any other remuneration item other than the above, regardless of its nature or the group entity that pays it, including all benefits in any form, such as when it is considered a related-party transaction or, especially, when it significantly affects the true and fair view of the total remuneration accrued by the director, explaining the amount granted or pending payment, the nature of the consideration received and the reasons why it would have been considered, as the case may be, that it does not constitute remuneration to the director in their capacity as such or in consideration for the performance of their executive duties, and whether or not it has been considered appropriate to include it among the amounts accrued under "other items" in section C.

No remuneration has been accrued for this concept.



**C. DETAIL OF THE INDIVIDUAL REMUNERATION CORRESPONDING TO EACH OF THE DIRECTORS**

Name	Typology	Accrual period fiscal year 2023
MANUEL AZUAGA MORENO	Other, External Chairperson	From 1/1/2023 to 12/31/2023
MANUEL MENÉNDEZ MENÉNDEZ	CEO	From 1/1/2023 to 9/20/2023
JUAN FRAILE CANTÓN	Proprietary Vice President	From 1/1/2023 to 3/30/2023
CAROLINA MARTÍNEZ CARO	Independent director	From 1/1/2023 to 12/31/2023
TERESA SÁEZ PONTE	Proprietary board member	From 1/1/2023 to 3/30/2023
MARIA TERESA COSTA CAMPI	Independent director	From 1/1/2023 to 3/30/2023
JORGE DELCLAUX BRAVO	Independent director	From 1/1/2023 to 4/21/2023
RAFAEL DOMÍNGUEZ DE LA MAZA	Proprietary board member	From 1/1/2023 to 12/31/2023
FELIPE FERNÁNDEZ FERNÁNDEZ	Proprietary board member	From 1/1/2023 to 12/31/2023
MARÍA GARAÑA CORCES	Independent director	From 1/1/2023 to 3/30/2023
PETRA MATEOS-APARICIO MORALES	Proprietary board member	From 1/1/2023 to 3/30/2023
MANUEL MUELA MARTÍN-BUITRAGO	Proprietary board member	From 1/1/2023 to 3/30/2023
ISIDORO UNDA URZÁIZ	Independent director	From 1/1/2023 to 3/30/2023
DAVID VAAMONDE JUANATEY	Proprietary board member	From 1/1/2023 to 8/1/2023
ISIDRO RUBIALES GIL	CEO	From 9/29/2023 to 12/31/2023
MIGUEL GONZÁLEZ MORENO	Proprietary vice-chairman	From 3/30/2023 to 12/31/2023
NATALIA SÁNCHEZ ROMERO	Proprietary board member	From 3/30/2023 to 12/31/2023
ROCÍO FERNÁNDEZ FUNCIA	Coordinating director	From 9/29/2023 to 12/31/2023
NURIA ALIÑO PÉREZ	Independent director	From 10/31/2023 to 12/31/2023



ANNUAL  
REMUNERATION  
REPORT  
FOR  
DIRECTORS OF  
LISTED  
CORPORATIONS

Name	Typology	Accrual period fiscal year 2023
ANTONIO CARRASCOSA MORALES	Independent director	From 9/29/2023 to 12/31/2023
MARÍA LUISA ARJONILLA LÓPEZ	Independent director	From 1/1/2023 to 12/31/2023
INÉS GUZMÁN ARRUE	Independent director	From 9/29/2023 to 12/31/2023
JUAN ANTONIO IZAGUIRRE VENTOSA	Proprietary board member	From 3/30/2023 to 12/31/2023
JOSE RAMÓN SÁNCHEZ SERRANO	Proprietary board member	From 3/30/2023 to 12/31/2023

C.1. Complete the following tables with respect to the individual remuneration of each of the directors (including remuneration for the exercise of executive functions) accrued during the fiscal year.

a) Remuneration of the company that is the subject of this report:

i) Remuneration accrued in cash (thousands of euros)

Name	Fixed remuneration	Allowances	Remuneration for membership on board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnities	Other	Total for 2023	Total for 2022
MANUEL AZUAGA MORENO	86	18		447					551	652
MANUEL MENÉNDEZ MENÉNDEZ	33	14		382	22		106		557	584



ANNUAL  
REMUNERATION  
REPORT  
FOR  
DIRECTORS OF  
LISTED  
CORPORATIONS

Name	Fixed remuneration	Allowances	Remuneration for membership on board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnities	Other	Total for 2023	Total for 2022
JUAN FRAILE CANTÓN	17	10							27	87
CAROLINA MARTÍNEZ CARO	58	54	12						124	39
TERESA SÁEZ PONTE	15	8	2						25	89
MARIA TERESA COSTA CAMPI	11	8	2						21	5
JORGE DELCLAUX BRAVO	14	12	3						29	86
RAFAEL DOMÍNGUEZ DE LA MAZA	47	28	9						84	27
FELIPE FERNÁNDEZ FERNÁNDEZ	47	22	5						74	75
MARÍA GARAÑA CORCES	12	8	5						25	102
PETRA MATEOS-APARICIO MORALES	11	7	4						22	79
MANUEL MUELA MARTÍN-BUITRAGO	11	9	2						22	76
ISIDORO UNDA URZÁIZ	12	12	2						26	26
DAVID VAAMONDE JUANATEY										
ISIDRO RUBIALES GIL	14	4		134					152	



ANNUAL  
REMUNERATION  
REPORT  
FOR  
DIRECTORS OF  
LISTED  
CORPORATIONS

Name	Fixed remuneration	Allowances	Remuneration for membership on board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnities	Other	Total for 2023	Total for 2022
MIGUEL GONZÁLEZ MORENO	45	14							59	
NATALIA SÁNCHEZ ROMERO	43	15	2						60	
ROCÍO FERNÁNDEZ FUNCIA	20	12	6						38	
NURIA ALIÑO PÉREZ	10	4	5						19	
ANTONIO CARRASCOSA MORALES	15	8	6						29	
MARÍA LUISA ARJONILLA LÓPEZ	47	54	22						123	109
INÉS GUZMÁN ARRUE	14	7	5						26	
JUAN ANTONIO IZAGUIRRE VENTOSA	34	31	10						75	
JOSE RAMÓN SÁNCHEZ SERRANO	34	27	8						69	

Observations

David Vaamonde Juanatey waived any type of remuneration that may correspond to him in the performance of his duties.



ii) Table of movements of share-based compensation systems and gross profit from consolidated shares or financial instruments.

Name	Name of the Plan	Financial instruments at the beginning of fiscal year 2023		Financial instruments granted during the financial year 2023		Consolidated financial instruments in the year				Expired and unexercised instruments	Financial instruments at the end of fiscal year 2023	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / consolidated shares	Consolidated share price	Gross profit on consolidated shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
MANUEL MENÉNDEZ MENÉNDEZ	INDEMNITIES			264,676	264,676	105,871	105,871	0.99	106		158,805	158,805
MANUEL MENÉNDEZ MENÉNDEZ	VARIABLE REMUNERATION 2022			60,717	60,717	24,287	24,287	0.9	22		36,430	36,430

Observations



iii) Long-term savings systems.

Name	Remuneration for consolidation of rights to savings systems
No data	

Name	Contribution for the year by the company (thousands of euros)				Amount of accumulated funds (thousands of euros)			
	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights	
	2023	2022	2023	2022	2023	2022	2023	2022
MANUEL AZUAGA MORENO	185	247	44			3,878	44	
MANUEL MENÉNDEZ MENÉNDEZ	123	170	30		363	240	30	
ISIDRO RUBIALES GIL					427			



ANNUAL  
REMUNERATION  
REPORT  
FOR  
DIRECTORS OF  
LISTED  
CORPORATIONS



Observations

iv) Detail of other items

Name	Concept	Compensation amount
MANUEL MENÉNDEZ MENÉNDEZ	Medical insurance	4
ISIDRO RUBIALES GIL	Medical insurance	1

Observations

b) Remuneration to the directors of the listed company for their membership in the administrative bodies of its subsidiaries:



ANNUAL  
REMUNERATION  
REPORT  
FOR  
DIRECTORS OF  
LISTED  
CORPORATIONS

i) Remuneration accrued in cash (thousands of euros)

Name	Fixed remuneration	Allowances	Remuneration for membership on board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnities	Other	Total for 2023	Total for 2022
No data										

Observations

ii) Table of movements of share-based compensation systems and gross profit from consolidated shares or financial instruments.

Name	Name of the Plan	Financial instruments at the beginning of fiscal year 2023		Financial instruments granted during the financial year 2023		Consolidated financial instruments in the year				Expired and unexercised instruments	Financial instruments at the end of fiscal year 2023	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent / consolidated shares	Consolidated share price	Gross profit on consolidated shares or financial	No. of instruments	No. of instruments	No. of equivalent shares





ANNUAL  
REMUNERATION  
REPORT  
FOR  
DIRECTORS OF  
LISTED  
CORPORATIONS

									instruments (thousands of euros)			
No data												

Observations

iii) Long-term savings systems.

Name	Remuneration for consolidation of rights to savings systems
No data	

Contribution for the year by the company (thousands of euros)	Amount of accumulated funds (thousands of euros)
---	--



Name	Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights		Savings systems with consolidated economic rights		Savings systems with unconsolidated economic rights	
	2023	2022	2023	2022	2023	2022	2023	2022
No data								

Observations
--------------

iv) Detail of other items

Name	Concept	Compensation amount
No data		

Observations
--------------



ANNUAL  
REMUNERATION  
REPORT  
FOR  
DIRECTORS OF  
LISTED  
CORPORATIONS

c) Summary of remuneration (thousands of euros):

The amounts corresponding to all the compensation items included in this report that have been accrued by the director should be included in the summary, in thousands of euros.

Name	Remuneration accrued at the Company					Accrued remuneration at Group companies					Company+ Group total fiscal year 2023
	Total remuneration in cash	Gross profit on consolidated shares or financial instruments	Remuneration through savings systems	Remuneration for other items	Company total for 2023	Total remuneration in cash	Gross profit on consolidated shares or financial instruments	Remuneration through savings systems	Remuneration for other items	Group total for 2023	
MANUEL AZUAGA MORENO	551		229		780						780
MANUEL MENÉNDEZ MENÉNDEZ	557	128	153	4	842						842
JUAN FRAILE CANTÓN	27				27						27
CAROLINA MARTÍNEZ CARO	124				124						124
TERESA SÁEZ PONTE	25				25						25
MARIA TERESA COSTA CAMPI	21				21						21
JORGE DELCLAUX BRAVO	29				29						29



ANNUAL  
REMUNERATION  
REPORT  
FOR DIRECTORS OF  
LISTED CORPORATIONS

Name	Remuneration accrued at the Company					Accrued remuneration at Group companies					Company+ Group total fiscal year 2023
	Total remuneration in cash	Gross profit on consolidated shares or financial instruments	Remuneration through savings systems	Remuneration for other items	Company total for 2023	Total remuneration in cash	Gross profit on consolidated shares or financial instruments	Remuneration through savings systems	Remuneration for other items	Group total for 2023	
RAFAEL DOMÍNGUEZ DE LA MAZA	84				84						84
FELIPE FERNÁNDEZ FERNÁNDEZ	74				74						74
MARÍA GARAÑA CORCES	25				25						25
PETRA MATEOS-APARICIO MORALES	22				22						22
MANUEL MUELA MARTÍN-BUITRAGO	22				22						22
ISIDORO UNDA URZÁIZ	26				26						26
DAVID VAAMONDE JUANATEY											
ISIDRO RUBIALES GIL	152			1	153						153



ANNUAL  
REMUNERATION  
REPORT  
FOR  
DIRECTORS OF  
LISTED  
CORPORATIONS

Name	Remuneration accrued at the Company					Accrued remuneration at Group companies					Company+ Group total fiscal year 2023
	Total remuneration in cash	Gross profit on consolidated shares or financial instruments	Remuneration through savings systems	Remuneration for other items	Company total for 2023	Total remuneration in cash	Gross profit on consolidated shares or financial instruments	Remuneration through savings systems	Remuneration for other items	Group total for 2023	
MIGUEL GONZÁLEZ MORENO	59				59						59
NATALIA SÁNCHEZ ROMERO	60				60						60
ROCÍO FERNÁNDEZ FUNCIA	38				38						38
NURIA ALIÑO PÉREZ	19				19						19
ANTONIO CARRASCOSA MORALES	29				29						29
MARÍA LUISA ARJONILLA LÓPEZ	123				123						123
INÉS GUZMÁN ARRUE	26				26						26
JUAN ANTONIO IZAGUIRRE VENTOSA	75				75						75



ANNUAL  
REMUNERATION  
REPORT  
FOR  
DIRECTORS OF  
LISTED  
CORPORATIONS

Name	Remuneration accrued at the Company					Accrued remuneration at Group companies					Company+ Group total fiscal year 2023
	Total remuneration in cash	Gross profit on consolidated shares or financial instruments	Remuneration through savings systems	Remuneration for other items	Company total for 2023	Total remuneration in cash	Gross profit on consolidated shares or financial instruments	Remuneration through savings systems	Remuneration for other items	Group total for 2023	
JOSE RAMÓN SÁNCHEZ SERRANO	69				69						69
TOTAL	2,237	128	382	5	2,752						2,752



ANNUAL  
REMUNERATION  
REPORT  
FOR  
DIRECTORS OF  
LISTED  
CORPORATIONS

Observations

C.2. Indicate the evolution over the last 5 years of the amount and percentage variation of the remuneration accrued by each of the directors of the listed company who have been directors during the fiscal year, the Company's consolidated results and the average remuneration on a full-time equivalent basis of the employees of the Company and its subsidiaries who are not directors of the listed company.

	Total amounts accrued and % annual variation								
	2023	% Variation 2023/ 2022	2022	% Variation 2022/ 2021	2021	% Variation 2021/ 2020	2020	% Variation 2020/ 2019	2019
<b>Executive directors</b>									
ISIDRO RUBIALES GIL	153	-	0	-	0	-	0	-	0
MANUEL MENÉNDEZ MENÉNDEZ	842	11.08	758	142.17	313	-	0	-	0
<b>External Directors</b>									
MANUEL AZUAGA MORENO	780	-13.24	899	0.45	895	0.11	894	0.22	892
MIGUEL GONZÁLEZ MORENO	59	-	0	-	0	-	0	-	0
NATALIA SÁNCHEZ ROMERO	60	-	0	-	0	-	0	-	0
ROCÍO FERNÁNDEZ FUNCIA	38	-	0	-	0	-	0	-	0
NURIA ALIÑO PÉREZ	19	-	0	-	0	-	0	-	0



ANNUAL  
REMUNERATION  
REPORT  
FOR  
DIRECTORS OF  
LISTED  
CORPORATIONS

	Total amounts accrued and % annual variation								
	2023	% Variation 2023/ 2022	2022	% Variation 2022/ 2021	2021	% Variation 2021/ 2020	2020	% Variation 2020/ 2019	2019
MARÍA LUISA ARJONILLA LÓPEZ	123	12.84	109	29.76	84	13.51	74	-	0
ANTONIO CARRASCOSA MORALES	29	-	0	-	0	-	0	-	0
RAFAEL DOMÍNGUEZ DE LA MAZA	84	211.11	27	-	0	-	0	-	0
FELIPE FERNÁNDEZ FERNÁNDEZ	74	-1.33	75	141.94	31	-	0	-	0
INÉS GUZMÁN ARRUE	26	-	0	-	0	-	0	-	0
JUAN ANTONIO IZAGUIRRE VENTOSA	75	-	0	-	0	-	0	-	0
CAROLINA MARTÍNEZ CARO	124	217.95	39	-	0	-	0	-	0
JOSE RAMÓN SÁNCHEZ SERRANO	69	-	0	-	0	-	0	-	0
JUAN FRAILE CANTÓN	27	-68.97	87	0	87	4.82	83	-3.49	86
TERESA SÁEZ PONTE	25	-71.91	89	0	89	2.3	87	0	87
JORGE DELCLAUX BRAVO	29	-66.28	86	132.43	37	-	0	-	0
MARÍA GARAÑA CORCES	25	-75.49	102	209.09	33	-	0	-	0
PETRA MATEOS-APARICIO MORALES	22	-72.15	79	-1.25	80	3.9	77	-1.28	78





ANNUAL  
REMUNERATION  
REPORT  
FOR  
DIRECTORS OF  
LISTED  
CORPORATIONS

	Total amounts accrued and % annual variation								
	2023	% Variation 2023/ 2022	2022	% Variation 2022/ 2021	2021	% Variation 2021/ 2020	2020	% Variation 2020/ 2019	2019
MANUEL MUELA MARTÍN-BUITRAGO	22	-71.05	76	-3.8	79	2.6	77	-2.53	79
DAVID VAAMONDE JUANATEY	0	-	0	-	0	-	0	-	0
MARIA TERESA COSTA CAMPI	21	320	5	-	0	-	0	-	0
ISIDORO UNDA URZÁIZ	26	0	26	-	0	-	0	-	0
<b>Consolidated results of the company</b>									
	370,569	2.59	361,214	-64.64	1,021,433	930.73	99,098	-43.07	174,075
<b>Average employee remuneration</b>	48	11.63	43	-15.69	51	13.33	45	2.27	44

Observations

In the 2023/2022 variations, “-” indicates Directors who joined the Company in 2023, with the exception of David Vaamonde Juanatey, who joined in 2021 and waived the receipt of remuneration.  
The negative 2023/2022 variations of less than -20% correspond to Directors who have left office during 2023 and who in 2022 have held office as Directors for the entire fiscal year (6 Directors).  
The 2023/2022 variations of more than 200% correspond to Directors who have held office during the entire 2023 fiscal year, but who had not held office during the entire 2022 fiscal year, as they joined the Board during that year (3 Directors).



ANNUAL  
REMUNERATION  
REPORT  
FOR  
DIRECTORS OF  
LISTED  
CORPORATIONS

---

In relation to the heading “Consolidated results of the company”, where it is indicated that, in the year 2021, they amounted to 1,021,433 thousand euros, it should be pointed out that, due to the merger by absorption of Liberbank by Unicaja Banco carried out in that year, the amount included in the consolidated financial statements of the Unicaja Banco Group includes the extraordinary adjustments due to the impact of the goodwill arising from the integration of Liberbank and the labor and commercial network restructuring costs.

For the sole purpose of comparing the 2021 financial year with the 2022 and 2020 financial years, it is indicated that, if the aforementioned extraordinary adjustments were excluded, the consolidated profit before tax on the pro-forma income statement for the 2021 financial year would amount to 180.5 million euros, which would represent a percentage variation of 100.1% in the financial year 2022 with respect to the pro-forma result of the Unicaja Banco Group 2021 and of 82.1% in the financial year 2021 with respect to the result of the Unicaja Banco Group in 2020, taking into account that the latter (result of the consolidated Unicaja Banco Group 2020) does not include the results of the Liberbank Group for the year 2020.

## D. OTHER RELEVANT INFORMATION

If there is any relevant aspect regarding the remuneration of directors that has not been included in the other sections of this report, but which is necessary to include in order to provide more complete and reasoned information on the structure and remuneration practices of the company in relation to its directors, briefly describe them.

### A.1.1.

The current Remuneration Policy establishes that the maximum amount of annual remuneration to be paid to all directors, in their capacity as such, will amount to 1,950,000 euros gross per year. This amount includes the amount of 300,000 euros gross that is set as annual remuneration for the non-executive Chairperson for the performance of the duties set forth in the Capital Companies Act, in the Bylaws, in the Regulations of the Board of Directors, and those that the Board of Directors may agree to entrust to this position.

This maximum amount will remain in force for fiscal year 2024 until such time as the General Shareholders' Meeting resolves to modify it, and will be updated for fiscal years 2025 and 2026 in accordance with the salary revision percentage established in the collective bargaining agreement applicable to the Company's employees.

Subject to the limits and conditions established in the Remuneration Policy, the Board of Directors, determines the distribution of such amount and establishes the remuneration of the different directors, taking into account the functions and responsibilities attributed to each director, the membership in board committees, the attendance to the meetings of the Board of Directors and its committees and any other objective circumstances it deems relevant.

The Remuneration Policy also establishes the concepts and remuneration of directors for the performance of executive functions.

Thus, in addition to the allowance corresponding to the directors in their capacity as such, the executive directors will be entitled to receive a remuneration corresponding to their executive duties, the components of which are as follows:

- a. Fixed remuneration, appropriate to the services and responsibilities assumed, and which constitutes a relevant part of the total remuneration package.
- b. Variable remuneration, correlated to the performance indicators of the director and the Company, and which may have an annual and/or multi-year horizon.
- c. Welfare component, which will include the appropriate welfare and insurance systems.
- d. An indemnity in the event of separation or any other form of termination of the legal relationship with the Company due to circumstances not attributable to the director.

The Board of Directors is responsible for determining the target variables or metrics for the calculation of the variable portion, attendance provisions and compensation or their calculation criteria, within the limits and conditions set forth in the Remuneration Policy.

For 2024, the fixed remuneration foreseen for the executive director will amount to a maximum of 529,000 euros gross, an amount that must be duly updated in accordance with the salary revision percentage established in the collective bargaining agreement applicable to the Bank's employees, as established in the current remuneration policy. At the date of issuance of this report, the aforementioned Agreement has not yet been signed.

In addition, as part of his fixed remuneration, the CEO will enjoy, as part of other social benefits, health insurance for a maximum annual amount of 5,000 euros gross.

With regard to employee welfare, the Chief Executive Officer will be entitled to a defined contribution allowance, the maximum annual amount of which for 2024 will be 200,000 euros.

The variable part corresponding to the Chief Executive Officer, in accordance with the provisions of his contract and within the framework set forth in the Remuneration Policy, will consist, for fiscal year 2024, of a variable remuneration, whose maximum annual amount -corresponding to a level of 100% compliance with objectives- will amount to an amount equivalent to 25% of the annual fixed remuneration, once said amount has been updated in accordance with the salary revision percentage applicable to this fiscal year.

The payment of this short-term variable remuneration will be linked to the fulfillment of the objectives to be defined by the Board of Directors, following a proposal from the Remuneration Committee, which may be referenced, among others, to (i) the strategic objectives set forth in the Company's current Business Plan – including, in any case, compliance with the minimum level of recurring Profit Before Taxes, (ii) the profitability (ROE) of Unicaja Banco compared to the rest of the System, and (iii) in short, the factors and criteria, including those relating to ESG – referred to in Section 3.1.2.2 of the Remuneration Policy. Each of these objectives will be assigned a weighting on the total short-term variable remuneration, as well as a scale of achievement, without the maximum amount exceeding the limit indicated in the preceding paragraph.

The Board of Directors will be responsible for evaluating the degree of compliance with the aforementioned objectives on an annual basis, following a proposal from the Remuneration Committee.

a) Description of the procedures and bodies of the company involved in the determination, approval and application of the Remuneration Policy and its conditions.

In accordance with the Capital Companies Act, the sectorial regulations applicable to credit institutions and in accordance with the provisions of Article 29 of the Company's Bylaws, the Board of Directors submits the Remuneration Policy for the members of the Board of Directors to the General Shareholders' Meeting for approval, with a specific prior report from the Remuneration Committee. The Board of Directors is assisted in matters of remuneration by the Remuneration Committee, which acts in due coordination with the Risk Committee so that the latter may exercise the powers attributed to it with regard to the remuneration structure applicable in the Company.

In relation to the Remuneration Policy, the following functions, among others, correspond to the Remuneration Committee, in accordance with Article 27 bis, Paragraph 3, of the Company's Bylaws:

- Ensure compliance with the remuneration policy established by the Company, as well as the proposal to the Board of Directors of the remuneration policy for senior managers, employees who assume risks, exercise control functions or are similar to any of the above categories, the individual remuneration of executive directors and the other basic conditions of the contracts of senior managers who assume risks, exercise control functions or are similar to any of the above categories, in accordance with the general corporate legislation and the legislation governing the credit institutions sector.
- Prepare the specific report, which will accompany the remuneration policy proposal of the Board of Directors.

Based on the provisions of Article 33.5 of the Board Regulations, the Remuneration Committee is responsible for the following functions in addition to those already indicated:

- Preparing the decisions related to remuneration, including those that have repercussions for the Company's risk and risk management, that must be adopted by the Board of Directors.
- Periodically reviewing the remuneration policy that is applied to directors and senior management, including the remuneration systems with shares and their application, ensuring that their individual remuneration is proportionate to that paid to the other directors and the senior management of the company.

The Risk Committee is responsible for the following functions in relation to compensation, pursuant to Article 26 of the Company's bylaws:

- Working together on the establishment of rational remuneration policies and practices. To this end, the Risk Committee will examine, without prejudice to the functions of the Remuneration Committee, if the envisaged incentives policy takes the risk, capital, liquidity, and the probability and opportunity of profit into account.

The Board of Directors is also responsible for the Remuneration Policy, in accordance with Article 7.4 of the Board Regulations:

- the distribution among the Board Members of the remuneration corresponding to them in their condition as such, taking into account the functions and responsibilities attributed to each board member, the membership of committees and any other objective circumstances deemed relevant, all in accordance with the Remuneration Policy approved by the General Shareholders' Meeting.
- prior approval of the contracts to be entered into between the Company and the directors to whom executive functions are attributed, including the items for which remuneration may be obtained for the performance of such functions and the setting of the remuneration to be received under such contracts, always in accordance with the provisions of the law and the Remuneration Policy approved by the General Shareholders' Meeting.

The Board of Directors, at the proposal of the Remuneration Committee, is responsible for determining the accrual, quantification and payment of variable compensation, as well as the variable part of the welfare provisions and compensation or their calculation criteria.

The internal services, which report to the Governing Bodies and Human and Material Resources General Management departments, are responsible for making and monitoring payments in application of this Policy.

At least once a year, the Internal Audit General Management department conducts a central and independent internal evaluation of the application of the risk-related remuneration policy in order to check whether the remuneration guidelines and procedures adopted by the Board of Directors are being satisfied.

The Global Risk Control and Supervisory Relations General Management department is responsible for controlling all the risks incurred by the Bank, taking as a reference the RAF in force at any given time, contributing to defining performance measures that are adjusted to risk, as well as evaluating how the variable remuneration structure affects the risk profile and culture of the Bank, validating and evaluating risk adjustment data and cooperating as necessary with the Remuneration and Risk Committees.

The Planning, Objectives and Reporting General Management department is responsible for preparing, proposing and monitoring the business objectives of the Bank's different centers and verifying compliance with them with a view to their payment to those to whom they are addressed.

b) Indicate and, if applicable, explain whether comparable companies have been taken into account to establish the company's Remuneration Policy.

When the Policy was drawn up, it used publicly available market information relating to the remuneration of the Boards of Directors of other Spanish financial institutions and companies belonging to the Ibex 35 Index, as well as the Annual Director Remuneration Report prepared by Spencer Stuart, the latest version of which dates from October 2022.

c) Information on whether any external advisors have participated and, if so, their identity.

For the preparation of the Remuneration Policy applicable to the 2024-2026 period, the Company received external advice from Sagardoy Abogados for the legal aspects of the Policy.

d) Procedures contemplated in the current director Remuneration Policy for applying temporary exceptions to the Policy, conditions under which such exceptions may be used and components that may be subject to exception under the policy.

This type of procedure has been regulated in Section B of the current Remuneration Policy.

Depending on the exceptional circumstances that may arise during the years in which the Policy is in force, the Board of Directors, following a reasoned proposal from the Remuneration Committee and in order to ensure its viability insofar as necessary to serve the long-term interests and sustainability of the Company, may agree to do the following:

- i. Apply a temporary exception to the Policy in relation to the granting, consolidation and/or payment of the remuneration components set forth therein.
- ii. Make adjustments to the criteria for calculating the multi-year remuneration system.
- iii. Alter the rules for granting, consolidation and payment of the remuneration provided for in this Policy.

Any application of exceptionality will be duly recorded and explained in the corresponding Annual Report on Directors' Remuneration.

**B.2.**

This remuneration through instruments and, therefore, the link between remuneration and the sound and prudent management of the Bank, is manifested in:

- i. Variable compensation. At least 50% of the variable compensation, both deferred and non-deferred, will be paid in instruments (shares in the Bank). For the purpose of determining the number of shares to be delivered – if the variable remuneration foreseen in each of the corresponding dates is accrued – the price of the Unicaja Banco share corresponding to the average value of the listed price of the Bank's share between the closing date of the fiscal year and the date of approval of the financial statements corresponding to the accrual year by the Ordinary General Shareholders' Meeting (both exclusive) will be taken into account.
- ii. Discretionary pension benefits. The insurance contracts through which these benefits may be instrumented will incorporate the necessary provisions to guarantee the application of the rules regarding payment in the form of instruments and withholding by the Bank.
- iii. Application of malus and clawback clauses when the Bank obtains negative or poor results. Thus, up to 100% of the variable remuneration is subject to these clauses when there is a deficient financial performance, either in the Company as a whole, or in a relevant management department or unit and/or in connection with the corresponding management.

The Company's Remuneration Committee acts in due coordination with the Risk Committee so that the latter may comply with the powers attributed to it with regard to the remuneration structure applicable in the Company, in accordance with the statutory and regulatory framework, and, in particular, to analyze whether the incentive system in force at any given time takes into consideration risk, capital, liquidity and the probability and timeliness of the benefits. Specifically, the Risk Committee intervenes, where appropriate, in the actual determination of the total incentive pool to be distributed, in the setting of objectives and performance measurement, as well as at the time of payment of variable remuneration, in order to verify that the remuneration is adjusted for all types of current and future risks, and that the necessary cost of capital and liquidity are taken into account.

As a reinforcement of the application of the compensation system, executive directors may not use personal hedging strategies, or compensation and liability-related insurance, that undermine the effects of the alignment with risk included in their compensation systems.

When the remuneration is linked to results, the right to receive it and its total amount will be based, in all cases, on objective indicators, without prejudice to the qualitative and/or non-financial evaluation to be carried out by the Remuneration Committee based on non-financial criteria but which may be relevant in relation to the receipt of the variable remuneration by the director in question.

The variable remuneration, including the deferred part, will be paid or consolidated only if this is sustainable according to the financial situation of Unicaja Banco as a whole, and if it is justified based on the results of the Company, the business unit, and the person in question.

With regard to the measures adopted to avoid conflicts of interest, in accordance with the provisions of the Company's Bylaws and the Regulations of the Board of Directors, the directors have a duty of loyalty to the Company and the obligation to adopt the necessary measures to avoid conflicts of interest and situations in which their interests, whether their own or those of others, may conflict with the corporate interest, immediately informing the Company of any situations that could generate a possible conflict, whether real or potential.

Likewise, directors may not (a) take advantage of any business opportunity of the Company for their own benefit (b) make use of the Group's assets for private purposes (c) take advantage of their position in the Company to obtain a patrimonial advantage; they must inform the Company of all the positions they hold and the activities they carry out in other companies or entities, and, in general, of any fact or situation that may be relevant to their performance as directors of the Company.

In line with the above, as regards compensation, the Compensation Committee is responsible for submitting proposals regarding individual compensation, the incentive system and other contractual conditions of the executive directors. It also prepares decisions on the objectives, criteria and metrics that have to be met in order to receive variable remuneration and, if applicable, verify whether the circumstances are met to apply the reduction or recovery clauses. Likewise, the Risk Committee, as already mentioned, collaborates with the Remuneration Committee in establishing sound remuneration policies and practices, examining whether the incentive policy provided for in the remuneration system takes into consideration risk, capital, liquidity and the likelihood and timing of returns. The Remuneration and Risk Committees are made up entirely of non-executive members, the majority of which, and in all circumstances their chairperson, are independent directors. Within the Board of Directors, the director concerned, in accordance with the provisions of the Regulations of the Board of Directors on the duties of directors to avoid conflicts of interest, is obliged to abstain from attending and participating in deliberations and voting on resolutions or decisions that are related to their remuneration.

**B.5**

As of November 14, 2023, with the approval and entry into force of the new Remuneration Policy, the remuneration system for directors, in their capacity as such, was modified: the breakdown of such remuneration by the positions and responsibilities attributed to each of the non-executive directors, as well as the scope of the variations with respect to the previous Remuneration Policy and the reason why they have been carried out have already been reported in sections A.1.3 and A.2. of this report, to which we refer in order to avoid repetition.

The total amounts actually received by each of the members of the Board of Directors in their capacity as such in fiscal year 2023 are detailed below in Section C.1.

This annual remuneration report was approved by the Board of Directors of the Company at its meeting held on this date:

2/29/2024

State whether there have been directors that have voted against or abstained from the approval of this Report.

☐ Yes

☒ No



## **Unicaja Banco, S.A.**

Auditor's report  
Information regarding the Internal Control System over  
Financial Reporting (ICSFR)  
2023 financial year



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

## Auditor's report on "Information regarding the Internal Control System over Financial Reporting (ICSFR)"

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

In accordance with the request of the Board of Directors of Unicaja Banco, S.A. ("the Company") and our engagement letter dated 15 December 2023, we have applied certain procedures in respect of the attached "Information regarding the ICSFR", included in section F of the Annual Corporate Governance Report of Unicaja Banco, S.A. for the 2023 financial year, which includes a summary of the Company's internal control procedures relating to its annual financial information.

The administrators are responsible for adopting the necessary measures to reasonably ensure the implementation, maintenance and supervision of an appropriate internal control system, and for developing improvements to that system and preparing and establishing the content of the accompanying Information regarding the ICSFR.

In this regard, it should be borne in mind that, regardless of the quality of the design and operating efficiency of the internal control system used by the Company in relation to its annual financial information, only a reasonable, but not absolute, degree of assurance may be obtained in relation to the objectives it seeks to achieve, due to the limitations inherent in any internal control system.

In the course of our audit work on the consolidated annual accounts and in accordance with Spanish Auditing Standards, the sole purpose of our evaluation of the Company's internal control system is to enable us to establish the scope, nature and timing of our audit procedures in respect of the Company's annual accounts. Accordingly, our internal control evaluation, performed for the purposes of our audit, is not sufficient in scope to enable us to issue a specific opinion on the effectiveness of such internal control over the regulated annual financial information.

For the purposes of the present report, we have exclusively applied the specific procedures described below, as indicated in the "Guidelines concerning the auditor's Report on the Information regarding the Internal Control System over Financial Reporting for listed entities" published by the National Securities Market Commission (hereinafter NSMC) on its web site, which sets out the work to be performed, the scope of such work and the content of this report. In view of the fact that, in any event, the scope of the work resulting from these procedures is reduced and substantially less than the scope of an audit or review of the internal control system, we do not express an opinion on the effectiveness thereof, its design or operational efficiency, in relation to the Company's annual financial information for the 2023 financial year described in the accompanying Information regarding the ICSFR. Had we applied additional procedures to those determined by the aforementioned Guidelines, or had we performed an audit or review of the internal control system in relation to the regulated annual financial information, other matters could have come to light in respect of which you would have been informed.

In addition, provided that this special work neither constitutes an account audit it is not even submitted to the governing regulations of audit, we do not express an opinion of audit in the terms foreseen in the mentioned regulation.

The Procedures applied were as follows:

- 1) Reading and understanding the information prepared by the Company in relation to the ICSFR – as disclosed in the Directors' Report – and the evaluation of whether such information includes all the information required as per the minimum content set out in Section F regarding the description of the ICSFR, in the model of the Annual Corporate Governance Report, as established in Circular 5/2013 of the NSMC, dated June 12, 2013, and subsequent amendments, the most recent being Circular 3/2021, of September 28, of the NSMC (from now on the Circulars of NSMC).
- 2) Making enquiries of personnel in charge of preparing the information mentioned in point 1 above in order to: (i) obtain an understanding of the preparation process; (ii) obtain information that enables us to assess whether the terminology used is in line with the framework of reference; (iii) obtain information as to whether the control procedures described have been implemented and are functioning in the Company.
- 3) Review of supporting documentation explaining the information described in point 1 above and which mainly comprises the information made directly available to the persons responsible for preparing the information on the ICSFR. Such documentation includes reports prepared by the internal audit function, senior management and other internal and external specialists in support of the functions of the Audit and Control Committee.
- 4) Comparison of the information described in point 1 above with our knowledge of the Company's ICSFR, obtained by means of the application of the procedures performed within the framework of the audit engagement on the consolidated annual accounts.
- 5) Reading the minutes of meetings of the Board of Directors, Audit and Control Committee and other committees of the Company, for the purposes of evaluating the consistency between the matters dealt with therein in relation to the ICSFR and the information described in point 1 above.
- 6) Obtaining a representation letter concerning the work performed, duly signed by the persons responsible for the preparation and drafting of the information mentioned in point 1 above.

As a result of the procedures applied in relation to the Information regarding the ICSFR, no inconsistencies or incidents have been identified which could affect such information.

This report has been prepared exclusively within the framework of the requirements of article 540 of the revised Spanish Companies Act and by the Circulars of de NSMC, for the purposes of describing the ICSFR in Annual Corporate Governance Reports.

PricewaterhouseCoopers Auditores, S.L.

Original in Spanish signed by  
Carlos Caballer Fernández-Manrique

29 February 2024