

# Unicaja Banco

## 3Q23 Fixed Income Presentation

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October 2023



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01

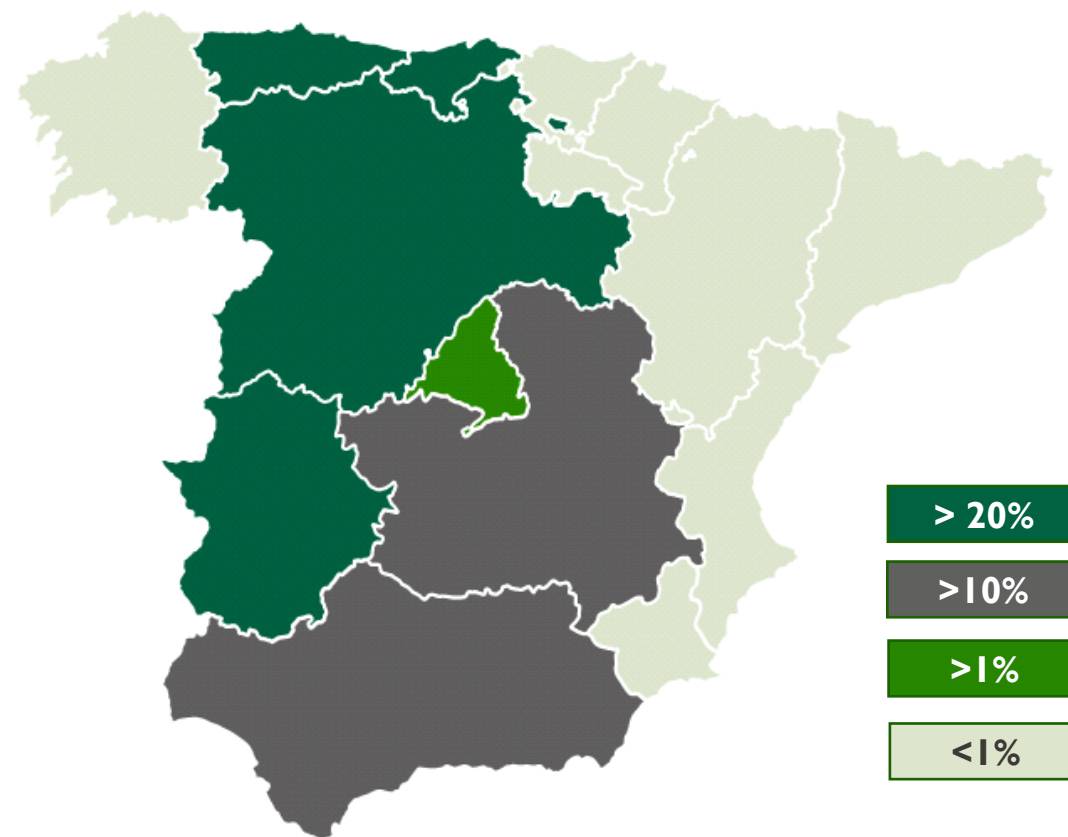
# Overview of Unicaja Banco

# Overview of Unicaja Banco

## Business Description

- Unicaja Banco is a listed retail bank with €2.7bn market cap<sup>(1)</sup> with origin in the merger of several regional banks
- The 6<sup>th</sup> largest bank in Spain by total assets, with €95bn assets, €6.5bn equity, €51bn gross loans and €73bn customer deposits as of September 2023
- The Group has 958 branches and c 4 million clients with a leading presence in 6 regions of Spain
- It has a 5% nationwide market share in deposits and a 4% market share in loans, mainly first residential mortgages
- The highest regulatory CET1 ratio among Spanish listed banks, that reached 14.5%<sup>(2)</sup> in September 2023, which is 622bps above CET1 SREP requirement<sup>(3)</sup>
- A conservative NPL coverage ratio of 66% as of June 2023 despite having a low-risk lending mix, with >70% being mortgages and public sector loans

## Geographical footprint (deposits market shares in %)



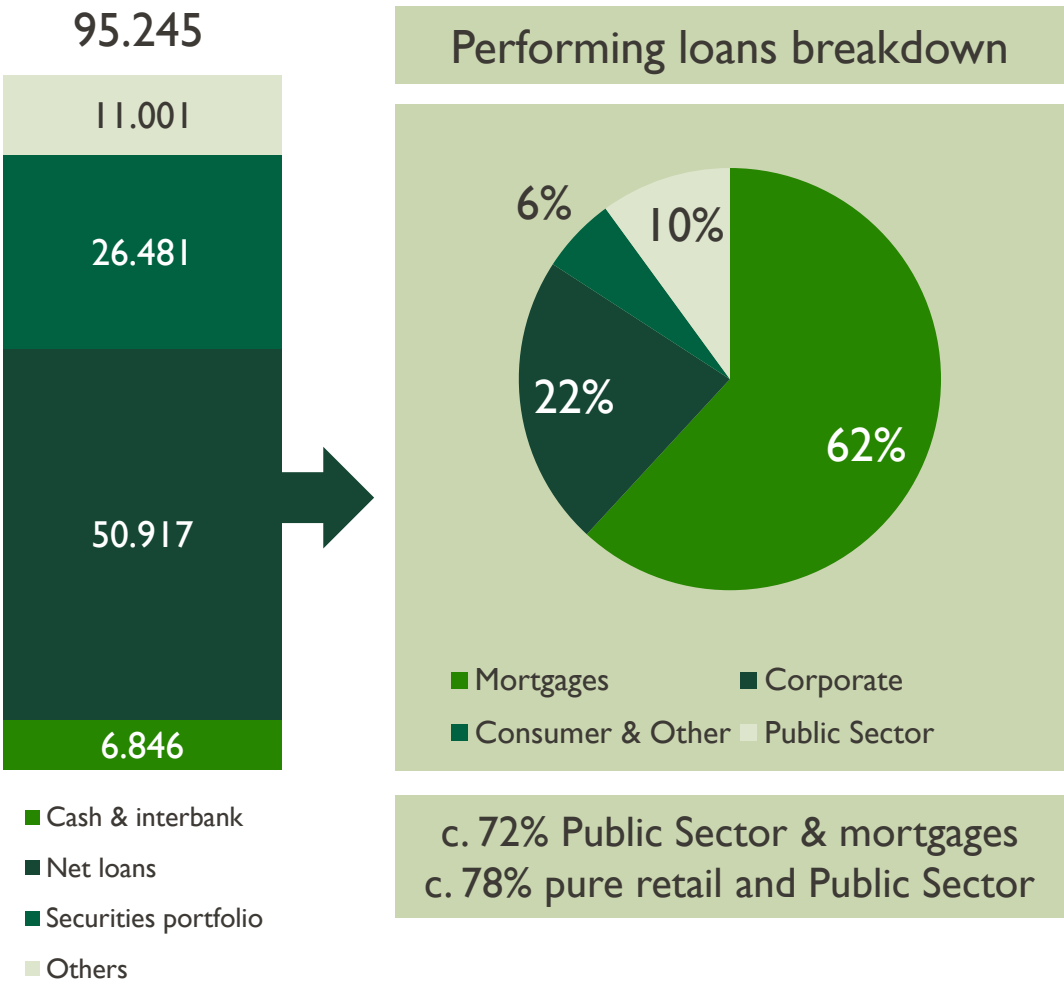
(1) As of September 2023

(2) Capital ratios as of September 2023 include the profit of 9M23 pending to be approved by the ECB and deducts accrued dividend

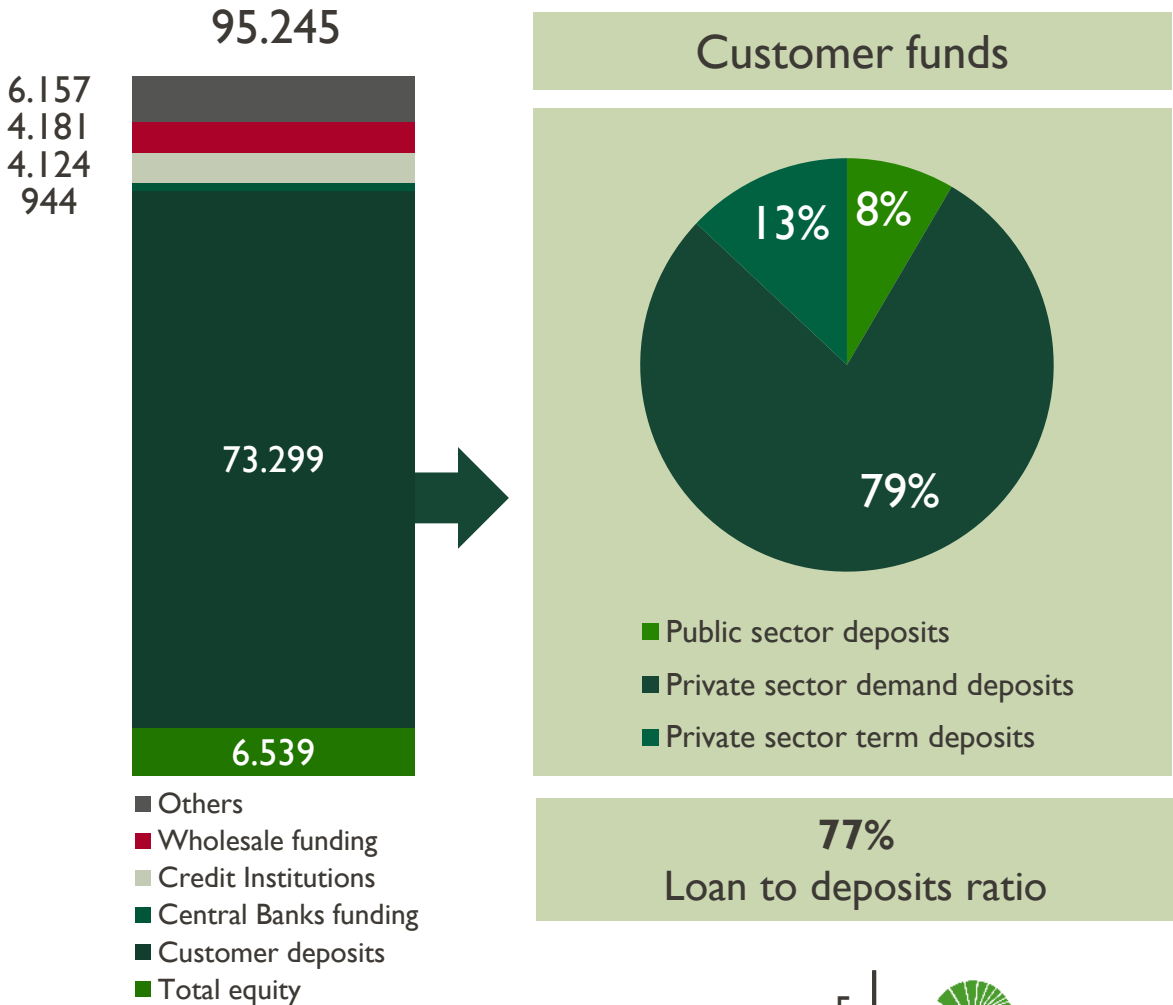
(3) 8,27% CET1 SREP requirement as per the communication of the ECB on 15th December 2022 for Unicaja's Group. Future SREP requirements may be different

# A retail domestic bank with a low risk profile

Assets breakdown as of 3Q23 (€m)



Liabilities and equity breakdown as of 3Q23 (€m)





**02**

## **3Q23 Activity & Results**

# Key Highlights

Strong solvency and liquidity position to keep supporting profitability improvement

<b>Business activity</b>	<ul style="list-style-type: none"> <li>▪ <b>Loans to individuals</b> in line with the sector as higher rates and macro uncertainties reduce demand</li> <li>▪ <b>Customer resources</b> remain strong while clients search for higher yield in other products and early mortgage repayments</li> </ul>	<div> <div>Loans to individuals</div> <div>-2.5% YoY</div> </div> <div> <div>Customer resources (excl. public sector)</div> <div>-1.4% YoY</div> </div>
<b>Profitability</b>	<ul style="list-style-type: none"> <li>▪ <b>NII +11.5% in the quarter.</b> Customer spread improves by 36 basis points in the quarter</li> <li>▪ <b>Fee income</b> slightly down in a seasonally weak quarter on the back of business recurrency</li> <li>▪ <b>Cost to income<sub>(1)</sub> improves by 6 percentage points YoY to 46%</b></li> <li>▪ <b>Banking margin</b> (NII + Fees - OPEX) improves by <b>42% YoY</b></li> </ul>	<div> <div>Net Interest income</div> <div>+25.4% YoY</div> </div> <div> <div>Fee income</div> <div>+1.6% YoY</div> </div> <div> <div>OPEX</div> <div>-1.9% YoY</div> </div> <div> <div>Net income (excl. bank tax)</div> <div>+28.4% YoY</div> </div>
<b>Asset quality</b>	<ul style="list-style-type: none"> <li>▪ <b>Cost of risk, of 30bps in the quarter,</b> remains contained with low NPL entries and quality recoveries</li> <li>▪ <b>NPLs down 10% QoQ</b> after a portfolio disposal</li> <li>▪ <b>Foreclosed assets down €236m in the year,</b> with &gt;€300m of sales</li> </ul>	<div> <div>NPL Ratio (%)</div> <div>3.4%</div> </div> <div> <div>NPL Coverage (%)</div> <div>66%</div> </div>
<b>Solvency and liquidity</b>	<ul style="list-style-type: none"> <li>▪ <b>CET 1 FL of 14.2% as of September 2023<sub>(2)</sub>,</b> +38bps up in the quarter and +119bps in the year.</li> <li>▪ <b>Superior liquidity ratios:</b> LTD 77%, LCR 259% and NSFR 147%</li> </ul>	<div> <div>CET 1 FL ratio</div> <div>14.2%</div> </div> <div> <div>MREL FL Ratio</div> <div>25.8%</div> </div>

(1) Cost to income 9M 23 (excl. banking tax)

(2) Capital ratios include the net income pending approval from the ECB to be incorporated in the ratios and deducts accrued dividends of 50% over net income.

# Customer funds

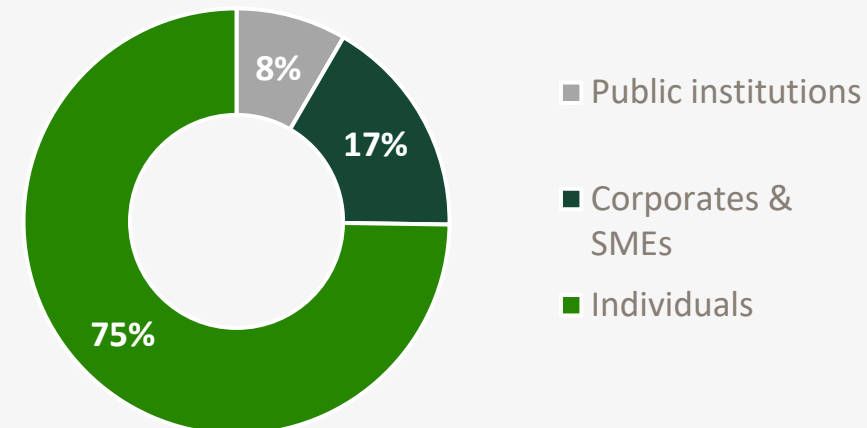
Stable customer deposits despite early prepayments with a very contained cost of deposits

## Customer funds breakdown

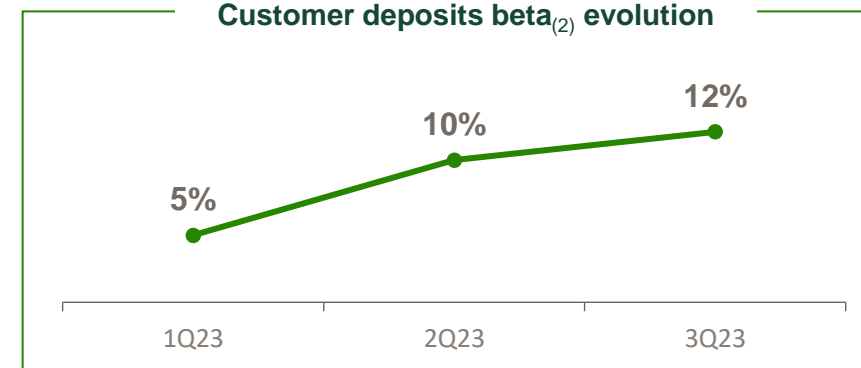
Million Euros	3Q22	2Q23	3Q23	QoQ	YoY
<b>Customer funds on balance sheet</b>	<b>69,661</b>	<b>67,658</b>	<b>66,777</b>	<b>-1.3%</b>	<b>-4.1%</b>
Public institutions	6,693	5,572	5,646	1.3%	-15.6%
Private sector	62,967	62,085	61,131	-1.5%	-2.9%
Demand Deposits	57,652	54,141	52,432	-3.2%	-9.1%
Term Deposits	5,257	7,915	8,668	9.5%	64.9%
Other funds	59	29	30	4.3%	-48.2%
<b>Customer funds off balance sheet</b>	<b>20,119</b>	<b>21,004</b>	<b>20,759</b>	<b>-1.2%</b>	<b>3.2%</b>
Mutual funds	11,205	11,360	11,227	-1.2%	0.2%
Pension plans	3,652	3,719	3,677	-1.1%	0.7%
Insurance funds	4,270	4,742	4,683	-1.2%	9.7%
Other <sub>(1)</sub>	991	1,184	1,172	-1.0%	18.2%
<b>Total customer funds</b>	<b>89,780</b>	<b>88,662</b>	<b>87,536</b>	<b>-1.3%</b>	<b>-2.5%</b>



## Customer deposits structure



## Customer deposits beta<sub>(2)</sub> evolution



(1) Includes SICAVs and other managed portfolio funds

(2) Beta calculated as the percentage cost of customer deposits over average Euribor 12m for each period.



# Lending

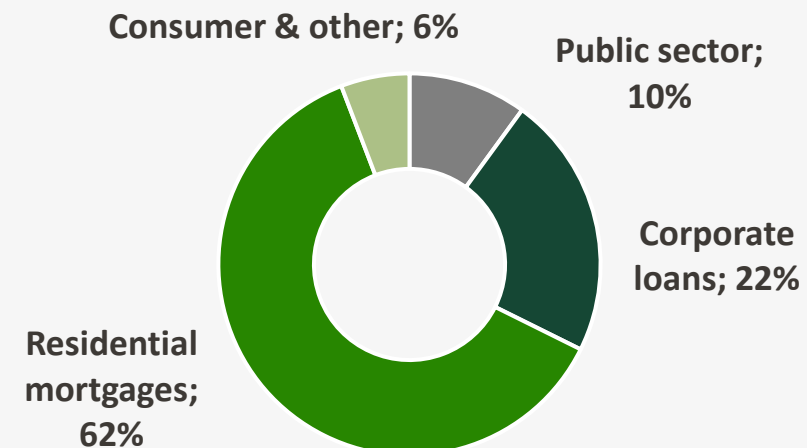
Individuals performing book remains resilient in the year despite high early mortgage amortizations

## Performing loan book (€m)

Million Euros	3Q22	2Q23	3Q23	QoQ	YoY
<b>Public sector</b>	<b>5,983</b>	<b>5,072</b>	<b>4,966</b>	<b>-2.1%</b>	<b>-17.0%</b>
<b>Corporate loans</b>	<b>12,966</b>	<b>11,424</b>	<b>11,048</b>	<b>-3.3%</b>	<b>-14.8%</b>
Real Estate developers	731	544	519	-4.8%	-29.0%
Other corporates	12,235	10,879	10,529	-3.2%	-13.9%
<b>Loans to individuals</b>	<b>34,393</b>	<b>34,735</b>	<b>33,519</b>	<b>-3.5%</b>	<b>-2.5%</b>
Residential mortgages	31,574	31,068	30,641	-1.4%	-3.0%
Consumer & other	2,819	3,667	2,878	-21.5%	2.1%
Pension advances	744	1,511	785	-48.0%	5.5%
<b>Total Performing book</b>	<b>53,343</b>	<b>51,231</b>	<b>49,533</b>	<b>-3.3%</b>	<b>-7.1%</b>



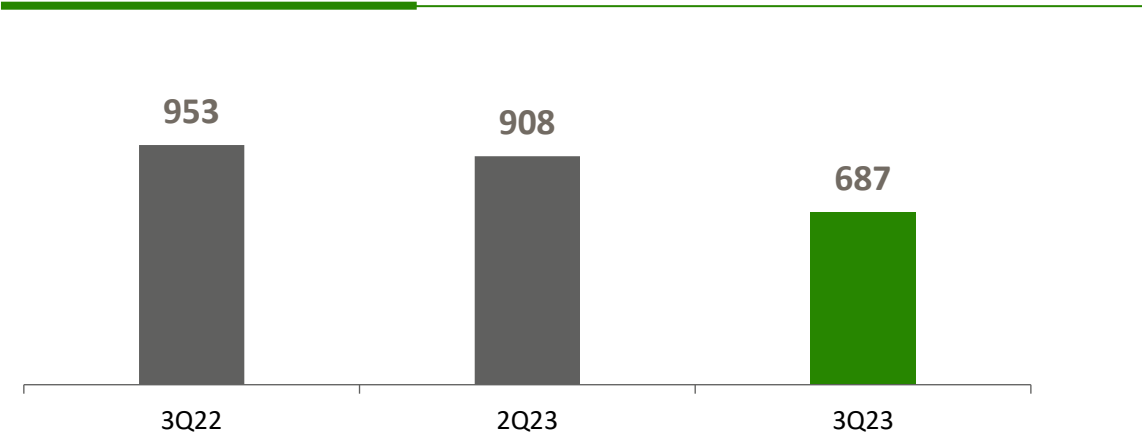
### Breakdown. >75% retail and public sector



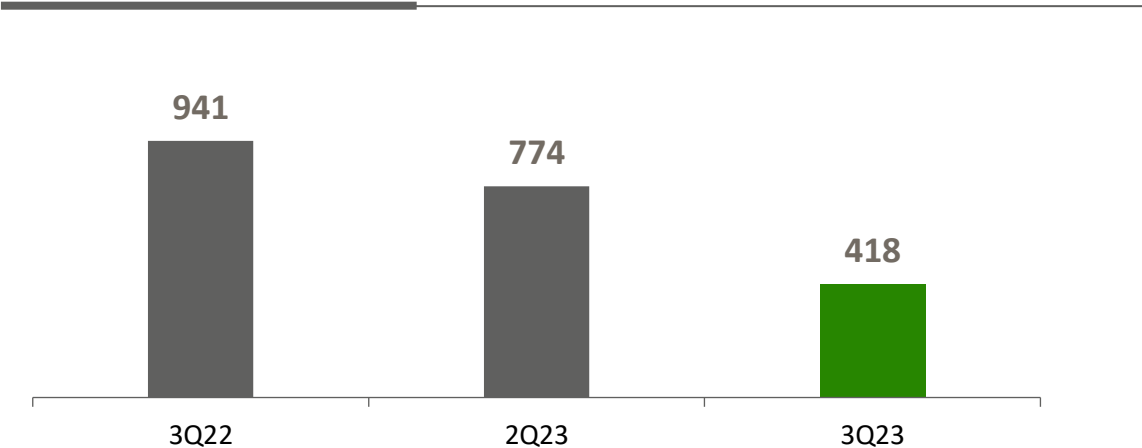
# New lending

Higher rates and uncertain environment reduce consumer demand

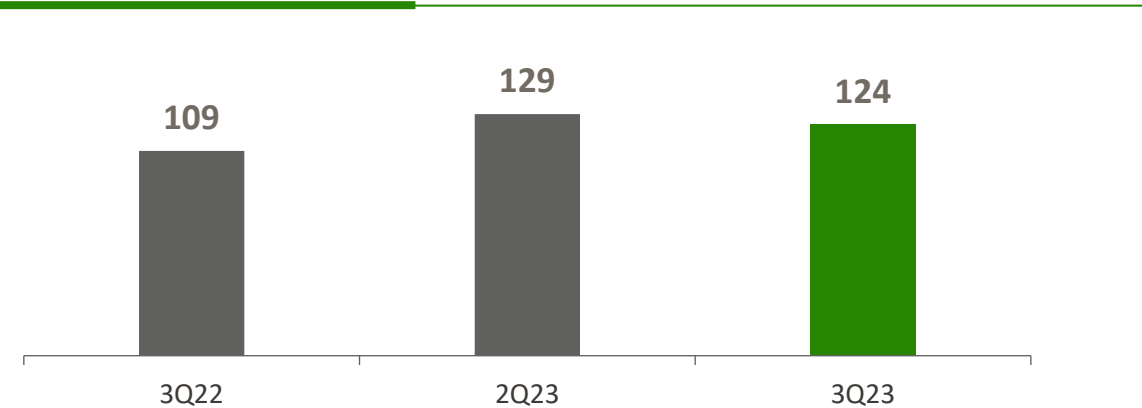
Business lending (€m)



Residential mortgage (€m)



Consumer lending (€m)



# Quarterly income statement

Quarterly net income improves by 35% versus 2022

## 3Q23 P&L statement<sup>(1)</sup>

Million euros	3Q22	2Q23	3Q23	QoQ (%)	YoY (%)	9M22	9M23	9M23 vs 9M22 (%)
<b>Net Interest Income</b>	<b>267</b>	<b>321</b>	<b>357</b>	<b>11.5%</b>	<b>33.9%</b>	<b>776</b>	<b>973</b>	<b>25.4%</b>
Dividends	3	18	6	-64.8%	94.6%	16	25	54.4%
Associates	15	34	15	-57.2%	-2.6%	57	63	9.7%
Net Fees	131	134	132	-1.9%	0.8%	394	401	1.6%
Trading income + Exch. Diff.	8	(0)	7	na	-5.1%	35	15	-55.8%
Other revenues/(expenses)	3	(49)	(14)	-70.7%	na	(20)	(143)	na
<b>Gross Margin</b>	<b>426</b>	<b>458</b>	<b>503</b>	<b>9.8%</b>	<b>18.0%</b>	<b>1,259</b>	<b>1,333</b>	<b>5.9%</b>
Operating expenses	(218)	(216)	(213)	-1.5%	-2.2%	(654)	(641)	-1.9%
Personnel expenses	(125)	(124)	(120)	-3.4%	-4.1%	(383)	(364)	-4.9%
SG&A	(70)	(69)	(69)	0.4%	-1.9%	(203)	(209)	2.8%
D&A	(22)	(23)	(24)	2.6%	7.9%	(68)	(69)	1.0%
<b>Pre-Provision Profit</b>	<b>209</b>	<b>242</b>	<b>290</b>	<b>20.0%</b>	<b>39.0%</b>	<b>605</b>	<b>692</b>	<b>14.4%</b>
Loan loss provisions	(40)	(40)	(37)	-9.1%	-7.7%	(129)	(112)	-12.8%
Other provisions	(32)	(30)	(25)	-16.0%	-21.6%	(84)	(88)	4.7%
Other profits or losses	2	(21)	(38)	77.6%	na	(21)	(79)	na
<b>Pre-Tax profit</b>	<b>138</b>	<b>150</b>	<b>190</b>	<b>26.8%</b>	<b>37.4%</b>	<b>371</b>	<b>413</b>	<b>11.2%</b>
Tax	(37)	(36)	(53)	47.0%	44.2%	(99)	(128)	28.5%
<b>Net Income</b>	<b>102</b>	<b>114</b>	<b>137</b>	<b>20.4%</b>	<b>35.0%</b>	<b>272</b>	<b>285</b>	<b>4.9%</b>
<b>Net income (excl. banking tax)</b>	<b>102</b>	<b>114</b>	<b>137</b>	<b>20.4%</b>	<b>35.0%</b>	<b>272</b>	<b>349</b>	<b>28.4%</b>

(1) P&L is restated on IFRS 17. Small impacts mainly in NII, associates and other revenues.

## Main quarterly variations

### Revenues & OPEX:

- **NII:** Boosted by higher asset yields that more than offset increase in funding costs
- **Fee income:** Remains very resilient on the back of recurrent activity in a seasonally weak quarter
- **Other revenues:** Impacted in the quarter by the sale of NPA portfolios
- **Opex** under control. Personnel costs slightly down in the quarter after variable remuneration last quarter

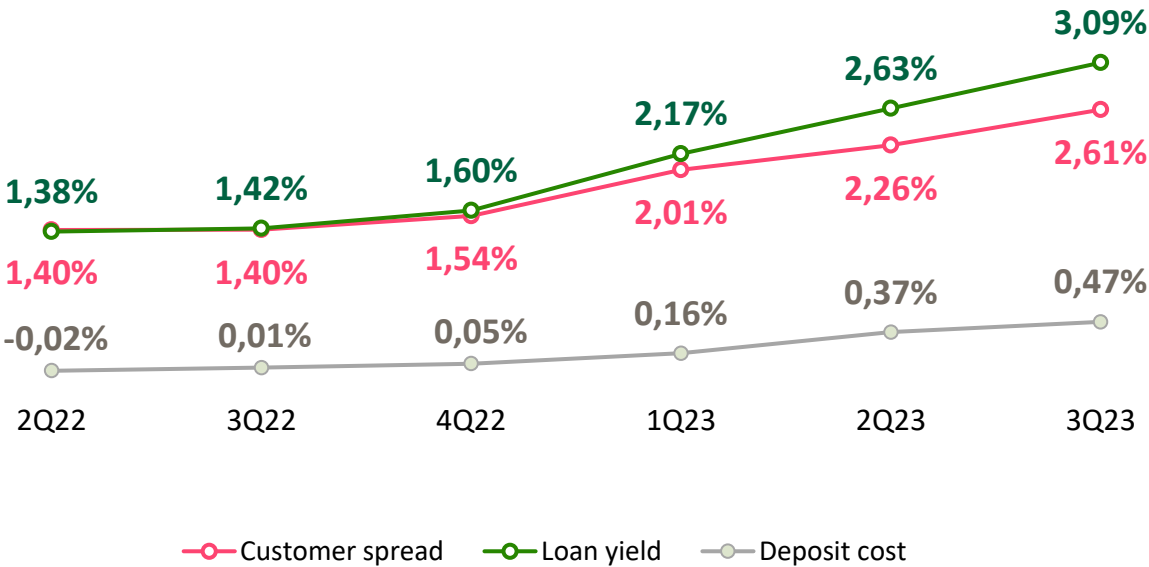
### Cost of risk and provisions:

- **Cost of risk:** 30 basis points in the quarter, remains very contained
- **Other provisions / Other profits or losses:** Lower litigation costs while we continue reinforcing NPAs coverage

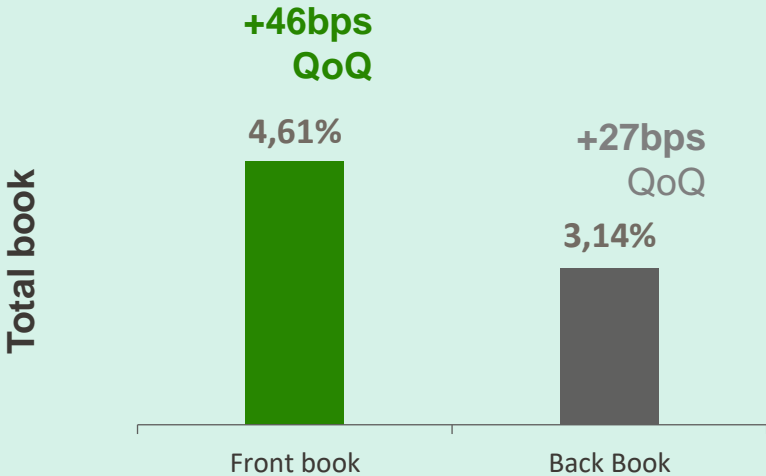
# Net interest income

Loan book repricing keeps gaining speed with contained deposit cost

Average quarterly customer spread (%)



Lending yields 3Q23  
Eop <sup>(1)</sup> (%)

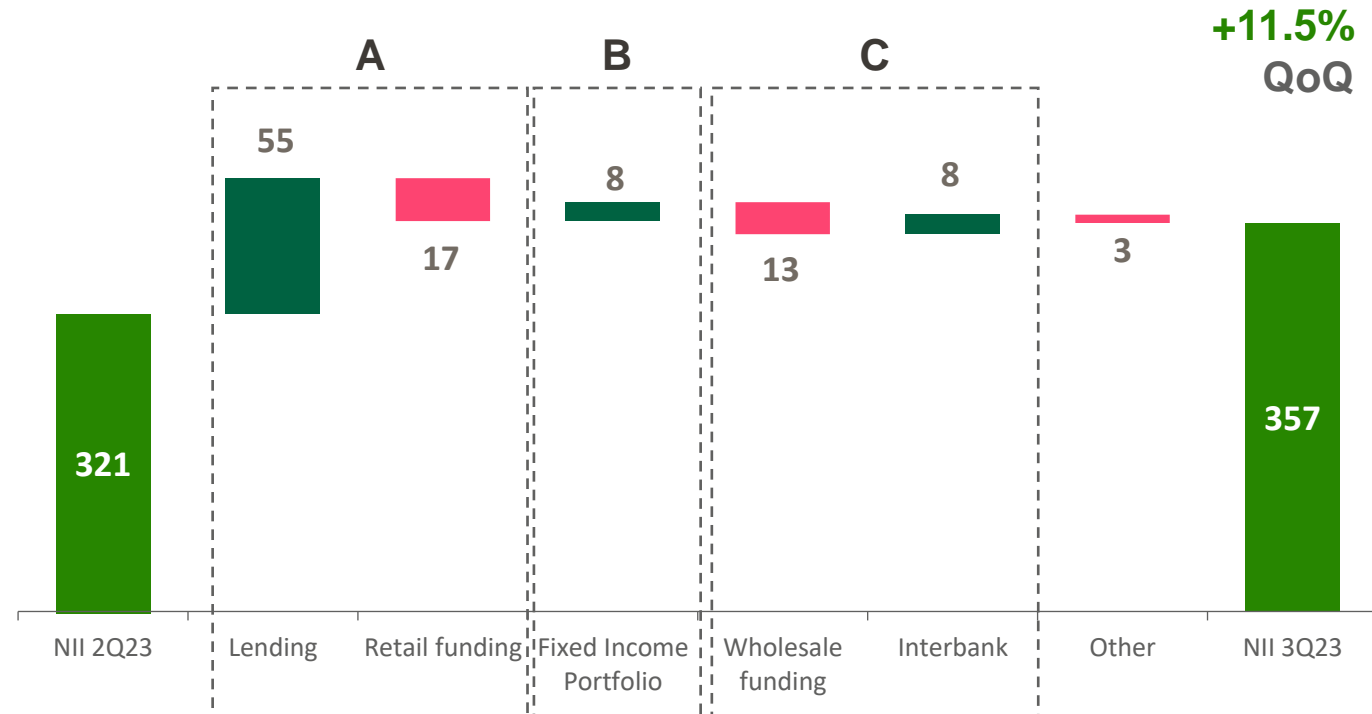


(1) EoP refers to last month of the quarter.

# Net interest income: Evolution

Improves 11.5% on the back of strong asset repricing

Net interest income quarterly evolution (€m)



## A Retail:

- **Lending:** Boosted by repricing on existing portfolio and higher new lending yields
- **Funding:** Contained customer **deposits cost at 47bps**, +10bps QoQ

## B Fixed income portfolio:

Average yield **improves from 2.35% to 2.51%** on the back of bonds at floating or hedged

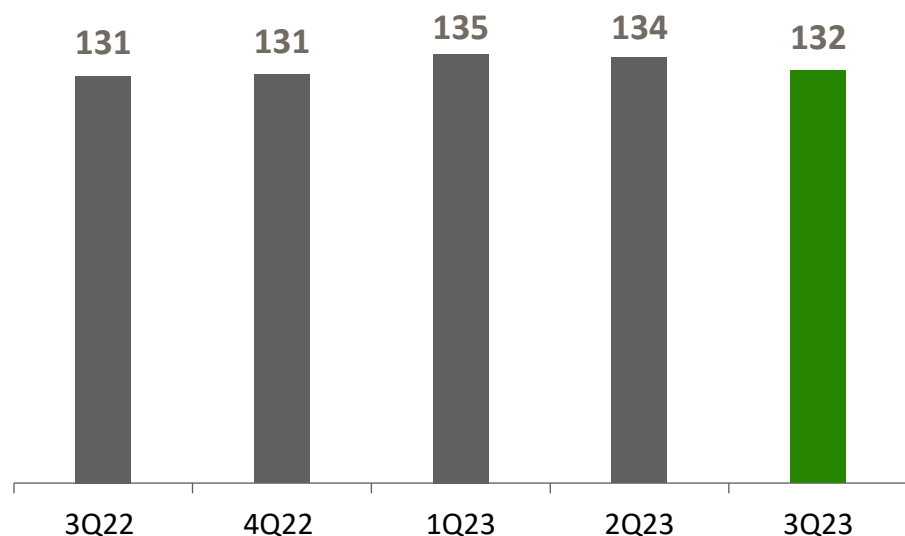
## C Wholesale funding:

- **Interbank:** Positive impact from improved liquidity position
- **Wholesale funding:** Impact from repricing and new issuance in September

# Fee income

Remains resilient on the back of recurrent fee income

Fee income evolution (€m)



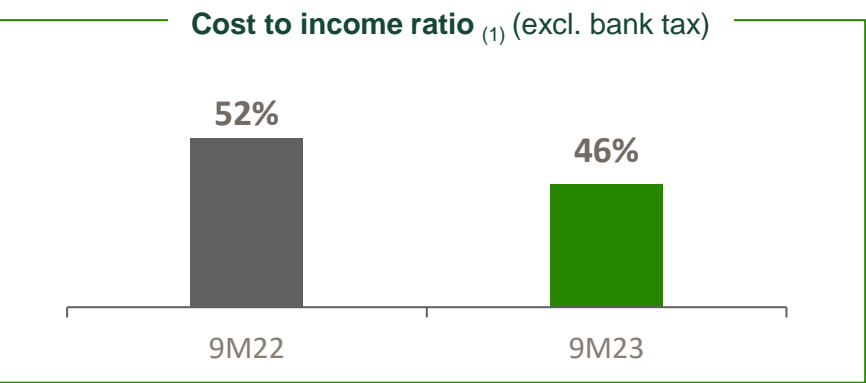
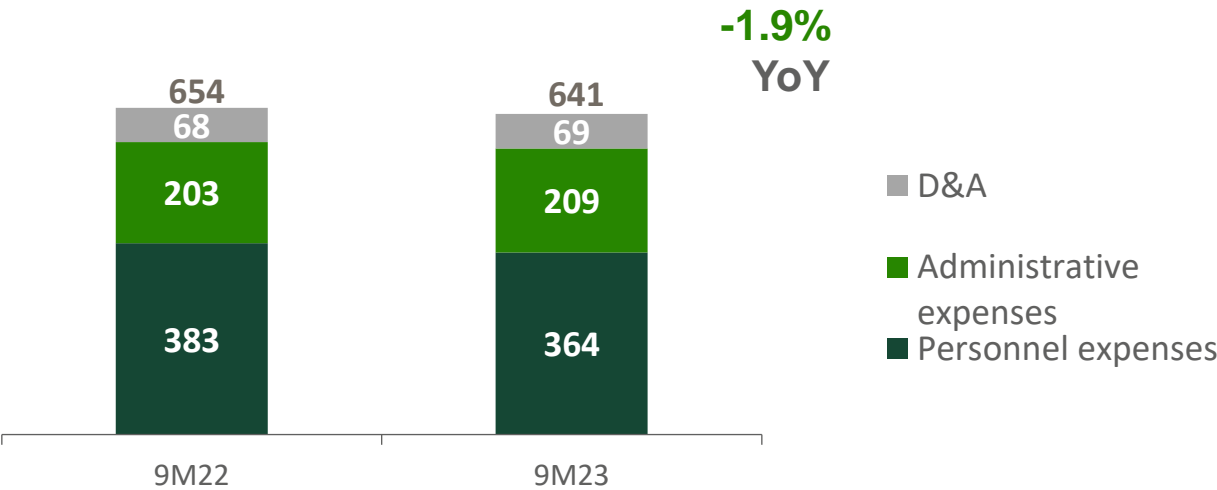
Fee income breakdown (€m)

Million Euros	3Q22	2Q23	3Q23	YoY	QoQ	9M22	9M23	%
Payments and accounts	78	75	75	-3.2%	-0.1%	224	223	-0.5%
Non-Banking fees	60	59	60	0.3%	1.6%	180	179	-0.2%
Mutual funds	34	31	33	-3.2%	6.6%	96	97	2.0%
Insurance	22	25	24	6.9%	-5.6%	76	74	-1.7%
Pension Plans	3	2	3	-8.5%	12.2%	9	8	-11.3%
Other fees	8	11	12	48.3%	12.9%	28	35	22.8%
Paid fees	(15)	(11)	(15)	3.8%	45.6%	(38)	(37)	-3.8%
<b>Total Fees</b>	<b>131</b>	<b>134</b>	<b>132</b>	<b>0.8%</b>	<b>-1.9%</b>	<b>394</b>	<b>401</b>	<b>1.6%</b>

# Operating expenses

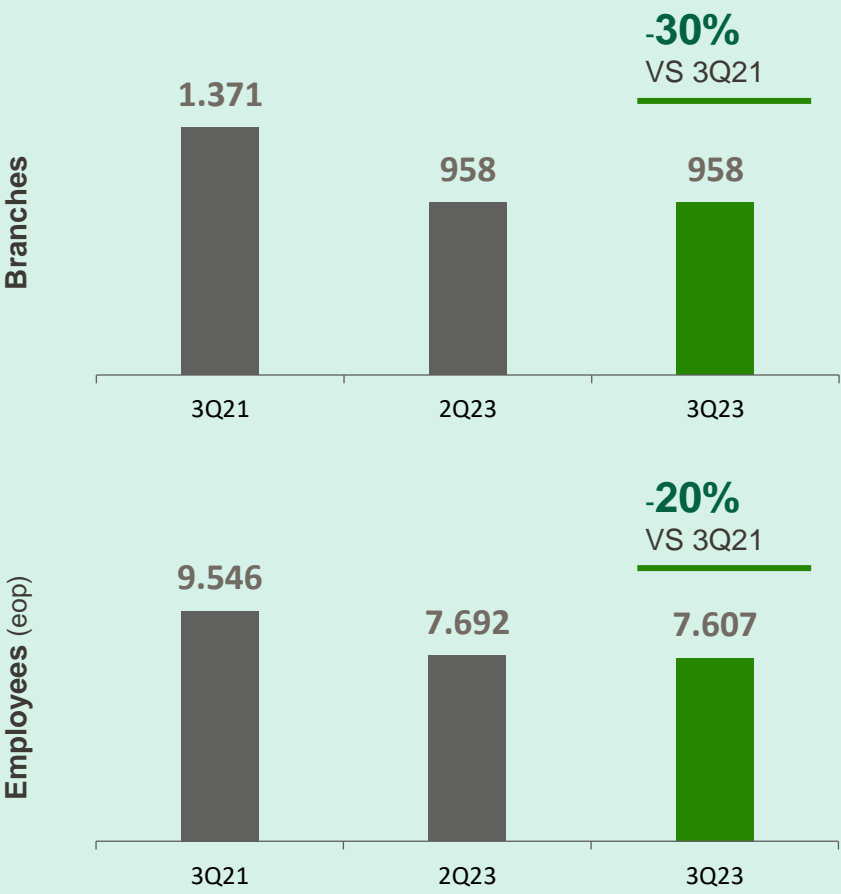
Costs continue to improve despite inflationary pressure

Operating expenses (€m)



(1) Costs include depreciation. Revenues exclude trading income. First nine months of the year.

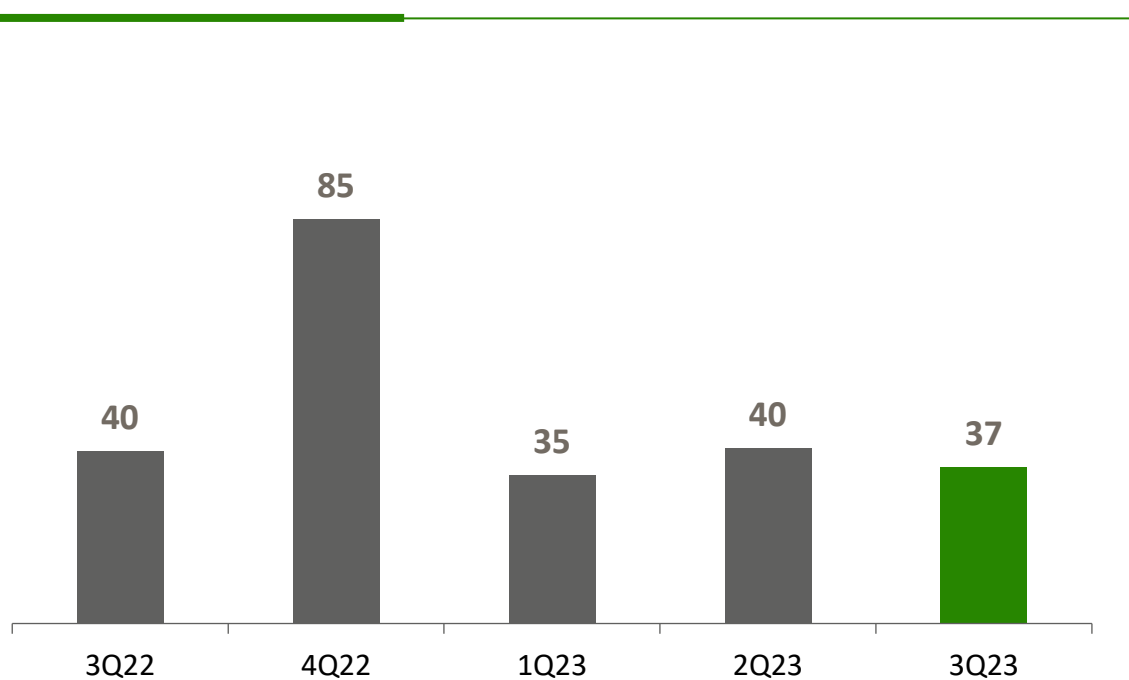
## Branches and employees evolution



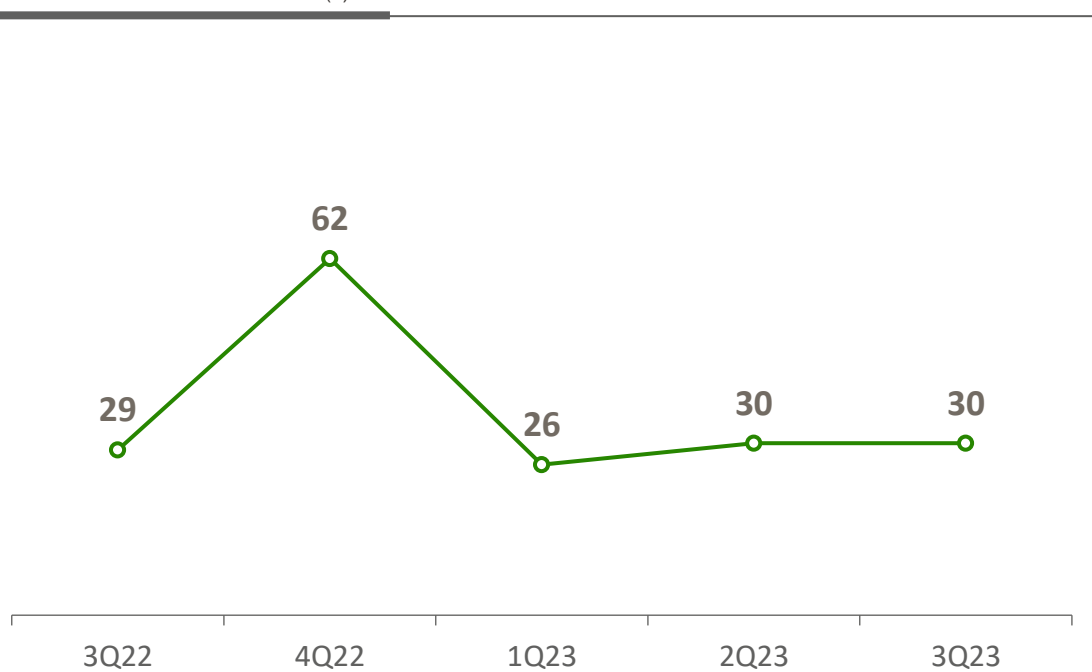
# Cost of risk

Remains very contained with low NPL entries and high quality recoveries in the quarter

Loan loss provisions (€m)



Quarterly cost of risk<sub>(1)</sub> (bps)



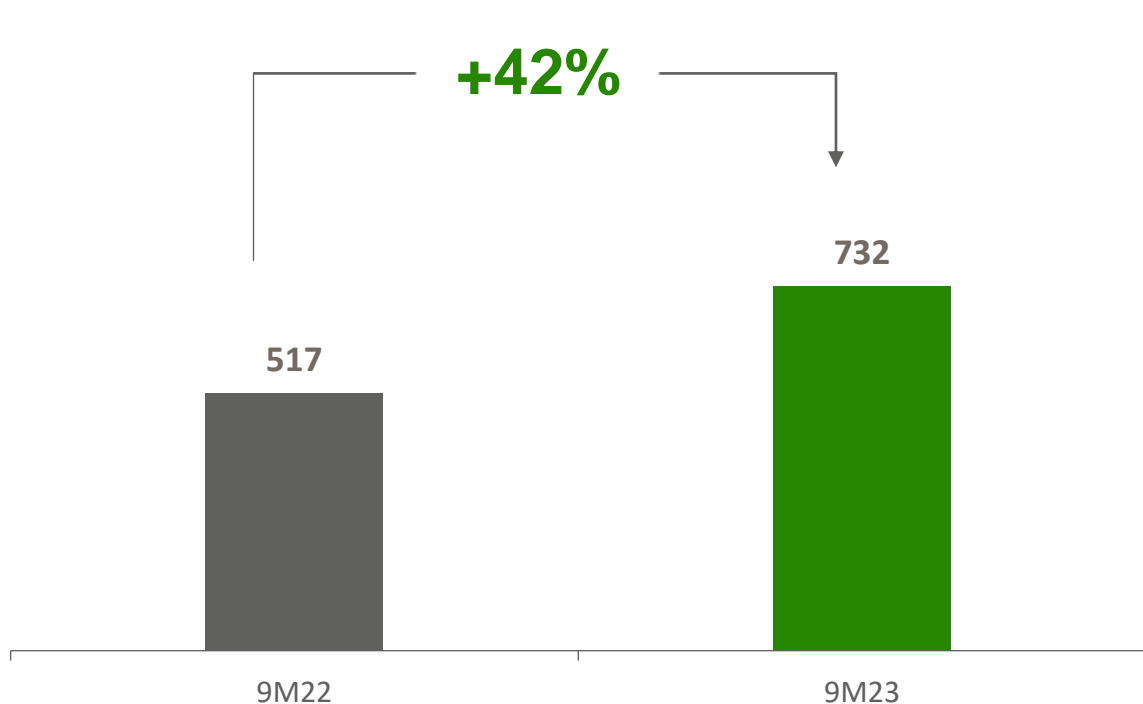
(1) Annualized quarterly cost of risk over EOP gross loans



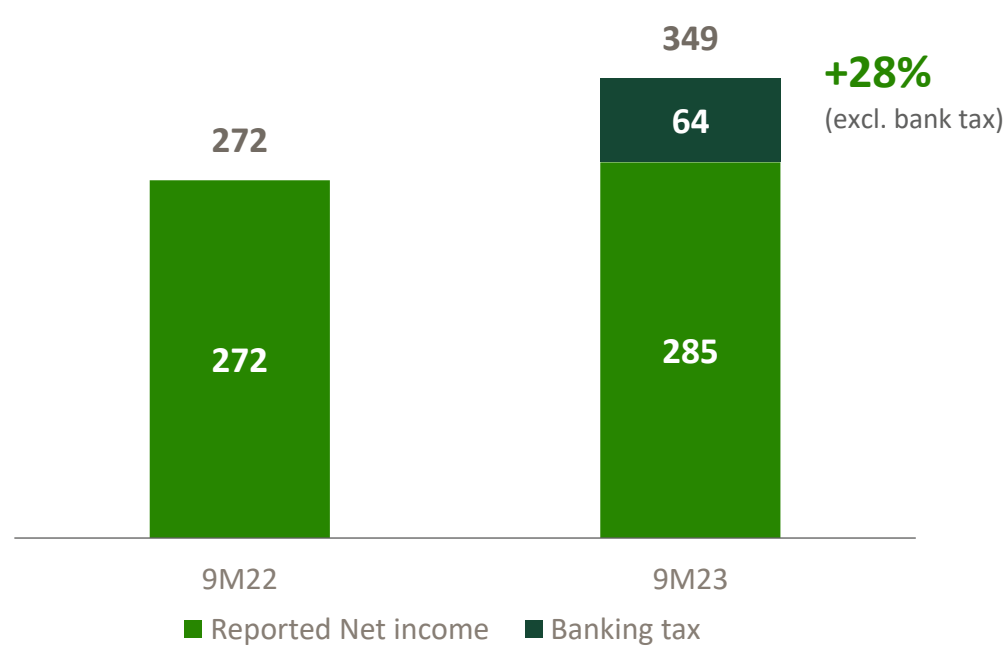
# Profitability

Core Banking margin improves by 42% in the year with improvements in all three lines

Banking margin (NII + Fees - OPEX) evolution (€m)



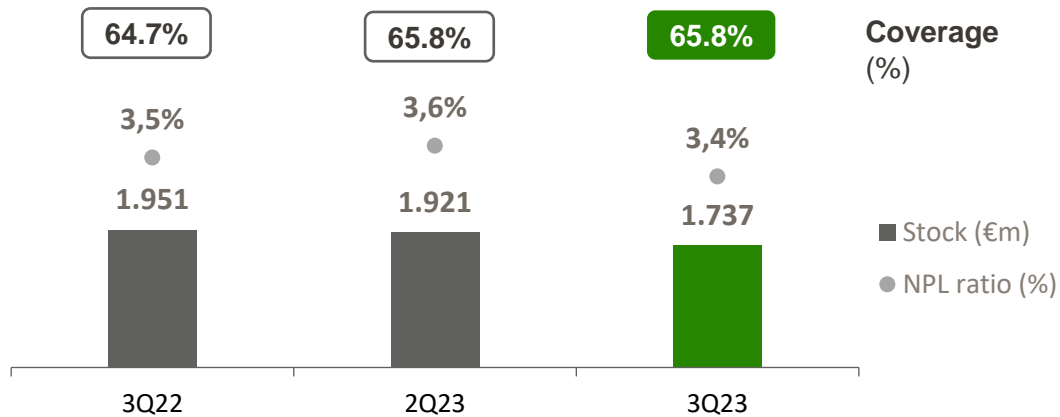
Net income evolution (excl. banking tax) (€m)



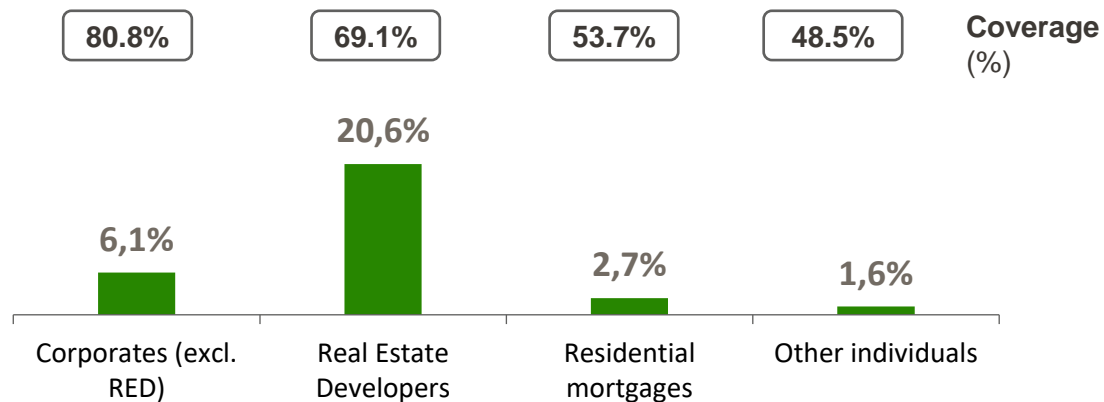
# Non performing loans

Decreased 10% in the quarter with stable coverage levels

Non-performing loans evolution



Loan book NPL ratio and coverage



~190m NPL portfolio sold in the quarter

## Defensive loan book

- >75% of the loan book is individuals and public sector
- 49% of NPLs are residential mortgages

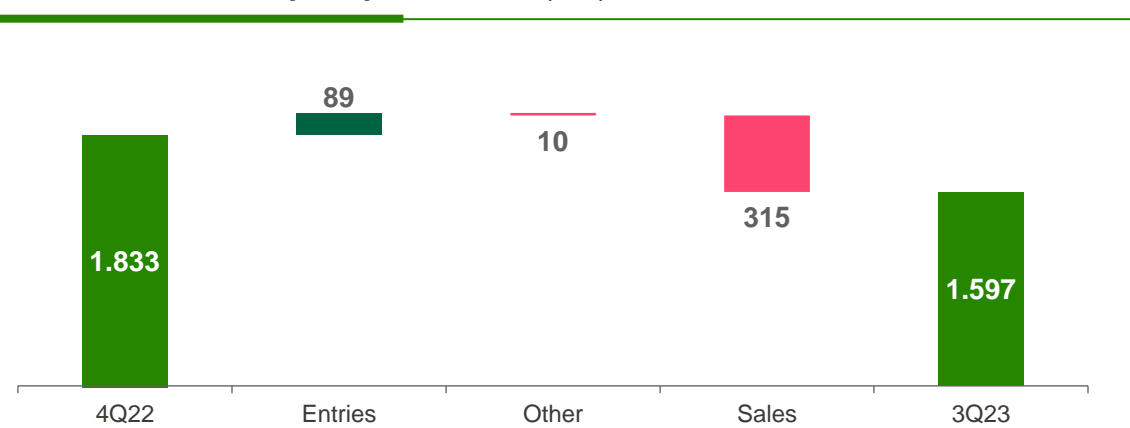
## Strong coverage levels

- 77% NPLs coverage level including ICO guarantee
- >100% Corporate loan book coverage level including ICO guarantee

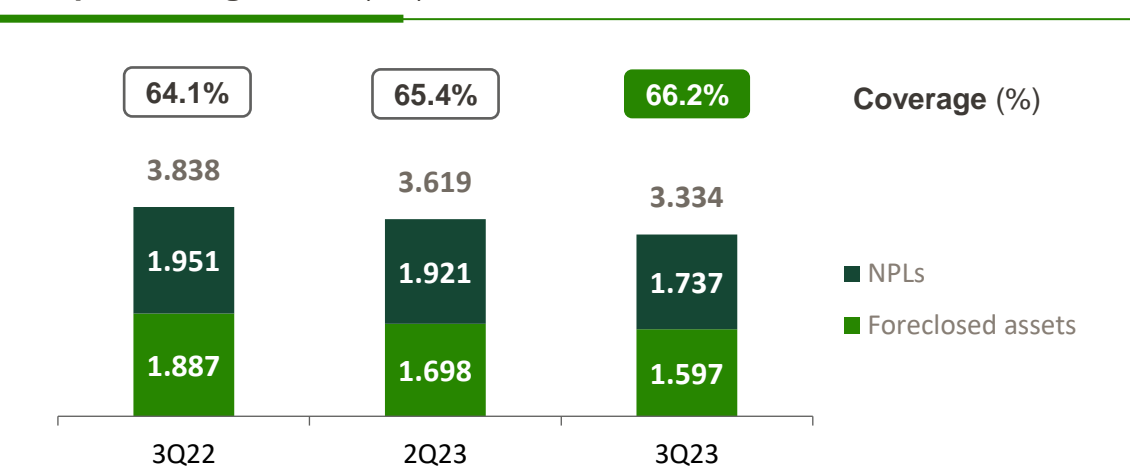
# Foreclosed assets

Decreased 6% in the quarter with improved coverage ratio

Foreclosed assets yearly evolution (€m)



Non-performing assets (€m)



Foreclosed assets breakdown and coverage

Foreclosed assets (€m)	NBV	Coverage (%)
Residential	158	58%
Building under construction	83	68%
Commercial RE	79	55%
Land	214	73%
Total	534	67%

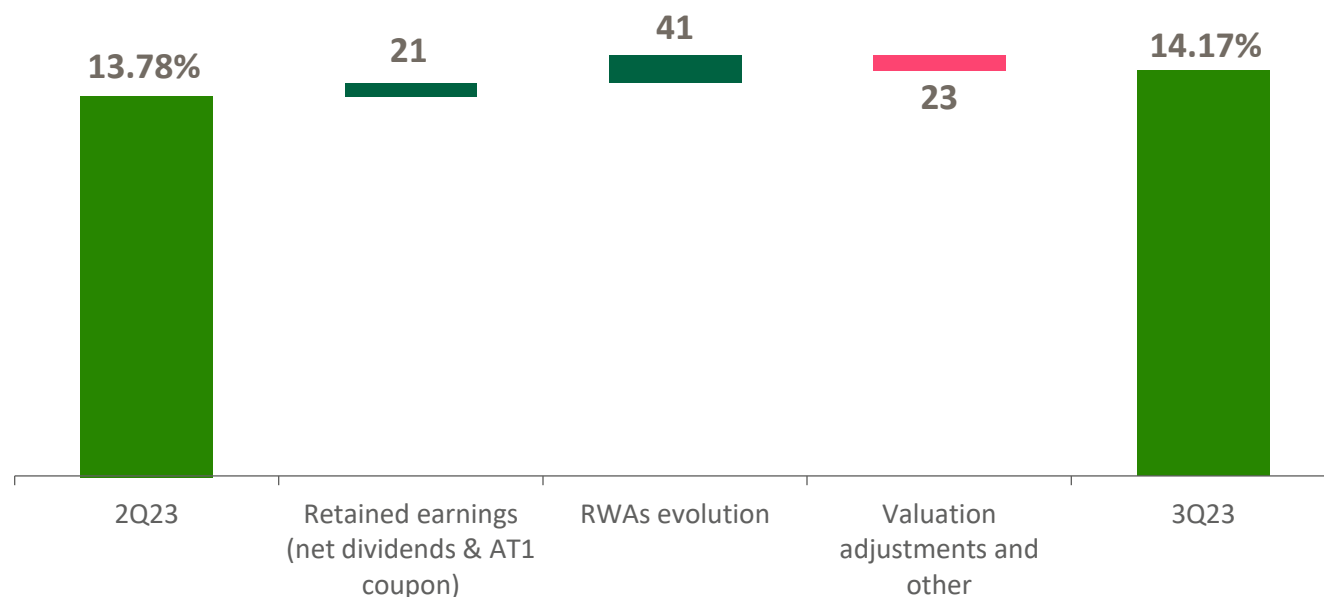
NPA Ratios			
	3Q22	2Q23	3Q23
NPA ratio (%)	6.7%	6.6%	6.3%
Net NPA ratio <sub>(1)</sub> (%)	2.5%	2.4%	2.2%

1. Net NPA ratio calculated as NPA (net of provisions) over net lending plus net foreclosed assets

# Solvency (I/II)

CET1 FL ratio increased 38bps in the quarter despite some market volatility

CET 1 Fully loaded<sub>(1)</sub> quarterly evolution (bps)



## Main quarterly movements

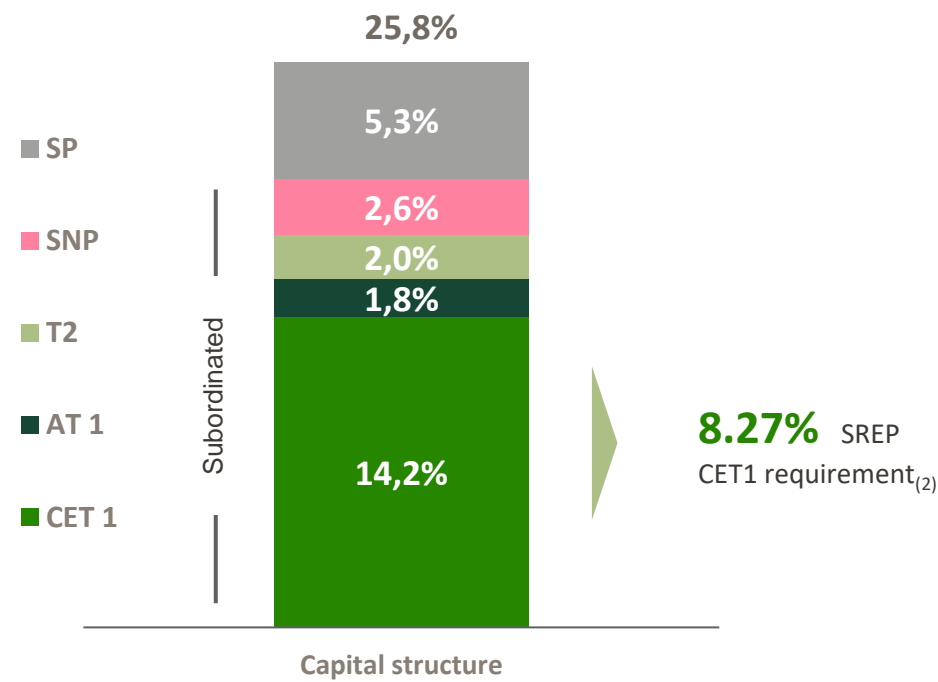
- **RWAs**
  - (-) Lower corporate loan book and NPAs
  - (-) Mortgage new lending under IRB
  - (-) Mark to market valuation of equity stakes
- **Valuation adjustments and other**
  - Mainly stake of Oppidum (EDP)

(1) Capital ratios include the net income pending approval from the ECB to be incorporated in the ratios and deducts accrued dividend of 50% of net income.

# Solvency (II/II)

Very comfortable capital position with ample regulatory buffers

Capital structure - MREL (fully loaded). September 2023



## Capital levels versus regulatory requirements

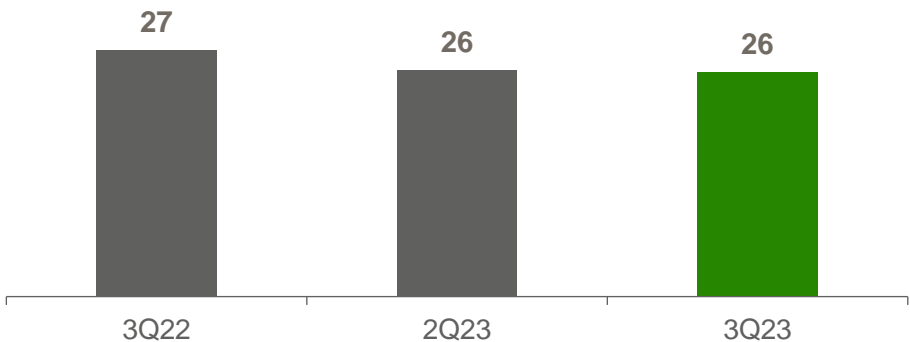
SREP requirement (Total)	12.75%
MREL <sub>(1)</sub> 2024 requirement	24.5%
MREL ratio (phased in)	26.1%
CET 1 FL buffer <sub>(2)</sub>	€1.8bn
MDA <sub>(3)</sub> buffer	548 bps

(1)MREL requirement of 24.5% of Total Risk Exposure amount (TREA) for 2024 includes a market confidence charge of 210 bps and 24.8% for January 2025.  
(2) Applying P2R (CRD IV) flexibility, art. 104, (3) Maximum distributable amount (MDA) calculated as total capital phased in minus SREP requirement.,

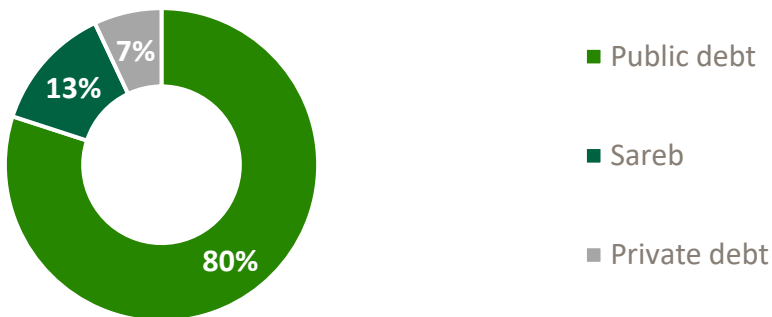
# Fixed income portfolio

Stable portfolio in the quarter with short duration

Fixed income portfolio evolution (€bn)



Fixed income portfolio breakdown (%)



## Fixed income portfolio

Duration

2.4 years

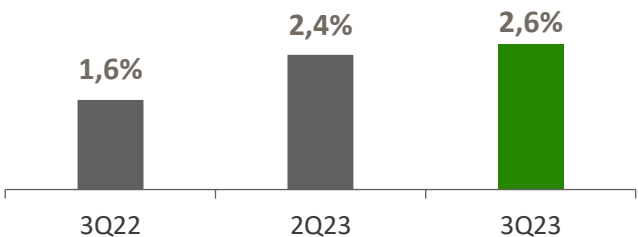
Yield (Eop)

2.6%

Amort. Cost (%)

97%

Yield (eop)  
evolution



# Wholesale funding

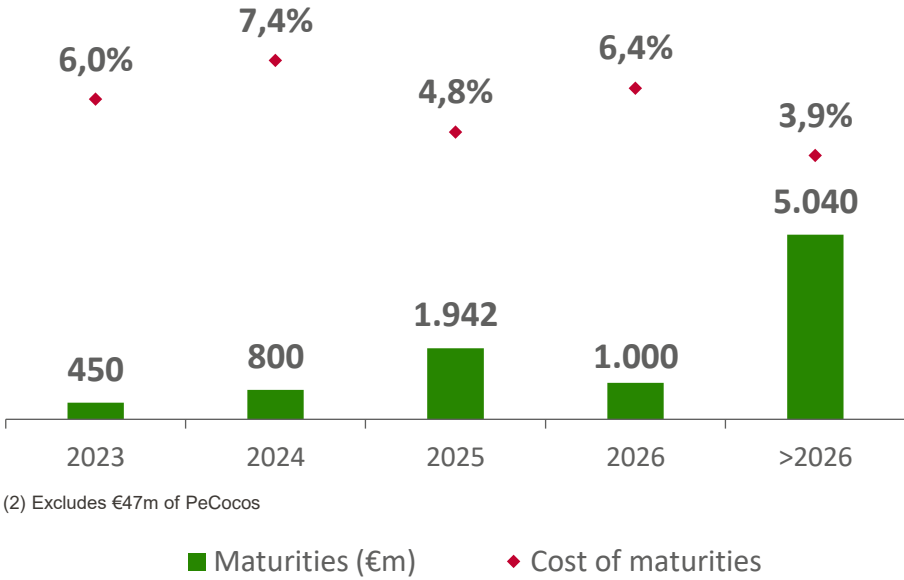
Well spread maturities and stable volumes expected going forward

## Wholesale funding breakdown and maturities <sup>(1)</sup>

	2023	2024	2025	2026	>2026	Total
AT1	-	-	-	500	-	500
Tier 2	-	300	-	-	300	600
Senior non-preferred	-	-	-	500	300	800
Senior preferred	-	500	660	-	500	1,660
Covered Bonds	450	-	1,282	-	3,940	5,672
<b>Total</b>	<b>450</b>	<b>800</b>	<b>1,942</b>	<b>1,000</b>	<b>5,040</b>	<b>9,232</b>

(1) SP , SNP, Tier 2 and AT1 refers to call date.

## Capital markets maturities and costs <sup>(2)</sup>



€300m green SNP issuance 5NC4 in September

# Liquidity

Leading liquidity ratios across Europe with just 900 million of TLTRO outstanding

## Main liquidity ratios

Loan to deposit

77%

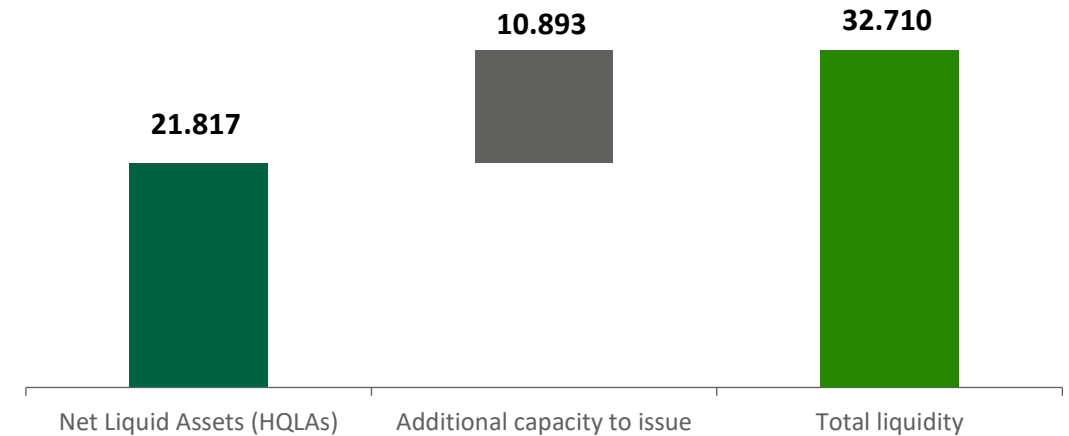
NSFR

147%

LCR

259%

## Liquid assets and issuance capacity



### Sticky and granular customer base:

- **c.80%** of the private deposits secured by the DGF
- **c.80%** of deposits are stable per LCR reporting
- **c.€20k** average account balance



# Digital business

Continuous improvement of digital activity and customer acquisition

## Digital customers



64%

number of **digital**  
customers <sup>(1)</sup>



31%

New customers  
**Digitally on-boarded**

## Digital activity



bizum

41%

Of our digital customers are  
active **Bizum** users

Mutual funds  26%

Consumer loans  47%

% of **new activity** through  
**remote channels**



(1) Active clients with login activity in the last 12 months



**03**

# **Sustainability Strategy**

# ESG

## Delivering in our environmental strategy

### Environmental



New **Green** issuance **€300m** SNP  
SNC4 **x4.5** **c.145**  
Book orders Final Investors



Totalling **€1.3Bn** in **x3** Green Bonds  
(**60%** of SP & SNP issuances)  
Eligible collateral **€1.8Bn**  
(**1.4x** over GB issued)






~**50%** Investment funds **art.8, 8+ & 9**



**100%** of Unicaja Banco's electricity  
consumption with guarantee of  
**renewable origin**










### Decarbonization targets

	Sector / Portfolio	Scenario	Emissions	Metric	2022 baseline	2030 targets	% decarbonization
	Oil & gas	IEA Net Zero by 2050	scope 1, 2, 3	tCO2eq/ M€	3,013	2,169	28%
	Energy	IEA Net Zero by 2050	scope 1, 2	KgCO2eq/MWh	115	44	62%
	Residential mortgages	IEA Net Zero by 2050	scope 1, 2	KgCO2eq/m2	54	39	28%

# ESG

## 2022 environmental impact of Green Bonds

The detail of the estimated environmental impact (1) for the projects assigned to each of the two green bonds issued by Unicaja Banco, from the date of issue of each of them until 31/12/2022, is as follows:

		Impact indicators					
		Allocated projects (number)	Allocated balance in € million	Impact in Tm CO2 avoided <sup>(1)</sup>	Energy generated (MWh/year)	Installed capacity (MWP)	SDG
	<b>Renewable Energy <sup>(2)</sup></b>	<b>32</b>	<b>388</b>	<b>34.702</b>	<b>215.415</b>	<b>390</b>	 
	Wind	2	17	2.951	18.102	31	
	Photovoltaic	22	280	26.599	163.184	334	
	Thermo-solar	8	92	5.153	34.129	26	
	<b>Green Buildings</b>	<b>1.505</b>	<b>613</b>	<b>142</b>			 
	Finished residential mortgages	1.425	278	22			
	Residential developments	80	335	120			
<b>TOTAL</b>		<b>1.537</b>	<b>1.001</b>	<b>34.844</b>	<b>215.415</b>	<b>390</b>	

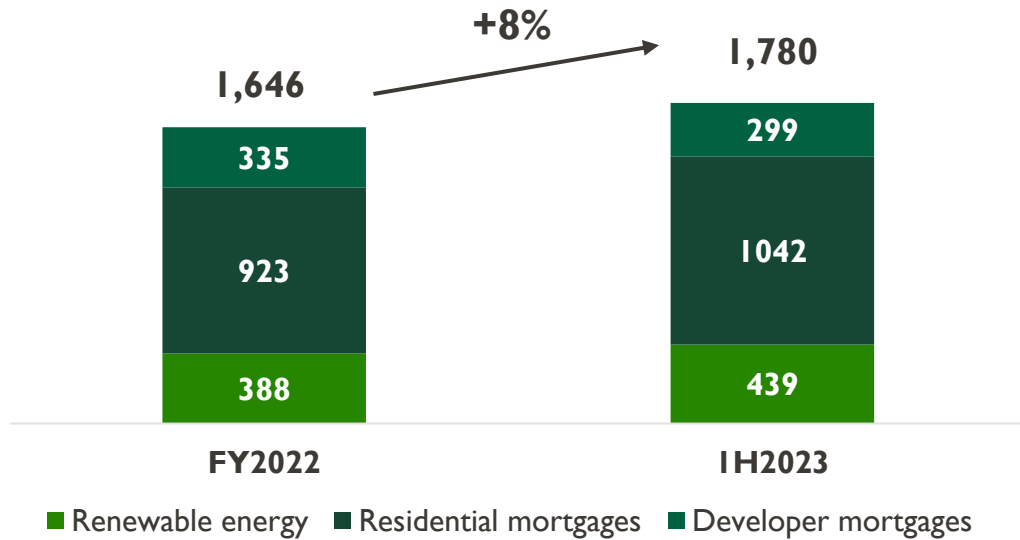
(1) The environmental impact has been calculated for each bond for the period from the date of issue to 31 December 2022.

(2) The impact of emissions avoided in renewable energy projects has been calculated considering Unicaja Banco's percentage stake in each financing project.

# ESG

Focused on ESG lending and sustainable products

Green Bond Framework eligible projects (€m)



## Unicaja Banco Green Bond Framework

- Aligned to ICMA **Green Bond Principles** (2021 version)
- Three-year **lookback period**
- **Following** the Technical Screening Criteria (TSC) of EU Taxonomy

## Promoting sustainable products:

- ✓ Green mortgage
- ✓ Agro Eco Sustainable Financing Credit Line
- ✓ Green Eco Motor Loan
- ✓ Mobility Master Plan (financing recharging points for electric or plug-in hybrid vehicles)
- ✓ Sustainable Investment Funds & Pension Funds



# ESG

Making progress in our commitment to sustainability



## Social

Strong commitment to financial inclusion

958

Branches

c.30% in municipalities  
<10,000 inhabitants

529

Agencies

89% in rural areas  
< 5.000 inhabitants

Adhered to the **code of good practice for vulnerable mortgage debtors**

~500  
homes

Contributed to the  
Social Housing Fund

€52

million

of dividend paid in 2023 to  
Foundations

~20

years of Financial  
Education

eduFΦnet  
Proyecto de Educación Financiera  
desde 2003

## Governance

Board of Directors



>40%

Women



>40%

Independent

Training on sustainable finance and  
ESG risks





**04**

# **Green Bond Framework**

# Unicaja Banco Green Bond Framework GBF (I)



## RATIONALE






- ✓ To align our financing strategy and funding program with our sustainable strategy and targets
- ✓ To promote and support the migration of assets towards a more sustainable balance sheet
- ✓ To contribute to the development of sustainable finance market

## OTHER KEY ELEMENTS

- ✓ To exclusively finance eligible sustainable projects
- ✓ Aligned to ICMA Green Bond Principles, 2021 version
- ✓ Intention to regularly follow the evolving new standards of the European Commission
- ✓ Three years lookback period



# Green Bond Framework: (I) Use of proceeds / Categories

	Eligible projects as at 1H2023 <sup>(1)</sup>	EU environmental objective	Sustainable Development Goals (SDG)
<b>Renewable energy</b>	<b>€439m<sup>(2)</sup></b>	<b>Climate change mitigation</b>	 
<b>Green buildings</b>	<b>€299m<sup>(2)</sup></b> (Developer Mortgages) <b>€1,042m<sup>(2)</sup></b> (Residential Mortgages)	<b>Climate change mitigation</b> <b>Adaptation to climate change</b>	  

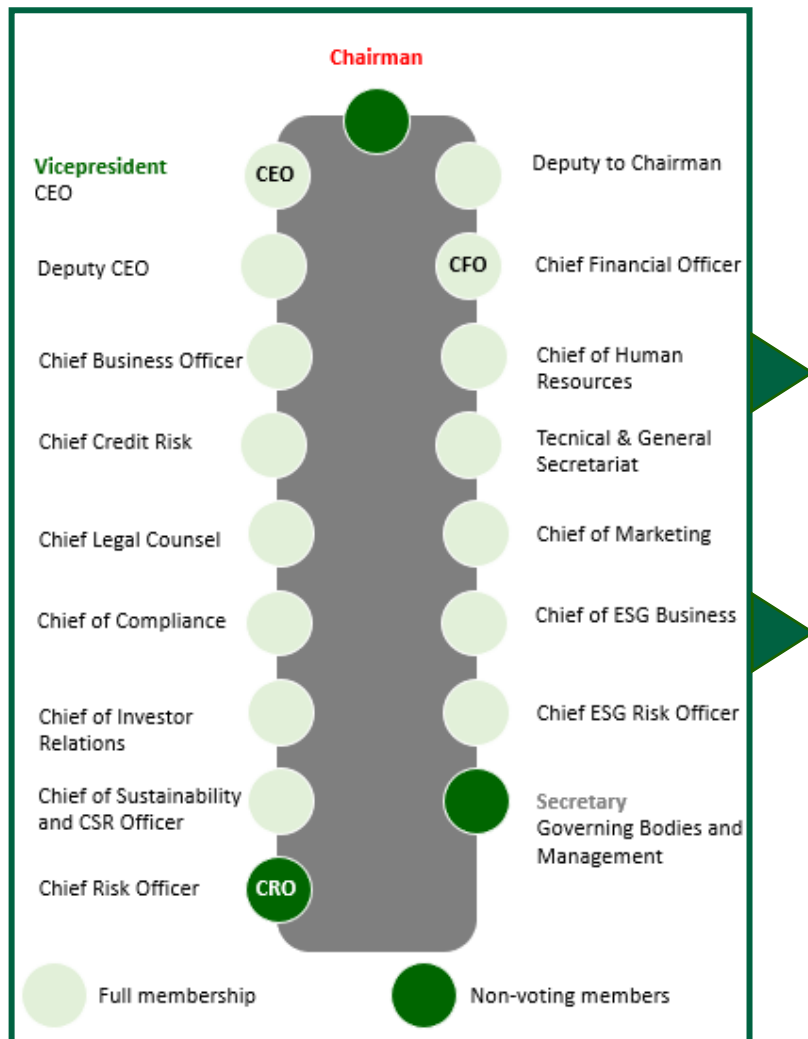
**Total €1,780m<sup>(1)</sup> of eligible loans under the Technical Screening Criteria (TSC) of EU Taxonomy, with 3 year lookback period**

(1) Eligible projects have integrated the EU taxonomy technical screening criteria. Projects that support or promote the following activities will not be eligible under this Framework as green eligible projects: alcohol, weapons, tobacco, gambling, mining industries and exploration, research and exploitation of fossil fuels

(2) As at June 2023

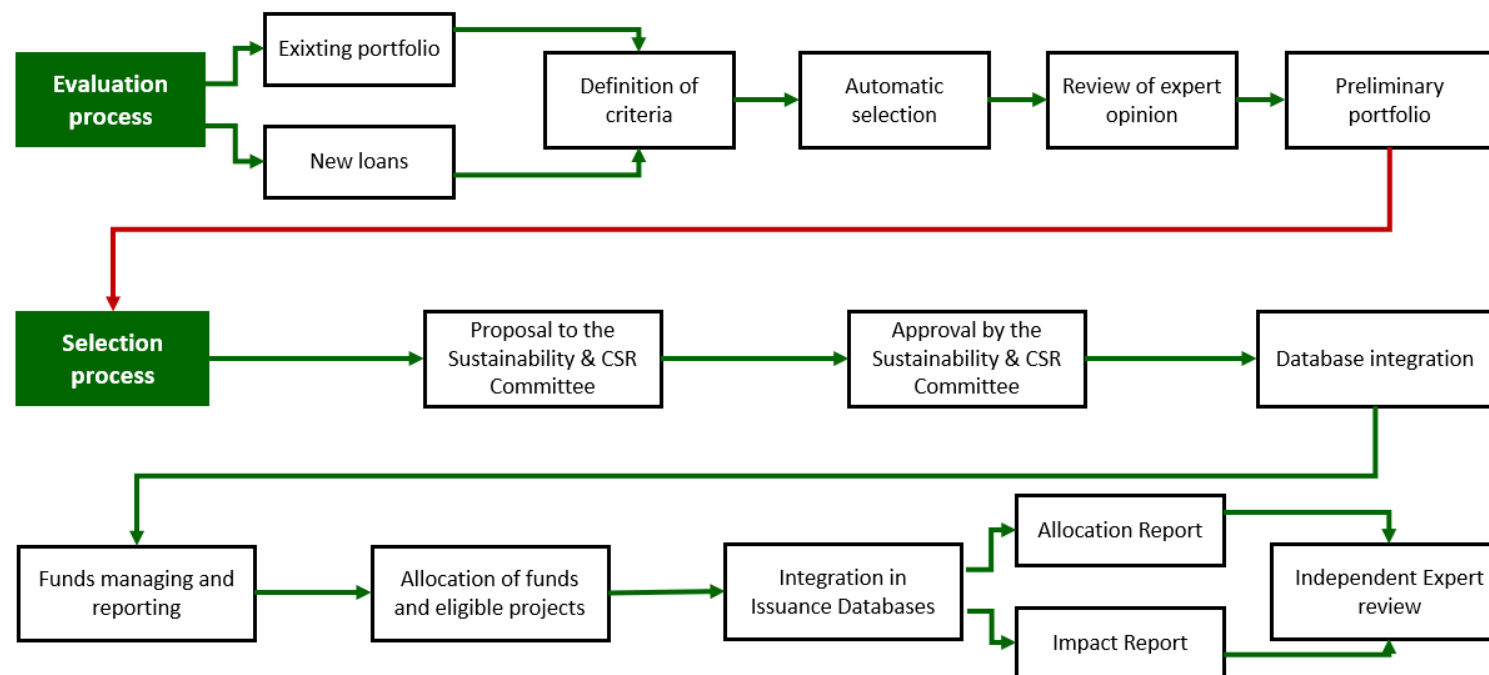
# Green Bond Framework: (2) Evaluation and selection

## Sustainability and CSR Committee



The bank will maintain **an inventory of all types of assets/loans, sectors and products** associated with the financings included in the GBF that will be assessed in regular basis by the Sustainability & CSR Committee

## Process for Project evaluation



## Green Bond Framework: (3) Management of proceeds

### Green Bond Register

The projects will be subject to a detailed control through their inclusion in a specific data base (**green bond register**) for monitoring their evolution. The green bond register will be dynamic since eligible projects will mature or might become ineligible and new eligible projects will be included in the register.

### Green Bond Register principles

- It will be constructed and maintained by the ESG Business Manager Directorate and will be subject to **periodic reviews** and discussion by the areas involved in the management of the GBF, as well as by the Sustainability and CSR Committee
- It will include **relevant information** of the bonds issued and details of the Eligible Green Projects, including information needed to assess the eligibility criteria and to calculate the environmental impact associated with any of these projects.
- We will **maintain an excess of eligible projects** above the balance issued in the form of green bonds to ensure compliance with the requirements of the use of proceeds and to allow the issuer to fully allocate the proceeds of each green bond to eligible projects as soon as practicable reasonable.
- **Unallocated proceeds** to eligible projects will be held in accordance with Unicaja Banco's normal liquidity management
- Unicaja Banco commits to **fully allocate the proceeds** of any green bonds issued under this Framework within the next **36 months** after issuance date
- Any project attached to a green bond issued that no longer meets the requirements for classification within any of the categories of green projects, will be replaced for another project that meets the eligibility criteria within a **maximum replacement period of 12 months**
- Methodologies of general acceptance in the market will be used for the calculation of the **environmental impacts** associated with Unicaja Banco's green bonds.

# Green Bond Framework: (4) Reporting

## Allocation Report

- It will be updated in the event of any material changes affecting Eligible Green Projects.
- It will include the amount of the net proceeds of the Green Bond.
- Percentage of proceeds allocated for financing and refinancing.
- The balance of unallocated proceeds at the end of the reporting period (if applicable).

## Impact Report

- It will be published on annual basis
- Information on expected environmental impacts by project category (category level).
- Other positive impacts of eligible projects.
- A description of eligible projects.
- The methodologies and assumptions used for the calculation of the impact.

## Example of impact metrics

### Green buildings:

- Estimated annual GHG emissions reduced/avoided (in tonnes of CO2 equivalent)
- Environmental Certifications/EPC labels obtained

### Renewable energy:

- Estimated annual GHG emissions reduced/avoided (in tonnes of CO2 equivalent)
- Installed capacity (MW)
- Estimated renewable energy production (MWh, future projects) or Renewable energy produced (MWh, past and future projects, where feasible)

## Green Bond Framework: (5) External review



### Second Party Opinion

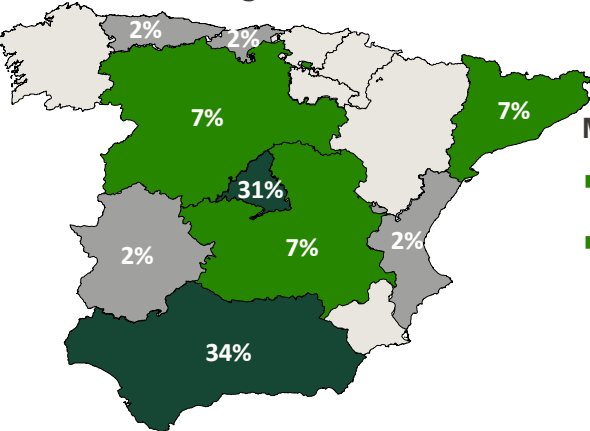
- “On the basis of the information provided by Unicaja Banco and the work undertaken, it is DNV’s opinion that the **Framework** meets the criteria established in the Protocol and that it is aligned with the stated definition of green bonds within the Green Bond Principles 2021.”
- “On the basis of the information provided by Unicaja Banco and the work undertaken, it is DNV’s opinion that the **Bond** meets the criteria established in the Protocol and that it is aligned with the stated definition of green bonds within the Green Bond Principles 2021.”

# Appendix

# Lending portfolios

## Residential mortgage portfolio

### 2023 New lending breakdown



### Main portfolio KPIs (stock)

- **67%**<sub>(1)</sub> at floating rate
- **94%** first residence

### 2023 new lending

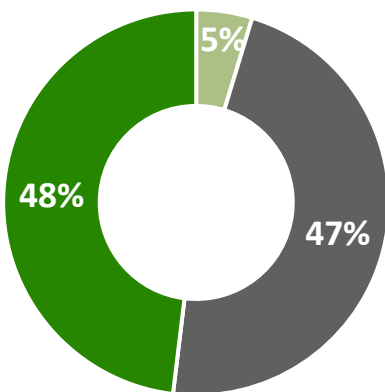


**c. €145k** average mortgage loan



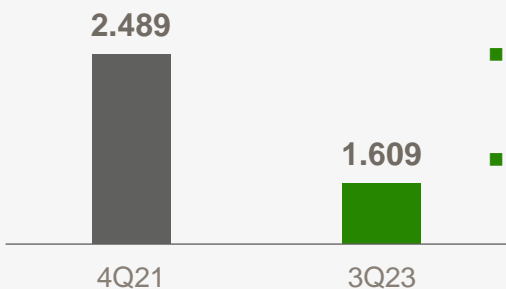
**c.4 products** average cross-selling

## Corporates portfolio (performing)



- Real Estate
- SMEs & SE
- Other corporates

### ICO loans (€m)



- **14%** of the corporate loan book
- **5%** down in the quarter and **35%** since 2021

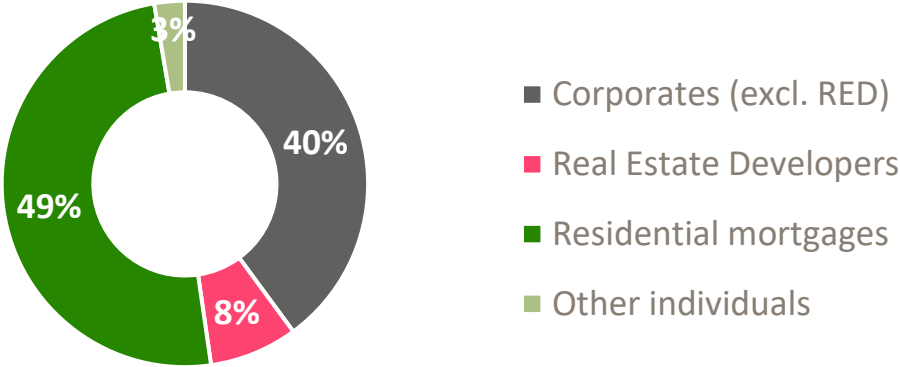
(1) Includes mixed mortgages and mortgage book swapped at variable rate.

# NPL breakdown and credit stages

Credit breakdown by stages

Sept. 2023 (€m)	Stage 1	Stage 2	Stage 3
Gross Balance	46,133	3,400	1,737
Provisions	190	211	740
Coverage level (%)	0.4%	6.2%	42.6%

NPLs breakdown





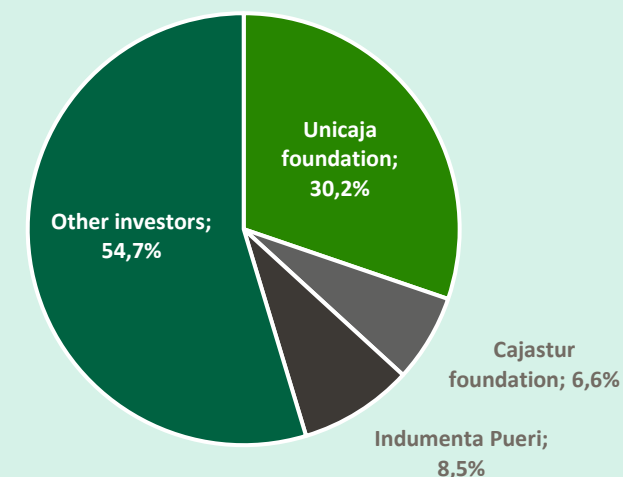
# Share and book value

## Share metrics and book value<sup>(1)</sup>

Share and liquidity:	2Q23	3Q23
# O/S shares (m)	2,655	2,655
Last price (€)	0.96	1.02
Max price (€)	1.05	1.08
Min price (€)	0.89	0.92
Avg. daily traded volume (#shares m)	6.10	9.14
Avg. daily traded volume (€ m)	5.81	9.11
Market Capitalization (€ m)	2,557	2,705
Book Value:		
BV <sub>(1)</sub> exc. minorities (€m)	5,826	6,015
TBV <sub>(2)</sub> (€m)	5,746	5,878
Ratios:		
BVps (€)	2.19	2.27
TBVps (€)	2.16	2.21
PBV	0.44x	0.45x
PTBV	0.44x	0.46x

(1) Book value excludes €547m of AT1 and other comprehensive income (2) Tangible Book Value excludes €53m of goodwill from associates and intangibles.

## Shareholder base



Source. CNMV as of 30/09/2023 and 2022 Unicaja Banco corporate governance report

# Income statement

Million euros	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	QoQ (%)	YoY (%)
<b>Net Interest Income</b>	<b>251</b>	<b>235</b>	<b>238</b>	<b>271</b>	<b>267</b>	<b>297</b>	<b>295</b>	<b>321</b>	<b>357</b>	<b>11.5%</b>	<b>33.9%</b>
Dividends	1	5	1	12	3	3	0	18	6	-64.8%	94.6%
Associates	15	10	3	39	15	23	14	34	15	-57.2%	-2.6%
Net fees	121	134	133	130	131	131	135	134	132	-1.9%	0.8%
Trading income + Exch. Diff.	4	21	8	19	8	17	9	(0)	7	na	-5.1%
Other revenues/(expenses)	(7)	(91)	2	(25)	3	(124)	(79)	(49)	(14)	-70.7%	na
<b>Gross Margin</b>	<b>385</b>	<b>313</b>	<b>386</b>	<b>446</b>	<b>426</b>	<b>347</b>	<b>373</b>	<b>458</b>	<b>503</b>	<b>9.8%</b>	<b>18.0%</b>
Operating expenses	(235)	(223)	(219)	(217)	(218)	(208)	(212)	(216)	(213)	-1.5%	-2.2%
Personnel expenses	(141)	(140)	(129)	(129)	(125)	(123)	(120)	(124)	(120)	-3.4%	-4.1%
SG&A	(70)	(61)	(67)	(65)	(70)	(62)	(71)	(69)	(69)	0.4%	-1.9%
D&A	(23)	(22)	(23)	(23)	(22)	(22)	(22)	(23)	(24)	2.6%	7.9%
<b>Pre Provision Profit</b>	<b>150</b>	<b>90</b>	<b>168</b>	<b>229</b>	<b>209</b>	<b>139</b>	<b>160</b>	<b>242</b>	<b>290</b>	<b>20.0%</b>	<b>39.0%</b>
Loan los provisions <sup>(1)</sup>	(57)	(56)	(51)	(38)	(40)	(85)	(35)	(40)	(37)	-9.1%	-7.7%
Other provisions <sup>(1)</sup>	(12)	(34)	(27)	(25)	(32)	(10)	(33)	(30)	(25)	-16.0%	-21.6%
Other profits or losses	(10)	(23)	(2)	(21)	2	(32)	(20)	(21)	(38)	77.6%	na
<b>Pre Tax profit</b>	<b>71</b>	<b>(24)</b>	<b>88</b>	<b>145</b>	<b>138</b>	<b>12</b>	<b>73</b>	<b>150</b>	<b>190</b>	<b>26.8%</b>	<b>37.4%</b>
Tax	(18)	5	(25)	(37)	(37)	(6)	(38)	(36)	(53)	47.0%	44.2%
<b>Net Income</b>	<b>54</b>	<b>(18)</b>	<b>63</b>	<b>107</b>	<b>102</b>	<b>6</b>	<b>34</b>	<b>114</b>	<b>137</b>	<b>20.4%</b>	<b>35.0%</b>

Note: All information is prepared on a pro forma basis for comparability. P&L is restated on IFRS 17. Small impacts mainly in NII, associates and other revenues

(1) 3Q21 excludes badwill, €39m of transaction charges and 4Q21 excludes €377m of restructuring charges (gross figures)

# Balance sheet

Million euros	30/09/2022	31/12/2022	30/06/2023	30/09/2023
Cash on hand, Central Banks and Other demand deposits	16.245	4,662	6.879	6.846
Assets held for trading & Financial assets at fair value through P&L	190	208	203	204
Financial assets at fair value through other comprehensive income	1.098	1,008	1.169	1.453
Financial assets at amortised cost	56.722	55,316	53.750	51.797
Loans and advances to central banks and credit institution	1.030	990	1.065	880
Loans and advances to customers	55.693	54,326	52.685	50.917
Debt securities at amortised cost	27.295	26,867	25.354	24.824
Hedging derivatives	2.201	1,813	1.533	1.990
Investment in joint ventures and associates	950	983	986	930
Tangible assets	2.125	1,996	1.925	1.871
Intangible assets	76	75	80	85
Tax assets	5.111	5,076	4.705	4.699
Other assets & NCAHFS	943	984	674	546
<b>Total Assets</b>	<b>112.956</b>	<b>98,987</b>	<b>97.259</b>	<b>95.245</b>
Financial liabilities held for trading & at fair value through P&L	50	53	50	53
Financial liabilities at amortised cost	102.668	88,933	87.109	85.132
Deposits from central Banks	10.238	5,321	936	944
Deposits from credit institutions	9.069	3,418	4.541	4.124
Customer Deposits	77.843	74,386	74.095	73.299
Other Issued Securities	2.872	3,329	3.854	4.181
Other financial liabilities	2.646	2,478	3.684	2.583
Hedging derivatives	996	1,082	1.115	1.063
Provisions	1.204	1,085	1.023	1.010
Tax liabilities	436	364	460	453
Other liabilities	1.105	992	1.022	994
<b>Total Liabilities</b>	<b>106.460</b>	<b>92,510</b>	<b>90.779</b>	<b>88.705</b>
Own Funds	6.626	6,483	6.429	6.565
Accumulated other comprehensive income	(131)	(7)	49	(29)
Minority interests	0	0	3	2
<b>Total Equity</b>	<b>6.496</b>	<b>6,477</b>	<b>6.480</b>	<b>6.539</b>
<b>Total Equity and Liabilities</b>	<b>112.956</b>	<b>98,987</b>	<b>97.259</b>	<b>95.245</b>

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**Many thanks**

Unicaja Banco Fixed Income Presentation

3Q 2023