CaixaBank

Interim Consolidated Management Report

January – June 2022

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The income statement and the consolidated balance sheet and the corresponding breakdowns of those statements provided in this report, are presented under management criteria, but have still been prepared in accordance with International Financial Reporting Standards (IFRS-EU) as adopted by the European Union under the terms of Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002, as subsequently amended. In preparing these statements, Circular 4/2017 of the Bank of Spain of 6 December, as subsequently modified, has also been taken into due account in that it adapts IFRS-EU to Spanish credit institutions.

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This report contains a number of the Alternative Performance Measures (APMs) set out in the Guidelines on Alternative Performance Measures published by the European Securities and Markets Authority on 30 June 2015 (ESMA/2015/1057) ("the ESMA Guidelines") so as to provide a clearer picture of the Entity's financial performance and situation. Please be advised that these APMs have not been audited. These measures are considered additional disclosures and in no case replace the financial information prepared under IFRSs. Moreover, the way the Group defines and calculates these measures may differ to the way similar measures are calculated by other companies. As such, they may not be comparable. Please refer to the 'Glossary' section of the document for details of the APMs used, as well as for the reconciliation of certain management indicators to the indicators presented in the consolidated financial statements prepared under the IFRS.

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Figures are presented in millions of euros unless the use of another monetary unit is stated explicitly, and may be expressed as either million euros or € million.

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Glossary - Alternative Performance Measures (APMs) definition

The Consolidated Interim Management Report, in accordance with Circular 3/2018 of the CNMV, must incorporate the most important events during the interim period, as well as a description of the main risks and uncertainties regarding that half of the year, which significantly alter any of the messages contained in the Consolidated Management Report drawn up in the previous financial year. For this reason, and in order to understand the information properly, it is important to read this document together with the 2021 Consolidated Management Report written by the Board of Directors on 17 February 2022.

The CNMV Listed Company Guide to Drawing up the Management Report was used to create this document.

From 1 January 2022 until the time that this report was written, no significant events took place in terms of the development of the Group, not mentioned herein.

CaixaBank in June 2022

>> CUSTOMERS

Spain's #1 bank with a solid position in Portugal

20.4m funds

11.1m digital customers

4,539 branches

Best Bank in Spain 2022 and Best Bank in Western Europe 2022 by Global Finance

Best Bank in Spain and Portugal 2022, by Euromoney

>> SHAREHOLDERS AND INVESTORS

Resilient income

€1,573m attributable profit

€5,649m Core income

7.9% 12-month ROTE ex M&A impacts

Solid capital position

12.4% CET1 with IFRS9 transitional adjustments

Stability in credit-quality metrics

3.2% Non-performing ratio

0.23% Cost of risk 12 months

Greater shareholder remuneration

>50% pay-out IN CASH

€0.1463 earnings per share

€641m SHARE BUYBACK PROGRAMME

>> EMPLOYEES

Commitment to diversity

45,022 Employees

56.5% Female

43.5% Male

41.3% women in CaixaBank, S.A. managerial positions

Certificate with excellence level A

>> ENVIRONMENT AND CLIMATE

OUR 2024 COMMITMENT

to mobilise €64,000m in sustainable financing

413,300 MicroBank beneficiaries

€3,582m of own green bonds issued between 2019–2022

Founding member of the Net-Zero Banking Alliance (NZBA)

CaixaBank named "Best Bank for Sustainable Finance in Spain 2022" by Global Finance magazine

>> SOCIETY

Committed to the senior collective

Certified by AENOR as "organisation committed to the elderly"

€4,000m of own social bonds issued between 2019-2022

>€48,000m Assets managed with a high sustainability rating according to SFRD (articles 8 and 9)

Milestones of the first six months of the year

>> JANUARY

CaixaBank issues a new social **bond for 1,000 million euros** to fund loans to families, self-employed workers and SMEs in Spain

CaixaBank exceeds **6 million users** registered with Bizum

>> FEBRUARY

CaixaBank consolidates its specialised division for technology companies and innovative companies by opening **three new DayOne centres**

CaixaBank, '*Best shareholder service by listed company 2021*' in the Rankia Stock Exchange Awards

>> MARCH

CaixaBank has issued **6 million 100%-recycled cards** in Spain

CaixaBank successfully places its **second bond in pounds** valued at 500 million

>> APRIL

Takes the leap into the metaverse becoming the first European fintech company in the virtual world

CaixaBank posts an attributable profit of **707 million euros** in the first quarter, up 37.6% on a like-for-like basis

>> MAY

[Presentation of the 2022–2024 Strategic Plan] CaixaBank makes service quality a pillar of its Strategic Plan and aims to achieve profitability of over 12%

the Board of Directors resolved to approve and initiate a **share buyback program for a maximum of €1,800m**

>> JUNE

Imagin integrates a **calculator** into its app so that users can measure their **carbon footprint**

CaixaBank, named "*Best Private Bank in Big Data Analytics and Artificial Intelligence in Europe*" and "*Best Private Bank in Digital Marketing and Communication in Europe*" by PWM magazine (FT Group)

1. Our identity

CaixaBank is a financial group with a **socially responsible universal banking model,** with a long-term vision based on **quality, proximity and specialisation,** which offers a value proposal of products and services adapted for each sector, adopting innovation as a strategic challenge and a distinguishing feature of its corporate culture, and whose leading position in retail banking in Spain and Portugal makes it a key player in supporting sustainable economic growth.

CaixaBank, S.A. is the parent company of a group of financial services, whose stock is traded on the stock exchanges of Barcelona, Madrid, Valencia and Bilbao and on the continuous market. It has been part of the IBEX-35 since 2011, as well as the Euro Stoxx Bank Price EUR, the MSCI Europe and the MSCI Pan-Euro.

Impact on the Company

Our mission.
To contribute to our customers' **financial well-being and the progress of society**

CaixaBank offers its customers the best tools and expert advice to make decisions and develop habits that form the basis of financial well-being and enable them, for example, to appropriately plan to address recurring expenses, cover unforeseen events, maintain purchasing power during retirement or to make their dreams and projects come true.

Besides contributing to our customers' financial well-being, our purpose is to support the progress of the whole of society. We are a deeply-rooted retail bank in all areas in which we work and, for this reason, we feel a part of the progress of the communities where we engage our business.

>> WE DO THIS WITH:

- specialized advice,
- personal finance simulation and monitoring tools.
- comfortable and secure payment methods,
- a broad range of saving, pension and insurance products,
- responsibly-granted loans,
- and, overseeing the security of our customers' personal information.

>> WE CONTRIBUTE TO THE PROGRESS OF SOCIETY:

- effectively and prudently channelling savings and financing, and guaranteeing an efficient and secure payment system,
- through financial inclusion and education; environmental sustainability; support for diversity; with housing aid programmes; and promoting corporate voluntary work,
- and, of course, through our collaboration with the Obra Social (social work) of the "la Caixa" Foundation, whose budget is partly nourished through the dividends that CriteriaCaixa earns from its stake in CaixaBank. A major part of this budget is funnelled into identified local needs through the CaixaBank branch network in Spain and BPI in Portugal.

1.1 Group structure

CaixaBank Group >> 45,022 | Credit institution Spain

CaixaBank, S.A. >> 36,422

>> BUSINESS SUPPORT

>> GROUP ENTITIES

- **730** CaixaBank Operational Services (100%) — Services for back office administration
- **651** CaixaBank Tech (100%) — Provision of IT services
- **228** Centro de Servicios Operativos Ingeniería de Procesos (100%) — Services for back office administration
- **212** CaixaBank Facilities Management (100%) — Project management, maintenance, logistics and procurement
- **128** CaixaBank Bussiness Intelligence (100%) — Development of digital projects

>> ASSOCIATES AND JOINT VENTURES

- >> IT Now (49%) — Technology and IT projects and services

>> BUSINESS ACTIVITY

>> GROUP ENTITIES

- **589** CaixaBank Payments & Consumer (100%) — Consumer finance and payment methods
  - **35** Wivai SelectPlace, S.A.U (100%) — Product marketing
  - **8** Telefónica Consumer Finance (50%) — Consumer finance
  - **7** CaixaBank Equipment Finance (100%) — Vehicle leasing and capital goods
- **192** Building Center (100%)[2] — Holder of property assets
  - Bankia Habitat (100%) — Real-estate administration, management and operation
  - Living Center (100%)
- **683** VidaCaixa (100%) — Life insurance and pension fund management[4]
  - Bankia Vida, S.A. (100%) — Life insurance and pension fund management
  - **67** BPI Vida e Pensões (100%) — Life insurance and pension fund management
- **242** CaixaBank Asset Management (100%)[1] — Management of collective investment undertakings
  - **39** BPI Gestão de ativos (100%) — Management of collective investment undertakings
  - **6** CaixaBank AM Luxembourg (100%) — Management of collective investment undertakings
- **4,461** Banco BPI (100%) — Credit institution Portugal
- **31** Bankia Mediación (100%) — Bancassurance services operator
- **56** Imaginersgen (100%) — Management of the bank's youth segment
- **36** New MicroBank (100%) — Financing of microloans
- **15** CaixaBank Wealth Management Luxembourg (100%) — Credit institution Luxembourg
- **10** CaixaBank Titulización (100%) — Securitisation fund management

>> ASSOCIATES AND JOINT VENTURES

- >> Comercia Global Payments Entidad de Pago, S.L. (20%) — Payment entity
- >> Servired (41%) — Spanish payment method company
- >> Global Payments Money To Pay, S.L. (49%) — Payment entity
- >> Redsys Servicios de Procesamiento (25%) — Payment methods
- >> Coral Homes (20%) — Real estate services
- >> Gramina Homes (20%) — Real-estate administration, management and operation
- >> SegurCaixa Adeslas (49.9%) — Non-life insurance
- >> SA Nostra Compañia seguros de vida, S.A. (19%)[1] — Insurance
- >> Companhia de Seguros Allianz Portugal (35%) — Insurance
- >> Unicre (21%) — Payment methods
- >> Cosec (50%) — Credit insurance
- >> Banco comercial e de Investimentos (36%) — Credit institution in Mozambique

—— Company subgroups. (%) Percentage of stake at 30 June 2022.

XX Number of employees.

N.B.: The most significant entities are included according to their contribution to the Group, excluding shareholder operations (dividends), extraordinary operations and non-core activities: Inversiones Inmobiliarias Teguise Resort S.L. (18 employees), Líderes de Empresa Siglo XXI, S.L. (25) and Credifimo, EFC, S.A. (16 employees), among others.

[1]On June 27, 2022, CaixaBank has reached an agreement with CASER for its subsidiary VidaCaixa to buy its 81.31% stake in the share capital of Sa Nostra Vida, a company dedicated to life insurance and pension plans that operates in the Balearic Islands.

2. Corporate Strategy

2.1 Context and prospects

Economic context

Overall evolution

During the first half of the year, the economic context was marked by the war in Ukraine and the implementation in China of the zero-COVID policy as well as the monetary policy tightening. The overall economic activity exhibited some resilience despite the context of high uncertainty thanks to the good performance of the service sector due to the lifting of restrictions, to the continued solidity that the labour market is showing in many countries, and to the excess savings accumulated in the past two years. Nevertheless, the performance was mixed. While the US economy suffered a fall in GDP of 0.4 % quarter on quarter in Q1, the eurozone managed to grow by 0.6 % quarter on quarter. China experienced a marked decline in the second quarter.

Lockdowns in China and the festering conflict between Russia and Ukraine worsened bottlenecks and pressure on commodity prices. As a consequence, inflation reached record highs in most developed and emerging economies, and there has been a more intense tightening of monetary policy that came earlier than expected.

In light of the tightening of financial conditions and persistent inflationary pressures, activity is expected to slow down in the forthcoming quarters, although positive GDP growth rates are still expected in the major economies in Q2, with the exception of China.

Eurozone evolution

The eurozone achieved considerable growth in Q1 2022, up 0.6 % quarter-on-quarter, although this result must be put into context, given that more than half of this performance is down to Ireland's extraordinary growth. For Q2, a significant slowdown in activity is expected, particularly on the private consumption side. In fact, consumer confidence nose-dived in March, with the outbreak of the war in Ukraine, and has continued to fall down to values in June close to the start of the pandemic. Furthermore, the manufacturing sector remains especially affected by recurrent issues global supply chains, by the rising cost of its inputs and by the incipient decline in orders. There is only clear evidence of improvement in the services sector, boosted by the easing of restrictions and the prospect that the summer season will match or even exceed its pre-pandemic activity levels, given that households will make use of the savings accumulated over the past two years. However, the modest impairment in confidence surveys among business people in the sector in June anticipates a certain slowdown in activity in the tertiary sector following the summer.

Inflationary pressures intensified throughout the six-month period, and in June inflation in the eurozone reached a new all-time high of 8.6 %, with a generalised increase by components.

Spanish economy overview

The Spanish economy's performance in the first six months of 2022 was initially conditioned by the impact of the omicron variant and then by the economic effects of Russia's invasion of Ukraine. This intensified inflationary pressures and maintained disruptions in supply chains. In this complex backdrop marked by a sharp increase in uncertainty, the Spanish economy recorded an acute suppression of GDP growth in the first quarter of 2022, at 0.2 % quarter-on-quarter. However, indicators relating to the second quarter show a somewhat more dynamic tone, with positive highlights being the strength of the labour market and the remarkable recovery of the tourism sector. Conversely, inflationary pressures have continued, with headline inflation rising to 10.2 % in June and core inflation, excluding energy and fresh food, bouncing to 5.5 %, pressured by a growing transfer of cost increases into prices, and having a negative effect on the purchasing power of households. Under such circumstances, in which there are also numerous sources of uncertainty in the geopolitical sphere, the outlook is obscured. In that regard, CaixaBank Research has revised its GDP growth forecast for 2023 (2.4 %) downwards in June, while it has revised its inflation forecasts for both 2022 (8.0 %) and 2023 (2.6 %) upwards.

Portuguese economy overview

In Portugal, remarkable growth in activity was recorded in the first quarter of 2022, driven by the easing of restrictions put in place for the pandemic, boosting the recovery of consumption and tourism. GDP increased 2.6 % in the quarter, up 11.9 % year-on-year, which has led to an upward revision of this year's GDP growth forecast from 4.2 % to 6.6 %. Second quarter indicators point to a continued expansionary tone, albeit at a more moderate pace as a result of the increase in headwinds. Therefore, high inflation, which reached 8.7 % in June, the rise in interest rates and the cooling of external economies are negatively conditioning the outlook. In this context, 2023's GDP growth forecast has been revised downwards (from 2.8 % to 2.0 %) and inflation upwards, to an annual average of 6.5 % in 2022 and 2.2 % in 2023.

The Spanish economy closed the first six months of 2022 on a **relatively dynamic note**, but with **intensifying inflationary pressures**

Strong momentum of the Portuguese economy in the first part of the year.

Social, technological and competitive context

Business profitability and capital adequacy

The Spanish banking sector's 2021 profitability was marked by a scenario in which the improved economic situation enabled a return to pre-pandemic levels of profitability. The Spanish banking sector's return on equity (ROE) reached 9 % in 2021[1] after taking into account the extraordinary impacts of the two mergers conducted during the year (CaixaBank-Bankia and Unicaja-Liberbank). This effect, coupled with lower provisions, produced an increase of more than 6 p.p. over 2020. This recovered profitability remained ongoing in the first quarter of 2022, when the sector's ROE reached an annualised 11.1 %[2] as per European Banking Authority data. In that regard, the recovery in new lending for house purchases and corporate lending are most noteworthy, being are well above pre-pandemic levels in cumulative terms up to April.

However, the current environment remains complex for banks as a result of the outbreak of war in Ukraine and its effects on energy prices and other raw materials, coupled with supply chain issues. The foregoing will have an impact on the demand for credit, which will specifically affect consumers and the self-employed as a result of lower disposable income and increased uncertainty. As regards funding, market instability will also weigh on the growth of assets under management. Notwithstanding this, business volume will continue to grow, although at a slower pace than expected at the start of the year.

The war in Ukraine has also led to a rise in inflation and, along with it, consolidated expectations of interest rate hikes. The 12-month Euribor has been in positive territory since April 2022. The European Central Bank (ECB) pre-announced in June a tightening of the monetary policy, that it cystallised in the meeting of July in a rise in the official types of 0,5 percentage points. On the whole, we expect this rise to have a major positive impact on the profitability of banks, as a result of the repricing of the loan portfolio and the return to positive levels of the margin on deposits before the end of the year.

Credit quality has continued improving in the initial months of 2022, even though the majority of the moratoria granted to households to address the pandemic have already expired. The latest data for April 2022 place the NPL ratio for loans to other resident sectors at 4.19 %, 0.3 percentage points down on April 2021. However, despite the aggregate reduction in NPLs, there are certain signs of credit quality impairment and heterogeneous behaviour by activity sector. This could be aggravated by the war, inflation and increased interest rates. Specifically, the weight of special watch-list loans rebounded slightly to 7.4 % in the last quarter of the year, below the European average. In terms of the evolution of refinancing operations, its weight stabilised at 3 % at the close of last year.

As regards the NPL ratio of ICO loans, despite an upturn at the close of 2021, its NPL ratio remained at contained levels (3.9 %). Similarly the percentage of these loans on special watch-lists remains below the European average (21 % compared to 22.6 %, respectively).

For 2022, a moderate upturn in NPLs is expected, coinciding with the end of the grace period for loans backed by public guarantees. As regards the consequences of the war in Ukraine, the shock plan approved by the government —enabling a 6-month extension of the grace period for loans to sectors worst hit by the conflict, relaxes the requirements to increase the maturities of ICO loans, and approves a new 10 billion euro ICO facility— will mitigate the impact on NPLs to make them fully manageable and absorbable, in light of the effort in already made provisions. This comes in addition to the improved financial situation of Spanish households and companies, with indebtedness levels that have been significantly reduced since the financial crisis to below EU levels, in spite of the increase in 2020.

In any case, the highest levels of capital (compared to the previous crisis of 2008–2014) give the banking sector in Spain a greater capacity to absorb potential losses, even in more adverse scenarios. More specifically, according to EBA data, in the first quarter of 2022 the CET1 capital ratio of the Spanish banking sector has remained stable compared to the same period of the prior year and stands at 12.8%, while the LCR ratio stands at 195 % (up from 197 % a year earlier).

The Bank of Spain has also conducted tests to ascertain the vulnerability of the Spanish banking sector to the consequences of the war in Ukraine. The results show that the banking sector has demonstrated adequate resilience (with some heterogeneity across institutions). Specifically, in an adverse scenario of a reduction in average 2022-2023 GDP growth of 2.8 pp, the CET1 of the sector as a whole would be reduced by 1.8 pp and would still stand well above the regulatory minimum.

[1] Data from the Banco de España Financial Stability Report Spring 2022.

[2] Consolidated scope, according to EBA template definitions.

Digital transformation

The more digital habits and behaviours emerging because of the COVID-19 pandemic have accelerated the digitalisation tendency of the competitive environment in which financial institutions work.

For the banking industry, digital transformation is leading to a growing focus on the customer and greater demands to keep them satisfied (in terms of convenience, immediacy, customisation and cost). More specifically, customer satisfaction is becoming an increasingly relevant issue; customer loyalty is decreasing as it is easier to switch bank in a digital environment. The digitisation of the banking sector has also facilitated the emergence of new non-traditional competitors, such as fintech companies and bigtech digital platforms, with business models that leverage new technologies, raise service quality standards and increase pressure on the sector's margins.

Thus far, this non-traditional sector has been very small compared to the financial sector as a whole. However, these new entrants have grown quickly in an environment of low interest rates and abundant liquidity, and their presence can be seen throughout the value chain of the financial sector (specifically in the payments and consumer credit segments). Going forward, the ability of fintech companies to adapt their business models to the new interest rate environment will be crucial in determining the sector's evolution. Specifically, the tightening of financial conditions may be affecting investor appetite for this sector (in Q1 2022, global fintech funding fell by 18% quarter-on-quarter). In consequence, these companies may be forced to transfer a portion of their increased funding costs to their customer base —which may pose a challenge for companies whose growth is based on the provision of low or zero-cost financial services.

Furthermore, access to data and the ability to generate value from data has become an important source of competitive advantage. In particular, the use, processing and storage of data results in information that serves to create products that generate greater value for the customer and are more tailored to their risk profile. In addition, there is an increase in the use cases and development of new technologies (such as Cloud, Artificial Intelligence or blockchain) in the sector, albeit at different levels of maturity. In any case, the use of new technologies in the sector generates the need to adapt business processes and strategies to the new environment.

The digitisation of the sector also brings with it numerous opportunities to generate more revenue. In particular, through the use of digital technology, institutions can expand their customer base and provide services more efficiently and at a lower cost by being able to reach a larger number of potential customers, without having to expand their branch network in the territory. At the same time, digitalisation also creates new business opportunities, for example by offering their digital platforms for third parties to market their products, or through new financial products that are better adapted to the needs of each customer.

In turn, payment patterns are changing. The reduction in the use of cash in favour of electronic payments has gained speed with COVID-19, a trend that has become established in 2021 and 2022. In addition, the digital payments arena is also evolving from a model dominated almost exclusively by card systems (linked to bank accounts) to a more mixed model that involves fintech and bigtech companies (which offer alternative payment solutions) and is starting to introduce alternative types of money and private payment methods, such as stablecoins. Faced with such developments, central banks, particularly in advanced economies, are considering issuing their own digital currencies (CBDCs) as a way to ensure that citizens and businesses continue to have access to central bank money in the digital age. Specifically, 90% of central banks are actively exploring issuing CBDCs to complement cash and 26% are already conducting pilot tests. In Europe, the ECB has been in the research phase of the digital euro since October 2021. In this phase, which is expected to close in October 2023, the ECB is studying the benefits and risks of issuing a digital euro, profiling basic elements of its design, and analysing how it could be distributed to the general public. Upon completion of the research phase, the ECB will make a decision regarding whether to start developing a digital euro.

CaixaBank faces the challenge of digitalisation with a strategy focused on customer experience. In this regard, the digital transformation offers the Institution new opportunities to understand its customers and offer them a higher-value proposal, using a multi-channel assistance model. In particular, CaixaBank has a distribution platform that combines great physical capillarity with high digital capabilities —proof of this is that the bank has more than 11 million digital customers in Spain. Likewise, in response to the change in habits following COVID-19, the bank is placing special emphasis on initiatives to improve interaction with customers through non-face-to-face channels. Meanwhile, digital transformation is also driving CaixaBank to focus more on the development of skills, such as advanced analytics and the provision of native digital services. Regarding this last point, it is worth highlighting the proposal of Imagin; a digital ecosystem and lifestyle platform focused on the younger segment, offering financial and non-financial products and services. In addition, the Entity is also promoting new ways of working (more cross-cutting and collaborative) and is actively seeking to collaborate with new entrants that offer services that can be incorporated into the group's value proposition. In the area of payments, CaixaBank is involved in several sector-wide initiatives aimed at promoting new solutions.

Sustainability

The medium-term goal of decarbonisation of the European economy is being accompanied by increased regulatory activity at all levels and growing pressure (from investors, regulators, and supervisors) for companies to adjust their strategies accordingly.

In that regard, the entry into force of the EU's green taxonomy is noteworthy. It establishes a classification system for sustainable activities and the adoption of the European Commission's Delegated Act[3] that develops information requirements on the degree of alignment with the taxonomy for companies subject to the Non-Financial Reporting Directive (NFRD). The credit institutions (subject to this directive) must disclose the proportion of exposures that are within the scope of the taxonomy, and from 2024, the proportion of exposures aligned with the taxonomy (Green Asset Ratio).

In the area of banking supervision, it is worth noting the ECB's action plan (with deliverables in 2024) to explicitly incorporate climate change and energy transition into its framework of operations. In line with the plan, the ECB has announced the inclusion of climate criteria into its Corporate Sector Purchase Programme and collateral framework. These measures seek to curb climate risk on the ECB's balance sheet, foster increased transparency and disclosure of climate risks by companies and financial institutions, enhance climate risk management and support the economy's green transition.

In addition, a climate stress test will be launched in 2022 to assess banks' resilience to climate risks and their level of preparedness to deal with them —although this exercise will not have an impact on banks' capital requirements for the time being.

Furthermore, in 2021 the EU approved the European Climate Law (that set the block's goal of being carbon neutral by 2050 as a legal commitment) and it has started to deploy measures to reduce Greenhouse Gas (GHG) emissions and move towards a decarbonised economy. In Spain, thanks to the Next Generation EU (NGEU) Recovery Plan, around 6.6 billion euros will be earmarked in 2022[4] to investments in urban mobility, sustainable mobility, and the energy rehabilitation of buildings, therefore driving the economy's green transition.

In this context, CaixaBank prioritises making progress in the transition to a low-carbon economy as an essential action to foster sustainable and socially inclusive development uphold excellence in corporate governance. Thus, and to materialise the commitment in these three areas, sustainability is one of the three pillars of the Group's new 2022–24 Strategic Plan. The actions in this strategic axis are outlined in the new 2022–24 Sustainability Management Plan.

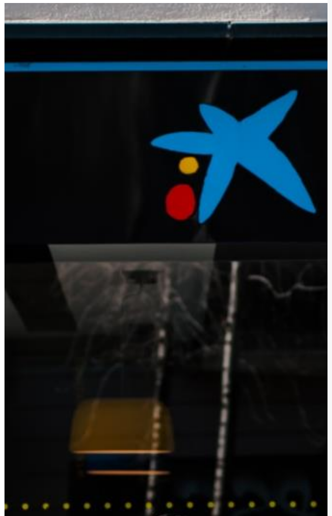

3. Delegated Act on article 8 of the Taxonomy Regulations.

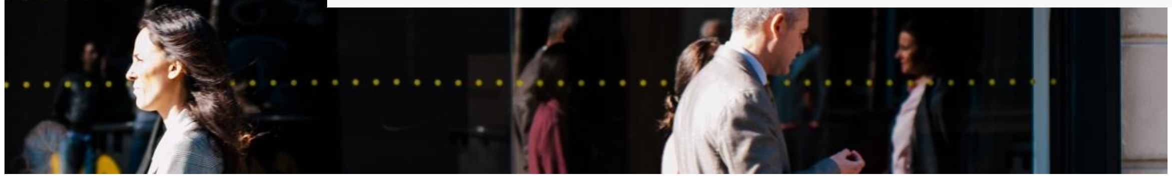
4. According to the General State Budget for 2022.

2.2 2022–2024 Strategic Plan

Starting point

On 17 May, CaixaBank presented its **2022–2024 Strategic Plan** under the slogan **"Close to our customers"**.





This new Strategic Plan maintains CaixaBank's commitment to society with a unique banking model and with the aim of offering the best service for each and every customer profile as we provide solutions from end to end, promote financial inclusion and lead the way in generating positive social impacts.

CaixaBank is **very well poised** to undertake this new Strategic Plan and continue to grow as Spain's leading bank, with greater scale, a more solid and streamlined structure, and with significant profitability potential as a result of abandoning the environment of negative interest rates.

The Group closed the **previous 2019–2021 Strategic Plan** achieving a **good assessment of results in a highly adverse environment**, marked by the COVID-19 crisis, which forced it to suspend some of its financial targets. Nevertheless, the Entity managed to achieve many of the goals set out in the 2019–2021 vision and conclude the plan with a significantly stronger balance sheet in terms of hedging, capital and liquidity.

In particular, these notably include **above-target organic growth in long-term savings and growth in the share of lending to corporates between 2018 and 2021**. Furthermore, the evolution of digital channels has enabled CaixaBank to absorb a major part of day-to-day interactions, meeting the target of **online customers**. Additionally, CaixaBank, which already held a comfortable position of solvency at the onset of the pandemic, ended 2021 with a large capital buffer, with a CET1 ratio of 13.1% —well above the 11% target.

In parallel, CaixaBank's **merger with Bankia** strengthened its leadership in retail banking in Spain. The Group has geared all its efforts towards integrating the upwards of **6 million customers from Bankia and the branch network, offering the best possible customer experience at all times**. The combined Entity is now Spain's largest banking group, holding 20,4 million customers, and has successfully completed the largest technological and commercial integration ever conducted in Spain.

2022–2024 Strategic Plan

In this context, CaixaBank is launching the new 2022–2024 Strategic Plan, which is based on **3 strategic lines**: driving business growth, maintaining an efficient customer service model adapted to suit customer preferences, and being a benchmark in sustainability in Europe.

1

The first strategic line is geared towards **driving business growth**, developing the best value proposition for our customers. CaixaBank has developed a leading financial supermarket in the Spanish market, featuring a commercial offer built around customer experiences. Throughout this new Plan, we will continue to expand the capabilities of this financial supermarket, increasing the penetration of our products and services to customers, progressing the commercial offer and making a quantitative and qualitative leap in the construction of ecosystems. **This line's core ambitions include:**

Strengthening leadership in retail banking through new housing and consumer banking products in order to boost business, in addition to achieving greater penetration in insurance and long-term savings products.

Achieve leadership in the corporate, companies and SMEs segments, through **specialised value propositions by business and sector**, greater focus on financing working capital and transactional banking, and growth in international banking.

Driving ecosystems as a new source of income in housing, mobility, seniors, health, entertainment and business, scaling Wivai as a lever in order to orchestrate them.

2 The second strategic line seeks to maintain an **efficient service model, adapting it to suit the customer's preferences** to handle new competitors and take advantage of new ways of interacting with customers. **Thus, this line's core ambitions include:**

Ensuring **a best-in-class customer experience**, through the real-time measurement of the customer experience, offering the best service and experience to each profile.

Achieving **greater operational and commercial efficiency**, boosting remote (inTouch) and digital (Now, Imagin) customer service, consolidating the store model in the urban network and upholding the rural network's presence through the use of more efficient formats.

Increasing the capacity of digital sales, by optimising onboarding and contracting funnels, deploying new digital marketing capabilities, remote management and digitalising the offering for legal entities.

3 This new Plan's third and final strategic line seeks to consolidate CaixaBank as a benchmark in sustainability in Europe, by way of the following:

Driving the energy transition of companies and society, offering sustainable solutions in financing and ESG advisory investments, with a commitment to the decarbonisation of the Group's portfolio. In October this year, as a founding member of the United Nations Net-Zero Banking Alliance initiative, CaixaBank will publish its first decarbonisation targets for 2030 for the most carbon-intensive sectors.

Leading the positive social impact and driving financial inclusion, through MicroBank, volunteering and social action, and commitment to the rural world and our seniors.

Being a benchmark in governance by way of effective communication in terms of ESG and best practices in sustainability, reporting and responsible marketing.

The Plan also includes **two cross-cutting enablers** that will support the execution of these three strategic priorities: **people, and technology.**

First of all, CaixaBank pays special attention to **people** and seeks to be the best bank to work for, promoting an exciting, committed, collaborative and streamlined team culture that fosters **closer and more motivating leadership**.

The Entity seeks to boost its employees' development programmes and career plans, featuring a more proactive people development model for **training teams** and focusing on critical skills.

In parallel, CaixaBank will continue to foster new forms of collaborative work, encouraging remote work and helping its employees to develop their potential with equal opportunities through a **meritocracy and diversity-based culture**.

The second enabler is geared towards **technology**. CaixaBank has outstanding technological capabilities, in which it will continue to invest to continue to drive the business forward:

- Having an **efficient, flexible and resilient** IT infrastructure as a result of the drive for technological transformation from CaixaBank Tech, the adoption of cloud technology as a cornerstone, the development of data and advanced analytics capabilities, and **ongoing improvement in cyber-defense and cyber-fraud capabilities**.
- A move towards end-to-end **process management** by identifying and redesigning key processes and building modular, reusable parts to the functional architecture.
- Efficient **allocation of resources**.

Lastly, and as a consequence of deploying and executing this new Strategic Plan, CaixaBank seeks to achieve the **financial targets** set for 2024. Firstly, the Group seeks to keep profitability above the cost of capital and, to this end, it has set targets of a return on equity (ROE) of above 12%, an efficiency ratio of under 48% and revenue growth of 7% (as regards the compound annual growth rate, or CAGR).

Furthermore, it commits to offering attractive shareholder remuneration with a pay-out ratio of over 50%. The plan seeks to generate capital of approximately 9,000 million euros by the close of 2024. The foregoing comes while leveraging on a solid balance sheet position with an NPL ratio of under 3%, standardization of the cost of risk below 0.35% (2022–2025 average) and keeping a strong capital position, with a CET1 internal target of between 11% and 12% (without application of the temporary reductions of IFRS9) over the horizon of the Plan.

3. Corporate governance

2022 Annual General Meeting (AGM2022)

The Annual General Meeting of CaixaBank is the ultimate representative and participatory body of the Company shareholders.

The Annual General Meeting took place, in its second call, on 8 April 2022 (AGM2022). Taking into account the importance of the General Meeting for the standard functioning of CaixaBank, for the sake of social interest and the protection of its shareholders, customers, employees and investors in general, and with the purpose of guaranteeing the rights and equal treatment of shareholders, the Board of Directors agreed make it possible to remotely attend the Annual General Meeting of shareholders (AGM2022).

>> All the points on the agenda were approved at the 2022 General Meeting in April.

Quorum of 76.1% on share capital

94.8% Approval on average

	Agreements of the Annual General Meeting of 8 April 2022	% of issued votes in the customer's	% of votes in favour regarding share capital
1	Approval of the separate and consolidated annual accounts and the respective management reports for 2021	98.99%	75.37%
2	Consolidated non-financial information statement for 2021	98.95%	75.33%
3	Management of the Board of Directors in 2021	98.69%	75.15%
4	Approval of the proposed distribution of profit for 2021	99.05%	75.41%
5	Re-appointment of the auditors of the accounts of CaixaBank and the Group for 2023	98.91%	75.31%
6.1	Re-appointment of Tomás Muniesa Arantegui	98.37%	74.90%
6.2	Re-appointment of Eduardo Javier Sanchiz Irazu	98.55%	75.03%
7.1	Amendment of article 7 (shareholder status) of the Bylaws	98.99%	75.37%
7.2	Amendment of articles 19 (Calling of the General Meeting), 22 (Right to attend), 22bis (exclusively digital General Meeting), 24 (Granting of proxy and voting by remote means of communication prior to the General Meeting) and 29 (Minutes of the Meeting and certifications) of the Bylaws.	95.89%	73.01%
7.3	Amendment of articles 31 (Functions of the Board of Directors) and 35 (Designation of positions on the Board of Directors) of the Bylaws.	98.98%	75.36%
7.4	Amendment of Article 40 (Audit and Control Committee, Risk Committee, Appointments and Sustainability Committee and Remuneration Committee) of the Bylaws.	98.99%	75.37%
8	Amendment of articles 5 (Call), 7 (Right to information prior to the General Meeting), 8 (Right to attend), 10 (Right to representation), 13 (Chairman, Secretary and Presiding Officers), 14 (List of attendees), 15 (Constitution and commencement of the Meeting), 16 (Speeches), 17 (Right to information during the General Meeting), 19 (Voting on resolutions) and 21 (Minutes of the Meeting) and elimination of the additional provision (Digital attendance at the General Meeting of Shareholders by remote connection in real time) of the Regulations of the Company's General Meeting of Shareholders.	95.69%	72.86%
9	Capital decrease through the redemption of treasury shares acquired for such a purpose.	98.97%	75.36%
10	Approval of the Board of Directors' remuneration policy.	75.86%	57.76%
11	Delivery of shares to executive directors as payment of the variable components of remuneration by the Company.	77.34%	58.88%
12	Approval of the maximum level of variable remuneration that may be earned by employees whose work has a significant impact on the Company's risk profile.	77.53%	59.00%
13	Authorisation and delegation of powers for the interpretation, rectification, supplementation, execution, development, placing on public record and registration of the resolutions.	99.01%	75.38%
14	Consultative vote regarding the Annual Report on Directors' Remuneration for 2021.	97.27%	74.06%

Data from AGM22 8 April 2022. For more information on the results of the votes, please see:
https://www.caixabank.com/deployedfiles/caixabank_com/Estaticos/PDFs/Accionistasinversores/Gobierno_Corporativo/JGA/2022/QuorumCAST.pdf

Changes in the composition of the Board and its committees

The Ordinary General Shareholders' Meeting of 2022 approved the re-appointment of Tomás Muniesa as proprietary director (at the proposal of Fundación Bancaria Caja de Ahorros y Pensiones de Barcelona "la Caixa", hereinafter "Fundación Bancaria "la Caixa" o "FBLC" and CriteriaCaixa) and Eduardo Javier Sanchiz as independent director.

In the first six months of 2022, as regards the composition of the Entity's governing bodies, there were no changes in the composition of the members of the Board of Directors.

As regards the Board Committees, on 17 February 2022 the Board of Directors agreed to appoint María Amparo Moraleda Martínez as a member of the Appointments and Sustainability Committee, thereby increasing this Committee's number of members.

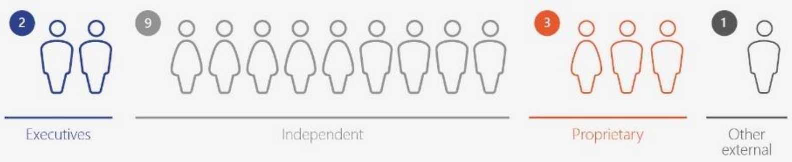
>> Board of Directors at 30.06.2022

60% Independent directors

8 meetings of the Board of Directors

40% women on the Board
(Target> 30%)

4 years
period of performance in the position



3.1 Share structure

Share capital

On 30 June 2022, CaixaBank' s share capital amounted to 8,060,647,033 euros, represented by 8,060,647,033 shares, each with a face value of 1 euro, of the same class and series, with identical political and economic rights, represented through book entries. The Company's Bylaws do not contain the provision for double voting shares through loyalty.

Shareholder structure

[1] Management data. Number of shares available for the public, calculated as the number of shares issued less treasury shares, which are held by members of the Board of Directors and those in the hands of "la Caixa" Foundation and the FROB.

[2] Fundación Bancaria Caja de Ahorros y Pensiones de Barcelona, "la Caixa" (Fundación Bancaria "la Caixa"). In accordance with the last notification submitted to the Spanish securities market regulator (CNMV) on 29 March 2021, via Criteria Caixa, S.A.U.

[3] In accordance with the last notification submitted to the CNMV on 30 March 2021, via BFA Tenedora de Acciones, S.A.

Share tranches	Shareholders[1]	One-off	% Share capital
From 1 to 499	295,412	55,704,638	0.69
From 500 to 999	116,291	83,567,380	1.04
From 1,000 to 4,999	177,442	385,870,597	4.79
From 5,000 to 49,999	45,183	507,381,827	6.29
From 50,000 to 100,000	900	60,542,520	0.75
More than 100,000[2]	655	6,967,580,071	86.44
Total	635,883	8,060,647,033	100

[1] For those investors' shares which operate through a custody entity located outside of Spain, only the custody entity is considered to be the shareholder, and shall be that which is registered in the corresponding book-entry ledger.

[2] Includes treasury shares.

Treasury shares

The purchase and sale of own shares, by the Company or by its subsidiary companies, will be adapted to the provisions of regulations in force and the agreements of the Annual General Meeting.

>> Share buyback programme

On 17 May 2022, the Board of Directors resolved to approve and initiate a share buyback program for a maximum of 1,800 million euros, in order to cut CaixaBank's share capital by redeeming the treasury shares acquired in the buyback program.

The Buyback Program will be conducted pursuant to article 5 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (the "Market Abuse Regulation") and in the Commission Delegated Regulation (EU) 2016/1052 (the "Delegated Regulation") and pursuant to the resolutions adopted by the Ordinary General Shareholders' Meeting of 22 May 2020 and 8 April 2022.

€1,800m
Maximum buyback investment

806,064,703
Maximum no. of shares bought back

12 months maximum duration of the program

At 30.06.2022

€641m
Amount bought back
€947 m in 25.07.2022

190,664,468
Shares bought back
296.177.680 in 25.07.2022

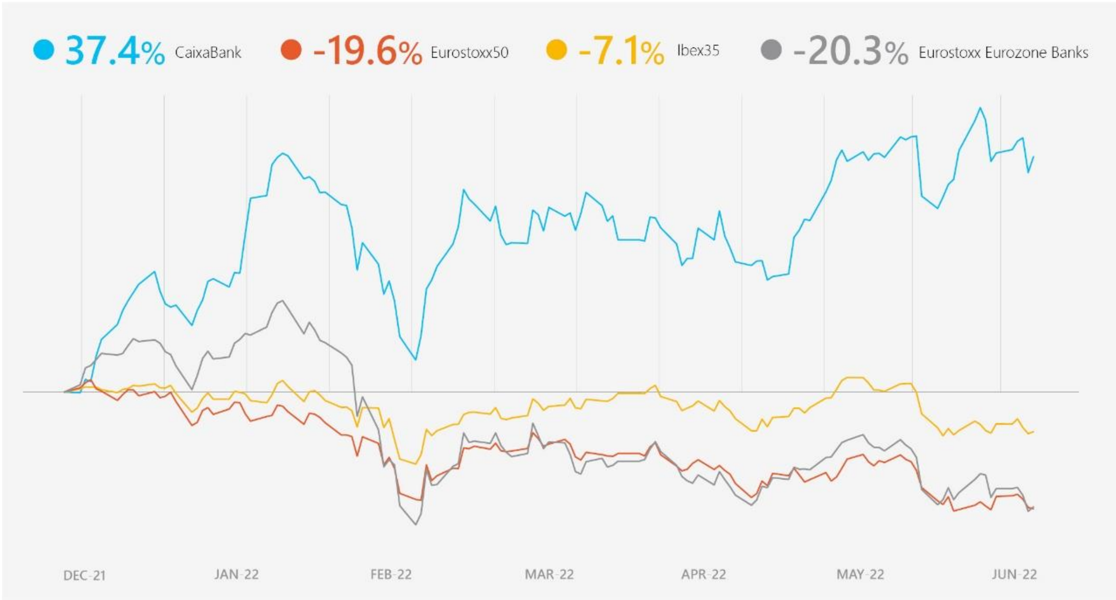
Information on the acquisition and disposal of shares held in treasury during the first six months of 2022 is included in Note 18 "Equity" to the accompanying Consolidated Interim Financial Statements.

Evolution of the share in the first half of 2022

The CaixaBank share closed on 30 June 2022 at 3.317 euros per share, with a cumulative annual rise of +37.4%. This evolution compares favourably both to that of the general aggregates (-7.1% for the IBEX 35 and -19.6% for the EURO STOXX 50) and to that of the selective banks (-0.3% for IBEX 35 Banks and -20.3% EURO STOXX banks).

In general, the first six months of 2022 left a negative balance for the stock markets. Equities were hit by the war in Ukraine, the rise in inflation, expected monetary policy tightening on both sides of the Atlantic and the fear that this tightening —in an environment of economic slowdown— could end up resulting in a recession. Both the Fed and the Bank of England have maintained their roadmaps, with the former starting its cycle of rate hikes in March and the latter continuing with the cycle it began in December 2021. The European Central Bank (ECB) tightened its tone and announced the first hike for July, upon completion of the asset buyback programme. The greater sensitivity of earnings to rises in interest rates and less direct exposure to Russia have enabled Spanish banking stocks to weather the storm better than other European peers and the general indices.

>> **PERFORMANCE OF THE MAIN INDICES IN THE FIRST HALF OF 2022** (YEAR-END 2021 BASE 100 AND ANUAL VARIATIONS IN %)



Stock market ratios	June 2022	December 2021	2022-2021 change
Share price at the close of the period	3.317	2.414	0.90
Average daily trading volume	31,659	16,315	15,344
Earnings per share (EPS) (EUR/share) / (12 months)[4]	0.30	0.28	0.02
Book value per share (EUR/share)[1]	4.43	4.39	0.04
Tangible book value per share (EUR/share)[1]	3.75	3.73	0.01
PER (price/earnings; times)[2]	11.21	8.65	2.56
P/tangible BV (Market value / tangible book value)	0.88	0.65	0.24
Dividend yield[3]	4.41%	1.11%	3.30

[1] Includes the impact of the share buy-back programme for the amount executed at the end of the quarter, in both the numerator (excluding the repurchased shares from shareholder equity, in spite of not being redeemed) and the denominator (the number of shares does not include the repurchased shares).
[2] Does not include the extraordinary impacts related to the merger with Bankia
[3] Calculated by dividing the remuneration for the financial year 2021 (0.1463 euros/share) by the closing price at the end of the period (3,317 euros/share)
[4] Excluding the extraordinary impacts of the merge

4. Our customers

CaixaBank is the leading financial supermarket for financial and insurance needs

20.4m CUSTOMERS

18.5m IN SPAIN

1.8m IN PORTUGAL

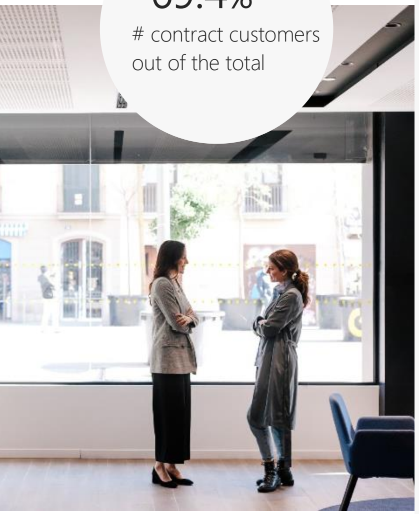
€624,087m CUSTOMER FUNDS

€362,770m LOANS AND ADVANCES TO CUSTOMERS, GROSS

>> CUSTOMER EXPERIENCE

The implementation of a system for collecting and managing feedback from customers in a constant way, omnichannel and in real time, has made possible the continuous improvement in the perceived customer experience.

69.4% # contract customers out of the total



SPAIN On 30.06.2022

89,0 IEX[1] (scale 0-100)

63,0% BRANCH NPS[2]

4.2 NPS IMPROVEM. CTL[2y3]

>> MARKET SHARE

SPAIN On 30.06.2022

24.1% LOANS TO HOMES AND BUSINESSES

25.4% MORTGAGES

34.3% DIRECT PENSION DEPOSITS

25.1% DEPOSITS OF HOMES AND BUSINESSES

24.8% INVESTMENT FUNDS

34.0% PENSION PLANS

PORTUGAL On 31.05.2022

11.3% LOANS TO HOMES AND BUSINESSES

13.5% MORTGAGES

10.8% DEPOSITS OF HOMES AND BUSINESSES

11.0% INVESTMENT FUNDS

[1] Assessment of the overall experience of the client in the relationship with its Banking center institutions, Corporate Banking or Business Centre.
[2] Provisional detail.
[3] Percentage points of improvement of the NPS for management of alerts *Close the Loop*.

4.1 Business model

CaixaBank is a financial group with a **socially responsible universal banking model**, with a long-term vision based on **quality, proximity and specialisation**.

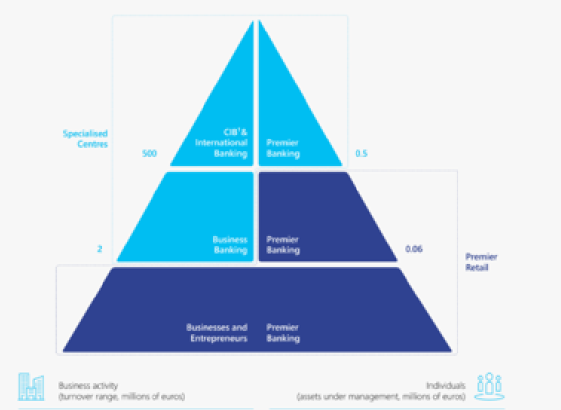
LONG-TERM SAVINGS

FINANCING

DAILY BANKING

INSURANCE

» SPECIALISED MANAGEMENT MODEL



» MODEL OF DISTRIBUTION

RETAIL BRANCHES

An optimised network and exponent of a success model
- Store branch
- Urban not store branch
- Rural branch

Having specialised proposals:

4.539[1] BRANCHES

13.095[1] ATMs

INTOUCH

Relationship model with the financial clients that unites tools of remote communication with the reliable relationship that gives a skilled manager.

3,3 m inTouch CLIENTS

IMAGIN

A bank mobile and a platform lifestyle that drives the loyalty between young clients.

3,2 m IMAGIN CLIENTS

SPECIALISED CENTERS

Creations of proposals of specialised value.

CAIXABANK NOW

Groups all the digital services of the low Company the same concept.

11,1 m DIGITAL CLIENTS

» MISSION

To contribute to our customer's **financial well-being and the progress of society**

[1] Details of Spain and Portugal. In the case of the branches, does not include representation branches nor branches out of Spain and Portugal.

Milestones in the 1st half 2022

Retail Banking: individuals, premier customers, businesses and entrepreneurs

Clients individuals with recurring incomes with a position of **up to 60,000 euros**

- **CaixaBank launches the new commercial offering MyHome**, a novel concept that gathers the entire range of products linked to the home: Protection, Mobility, Home Equipment, Sustainability and Financing
- Strengthening our **commitment to the senior group** (see section *6.2 "Social Commitment"*)
- **Boost in the marketing of mortgages:** A total of 5,928 million euros of new production in the first half of the year (+58% compared to 2021)

Premier Banking

Clients individuals with a recurring incomes with a position **from 60,000** to **500,000 euros**

- Consolidation of the specialised model, via the Store Premier branches, reaching the figure of 55 centres exclusively for Premier customers.
- Certification of the nearly 4,000 managers of Banking Premier in the programme of Sustainable Investments.

Businesses and entrepreneurs

Self-employed customers, professionals, businesses and micro-enterprises with a turnover of up to **2 million euros**.

- Launch of ***MyCard* Business**: New product designed for the self-employed.
- Launch of ***FeelGood***, intended for all establishments that care for families' well-being.
- **New facility of EGF EIF funding**.
- Launch of ***Order&Go***: a comprehensive solution to improve the digitalisation of the restaurant business.

Private Banking

Clients individuals with a position **more than 500,000 euros**

- **Launch of Independent Advisory**, the service intended for customers with between 1 and 4 million euros of potential assets, featuring a full range of products and services, and charging an explicit advisory fee, with specialised advisers.
- **Creation of OpenWealth**, a new Group subsidiary that will focus on offering "Multifamily Office" services for customers from 50 million euros, in partnership with the best national and international providers.

Business Banking

Corporate customers between **2 million and 500 million euros**

- The first bank to offer **guarantee formalisation in XML format** in favour of OMIE, MIBGAS and MIBGAS derivatives.
- Launch of a **NextGeneration EU Funds grant recommender**.
- **New short-term financing functionalities** for companies in the CaixaBankNow app.
- **Creation of a 500-million-euro alternative debt fund** to be invested over three years, which will be funded directly from CaixaBank's balance sheet and intended for Corporate Banking customers, complementing existing products.

Corporate & International Banking

Corporate customers with a turnover of over **500 million euros**, financial sponsors, institutions and international

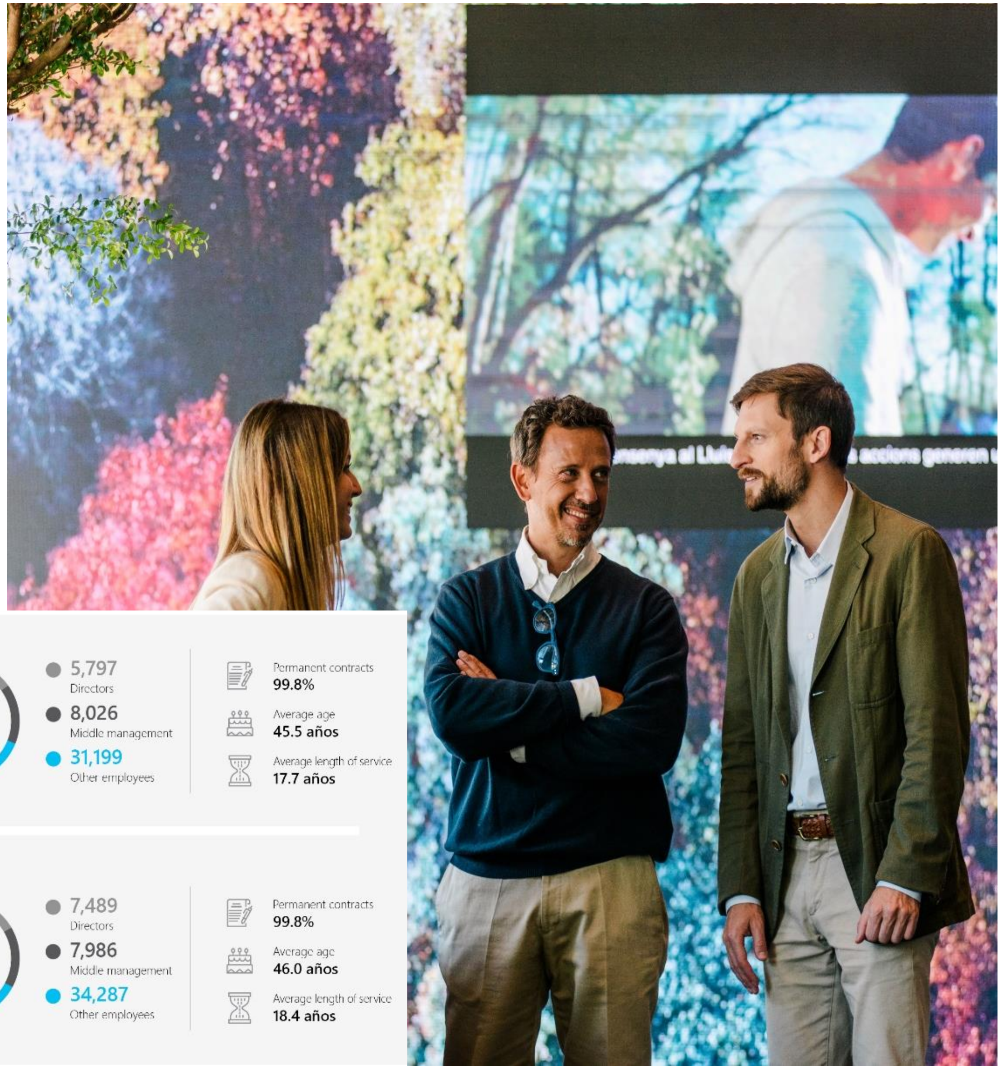
- **FX Now platform**, for the real-time management of the currency exchange market. Already operational in Morocco, making CaixaBank the sole Spanish bank to enable international transfers made over online banking in the African country.
- **Transforming** the **Milan** Representation Office into a **branch**.
- **Expansion of the portfolio of products** offered by branches and those marketed by Representation Offices.

5. The **people** that make up CaixaBank

The current context is proving to be a challenge, as a result of various factors such as the pressure for business profitability and sustainability, the need to adapt to new consumption patterns and business specialisation. These elements condition the management of people, given that new knowledge and skills are required. The challenge posed to organisations is for them to ensure that they have people with the necessary skills to meet the challenges of the business.

The 2022–2024 Strategic Plan is specifically geared towards people, featuring the goal of being the preferred financial Group to work for and, in parallel, having the best talent to meet the Group's strategic challenges. The levers that will be activated to achieve the goals are as follows:

- Fostering an exciting, committed, collaborative, agile and empowering team culture.
- Promoting a close, motivating, non-hierarchical leadership with transformational capabilities
- Promoting new ways of working, diversity and inclusion
- Transforming how the people development model is managed: more proactive in team training and focused on critical skills.
- Developing a differential value proposition for employees



>> 30TH OF JUNE OF 2022

45,022 Employees

56.5% Female

43.5% Male

1,153 <30 years

6,332 30-39 years

26,548 40-49 years

10,710 50-59 years

279 >59 years

5,797 Directors

8,026 Middle management

31,199 Other employees

Permanent contracts 99.8%

Average age 45.5 años

Average length of service 17.7 años

>> 31ST OF DECEMBER OF 2021

49,762 Employees

55.5% Female

44.5% Male

1,302 <30 years

7,105 30-39 years

27,423 40-49 years

13,414 50-59 years

518 >59 years

7,489 Directors

7,986 Middle management

34,287 Other employees

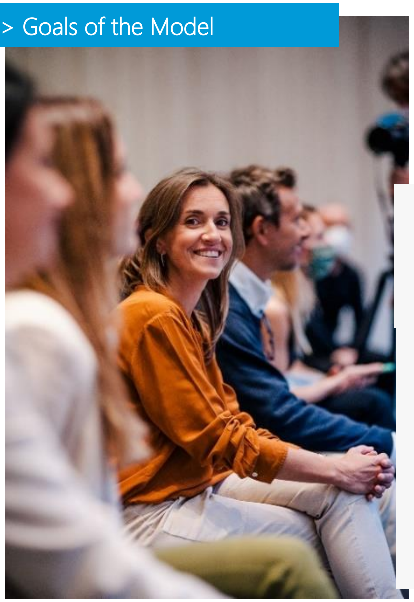
Permanent contracts 99.8%

Average age 46.0 años

Average length of service 18.4 años

Following the Bankia merger in 2021, CaixaBank has rolled out the Culture Model and the Leadership Model to accompany the Strategic Plan and boost people's commitment in a changing environment.

>> Goals of the Model



01.
Driving a team culture of people committed to our purpose and proud of working in the CaixaBank Group

02.
Strengthening knowledge of the attributes and behaviours of the corporate culture

03.
Fostering a close, motivating, non-hierarchical leadership with transformational capabilities

>> Actions of the Model

In order to achieve the goals of the Culture and Leadership Model, the Entity has launched a series of actions for the following groups:

- Culture Trainers, is the evolution of the Change Makers and Internal Trainers collectives. They are spread across four areas of knowledge: Business, Risks, Digital and Culture. For this group, actions are conducted to empower them and provide them with tools in order to be agents of transformation that help spread the We Are CaixaBank Culture to all professionals and collect feedback.

- For the entire workforce, actions are conducted to raise awareness of the We Are CaixaBank Culture and the behaviours associated with it, thus fostering cultural integration and pride of belonging. A special focus is placed on managers, who the bank seeks to make transformational leaders, benchmarks and promoters of the We Are CaixaBank Culture and the AHEAD Leadership Model.

Diversity and Equality

In the first six months of 2022, a new Diversity Plan has been outlined for the 2022–2024 period, featuring 4 core challenges:

- Consolidating gender diversity in management and pre-management positions and continuing to foster female leadership in the organization, accompanying their professional development, ensuring equal opportunities and giving visibility to leading women.
- Strengthening an inclusive and diverse culture and ensuring equal pay.
- Being the leading financial institution in terms of diversity and inclusion for our customers. We will do this by developing pioneering and high-impact initiatives, accompanying them and adapting value proposals with a diverse and inclusive approach.
- Continuing to foster diversity and equal opportunities in society through awareness-raising actions and strategic partnerships, driving the role of women in areas where they are less represented.

Transformation of the development people model

Professional development

CaixaBank seeks to enhance the critical professional skills of its employees and their development. For that purpose, all CaixaBank employees undergo evaluations in order to obtain a global perspective (performance and responsibility assessment).

Furthermore, the Entity fosters professional development programmes at both the managerial and pre-managerial levels and it has programmes to attract external talent to identify and develop talent early and thus anticipate future needs, through Talent Programs (WonNow and New Graduates).

Due to a highly changing environment and in order to lead the sector's transformation, CaixaBank has launched the Development by Skills project, to evolve to a skills-based development management model to put each employee at the centre of their own professional development and growth. In that regard, the knowledge and skills of the workforce will be analysed and, in order to anticipate future needs, an agile and personalised training and development model (upskilling and reskilling) will be created.

Ongoing training

CaixaBank Campus's learning plan is a teaching model that encompasses all the tools that the Entity makes available to its professionals to meet their development needs, and seeks to train all its professionals by fostering a culture of ongoing learning. This model structures training into four blocks:

37,408
People that have carried out training

1,269,276
hours of training

96.6%
online training

3.4%
attendance-based

CaixaBankCampus
Nunca dejes de aprender

01
>> STANDARD
WHAT THE REGULATOR REQUIRES OF ME

Training courses in order to meet the requirements of the regulator, such as certifications in LCCI (Property Credit Agreement Law), IDD (Insurance Distributions Directive) and MiFID.

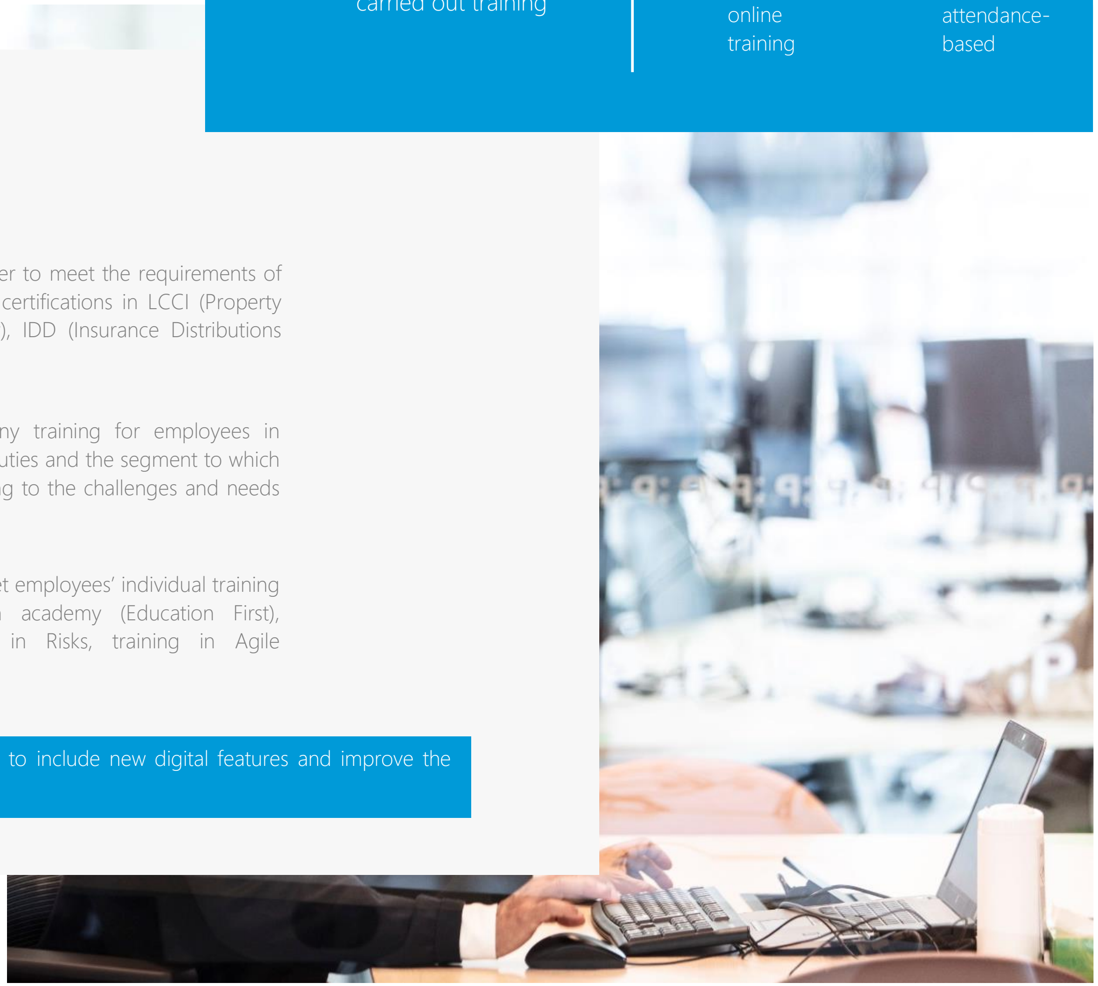
02
>> RECOMMENDED
WHAT CAIXABANK SUGGESTS FOR ME

Recommended company training for employees in accordance with their duties and the segment to which they belong. Responding to the challenges and needs of the business.

03
>> SELF-TRAINING
WHAT I DECIDE UPON

Training courses to meet employees' individual training needs: Virtual English academy (Education First), Postgraduate Degree in Risks, training in Agile Methodologies, etc.

Virtaula.Next, the online learning platform that has been redesigned in order to include new digital features and improve the employee experience, through which most of this training is delivered.



Given that sustainability is a strategic priority for CaixaBank, an ESG training plan for employees is in the pipeline for 2022.

Adequate and merit-based remuneration

The principles of the General Remuneration Policy, approved by the Board of Directors, are applicable to all the CaixaBank Group employees and among other objectives, chiefly seek to foster patterns of behaviour to ensure that value is generated in the long term and that results are sustained over time.

The Policy includes regulatory developments relating to sustainability risks —meaning environmental, social and governance (ESG) risks— and CaixaBank's adaptation to this trend, and specifically to comply with the obligations arising from Regulation 2019/2088, which establishes the obligation to include in remuneration policies information on the consistency of such policies with the integration of sustainability risks.

Remuneration at CaixaBank essentially features the following pay items:

- Fixed remuneration based on the employee's level of responsibility and career path. This accounts for a significant part of total remuneration, which also includes the various social benefits, and is governed by the collective bargaining agreement and the various internal labour agreements.

- A variable remuneration system in the form of bonuses and incentives for achieving previously established targets and set up to prevent possible conflicts of interest, and, where applicable, to include qualitative assessment principles in line with customer interests, codes of conduct, and prudent risk management.

Furthermore, CaixaBank employees have access to various social and financial benefits, most notably including the retirement savings contribution offered by the Pension Plan, the risk premium for death and disability cover, the health insurance policy and benefits childbirth and the death of a family member, besides others.

Implementation of ESG metrics in remuneration schemes

In 2022, in order to align variable remuneration with the sustainability and good corporate governance targets, the weight of metrics linked to ESG factors —environmental, social and good governance factors, such as sustainability, quality and conduct and compliance— was increased in both yearly and long-term variable remuneration schemes. It has been applied to Executive Directors, Senior Management and employees of Corporate Services.

Complementary to the items of remuneration, CaixaBank offers the Flexible Remuneration Plan (Compensa+), offering tax savings and the personalisation of remuneration according to each person's needs.

Employee experience

CaixaBank's aim is to be the preferred financial group to work for. Thus, it is conducting a series of actions to attract and retain the best talent:

01.
The differential employee value proposition has been reviewed in order to generate an emotional bond with people and turn them into prescribers.

02.
Work is being conducted to foster attractive employer branding to make CaixaBank Spain's favourite financial group to work for.

03.
Initiatives are being implemented to improve the employee experience at various stages of the life cycle, such as:

- Attract: progressing towards a selection model geared towards development, meritocracy and increased transparency.
- Bond: optimizing support with Buddies in position changes (onboarding and cross boarding).
- Dissociate: managing the moment they leave and subsequent link with the Entity.

More agile and cross-cutting working models

In the first six months of 2022, CaixaBank continued to consolidate new, more agile and cross-cutting ways of working. These include remote working, digital transformation and the application of agile methodologies in order to boost flexibility and efficiency in providing solutions.

As regards remote working, in certain areas of the organisation, CaixaBank has opted for a hybrid and flexible working model of up to 30% of the working day. In that regard, CaixaBank remains committed to upholding proximity to customers but with the flexibility that new technologies make it possible to reconcile employees' professional and personal lives. On 30 June 2022, 81.5% of CaixaBank's potential workforce had signed up to remote working.

Fostering well-being in a healthy and sustainable environment

CaixaBank is evolving towards a Healthy Organisation environment to achieve the maximum possible well-being of the people comprising the Entity. It is an approach that goes far beyond strict compliance with occupational health and safety regulations.

The Healthy Company project is structured along three axes:

i. Safety. Safe and emotionally healthy work environments

The Entity seeks to achieve excellence in the preventive culture and safe working environments. In that regard, the bank has initiated an analysis of the requirements for ISO 45001 certification. This is a voluntary certification that is more demanding than the legal requirements. This new standard is especially geared towards analysing and managing all risks and opportunities regarding health and safety at work and introduces a key concept for the motivation and commitment of professionals: well-being at work.

ii. Health. Fostering healthy lifestyles, balancing work life and health as a key element.

The Somos Saludables (We are Healthy) programme shows our commitment to fostering well-being in healthy and sustainable environments, enhancing our professionals' quality of life, and the goal of achieving the maturity of a healthy organisation and a benchmark in the sector. The activities and campaigns of its virtual platform serve to raise awareness and offer benefits for the general health and well-being of employees and their families. Additionally, the "Adeslas Health and Well-being" platform complements the We are Healthy channel, which offers customised services to care for and manage employee health.

The contents and workshops have been adapted to suit needs and interests, using the results of the opinion surveys (pulse). Furthermore, a specific Somos Saludables (We are Healthy) channel has been created on PeopleNow to share content and, in this way, reach the Entity's professionals more directly, contributing to enhancing their experience.

>> Core pillars of the *Somos Saludables (We are Healthy)*

The Physical Activity pillar, Muévete (Move) gives access to exercises and routines that can be undertaken at home and at any time.

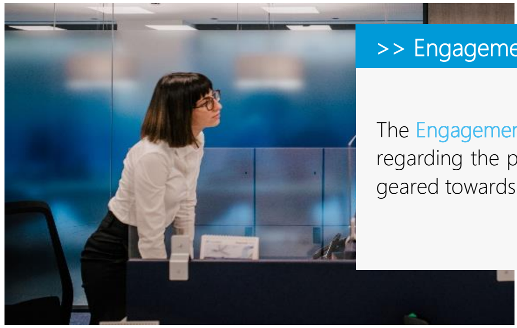
The Personal Well-being Area, Cuídate (Take Care of Yourself) provides meditation techniques and guidelines to enhance concentration and relaxation.

The Nutrition and Hydration section, Quiérete (Love Yourself) provides healthy and easy-to-make recipes

A new pillar, Vuélcate (Get Involved), has been added with activities related to sustainability, the environment and charity.

iii. Well-being. Forging a culture of flexibility with our work environments that promotes the well-being of staff, with benefits that facilitate their day-to-day work

The Sustainable Performance School in Virtaula features content that contributes to improving the personal well-being of staff with training in health and nutrition, mindfulness, environment and positive thinking, among other topics.



>> Engagement, Culture and Leadership Study

The Engagement, Culture and Leadership Study was launched in May 2022 for the entire workforce of CaixaBank S.A. The study will identify the current circumstances regarding the perception of Culture and Leadership, in addition to areas for improvement. A corporate action plan will be implemented in the second half of 2022, geared towards the main lines identified and enabling progress to be made in achieving the strategic goals.

Restructuring Plan and Labour Agreement

In 2021, in the context of the merger between CaixaBank and Bankia, the need arose for restructuring to resolve the duplicities and overlaps that occur in central services, intermediate structures and in the branch network. With this goal in mind, an agreement was reached with 92.8% of the trade union representatives, including: a collective redundancy plan (which established a maximum number of 6,452 voluntary exiting staff members), the amendment of certain working conditions in effect at CaixaBank and an integration labor agreement to standardize the working conditions of personnel originating from Bankia.

In the first six months of 2022, the planned exit of staff members remained ongoing, being mostly completed.

As regards the labor integration agreement to homogenize the working conditions of the staff originating from Bankia, in the first six months of 2022 progress remained ongoing towards:

- gradual adaptation of fixed remuneration.
- adaptation to a minimum of 4.2% of pensionable salary in retirement contributions.

6. Our commitment to sustainability

Sustainability is a corporate priority of the 2022–2024 Strategic Plan, reflecting CaixaBank's aim to become a benchmark in sustainability. For this purpose, the Board of Directors has approved the 2022–2024 Sustainable Banking Plan.

>> Ambitions of the Plan

01.

Drive the energy transition of businesses and society as a whole, by undertaking different actions such as developing solutions for companies and individuals that focus on energy efficiency, mobility and sustainable housing, while also promoting investments with ESG criteria.

02.

Lead the positive social impact and foster financial inclusion by promoting microfinance solutions and remaining committed to rural communities and adapting customer service channels to the needs of the various customer segments.

03.

Promote a responsible culture to set a benchmark in governance by adopting best practices in sustainability, reporting and responsible marketing.

>> Initiatives and action plans

Global

€64,000m
Mobilization of sustainable financing

Maintain category "A"
in the synthetic indicator of sustainability

E — **net zero emissions in 2050**
decarbonization of the portfolio

S — **413,300**
MicroBank beneficiaries

G — **42%**
women in managerial positions

Approving principles of action with regard to sustainability

In March 2022, the Board of Directors approved the Sustainability Action Principles, following on from the previous Corporate Sustainability / CSR Policy. These principles establish the commitment of the entire CaixaBank Group to consolidating an efficient, sustainable and responsible model of action characterised by a strong social calling.

Furthermore, in its commitment to human rights, in January 2022 the Board of Directors approved the CaixaBank Human Rights Principles, following on from the previous Human Rights Policy. These principles highlight the Company's commitment with human rights, in accordance with the highest international standards.

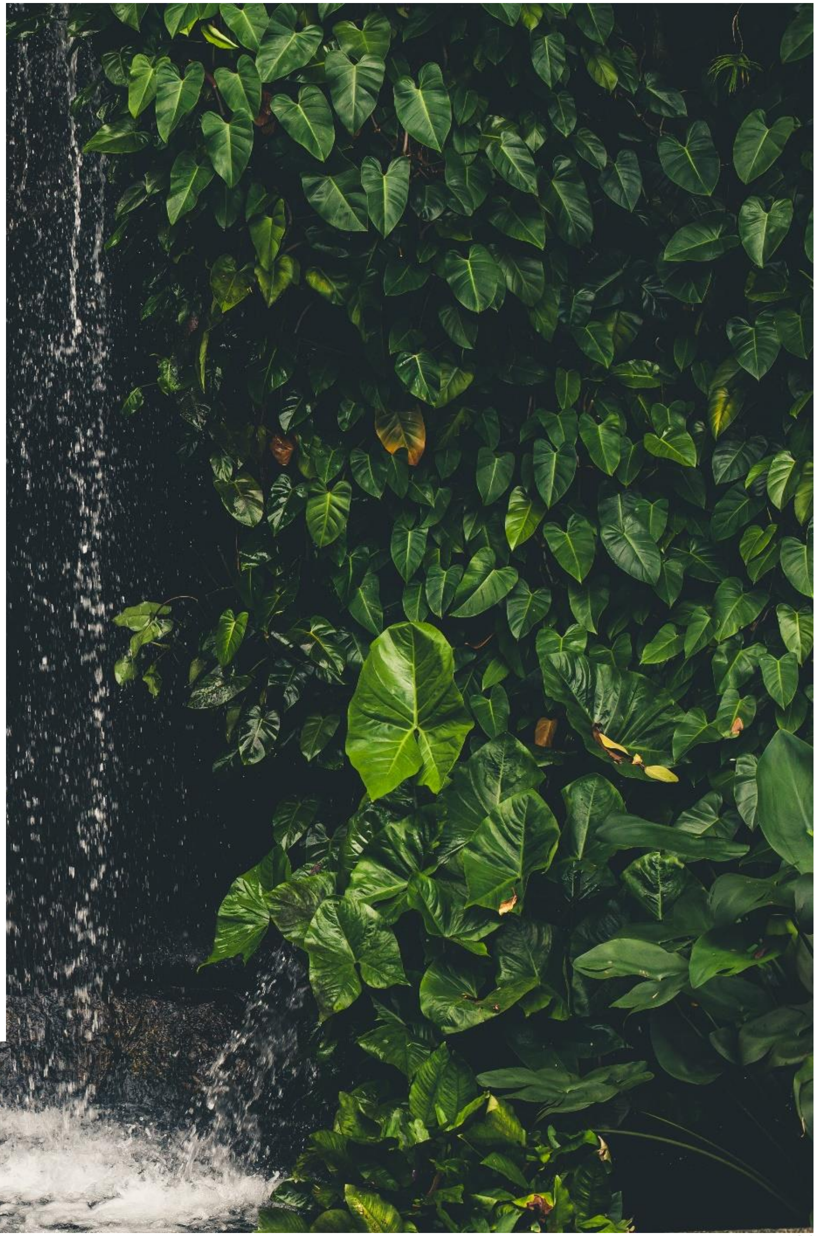
Statement of Principal Adverse Impacts of investment decisions on sustainability factors

Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (known as the "SFDR") requires financial market participants to ensure transparency on how they take into account principal adverse impacts (PAI) arising from their investment decisions, advice and/or the products themselves on sustainability factors by publishing adverse impacts by 30 June each year.

In that regard, on 30 June 2022, CaixaBank, CaixaBank Asset Management and VidaCaixa have anticipated the regulatory requirement for 2023 —when it will be required to provide information on specific, quantitative indicators— by publishing, this year, information on the most relevant indicators for the Group, with a view to fostering greater market transparency and becoming a European benchmark in sustainability pursuant to the Strategic Plan.

Indices ESG Ratings

Indices ESG Ratings	CaixaBank	Rating scale (Worst → Best)
Member of Dow Jones Sustainability Indices, Powered by the S&P Global CSA	86	Sustainability score: 0 – 86 – 100
MSCI ESG RATINGS AA	AA (Leader)	ESG Rating: CCC, B (Laggard); BB, BBB, A (Average); AA, AAA (Leader)
STOXX SUSTAINALYTICS ESG REPORT	Low risk (19)	ESG risk rating: Severe 40+; High 30-40; Medium 20-30; Low 10-20; Negligible 0-10
QUALITYSCORE 1, ISS ESG	1 | 1 | 1 E | S | G	ESG QualityScore: 10, 9, 8, 7, 6, 5, 4, 3, 2, 1
ISS ESG ethix-climate-oekom	C Status: **Prime** Transparency: **very high** Decile rank: **#1**	ESG corporate rating: D-, D, D+, C-, C, C+, B-, B, B+, A-, A, A+. Transparency level: Very low, Low, Medium, High, Very high
FTSE4Good	4.1	Rating ASG: 0, 1, 2, 3, 4, 4.1, 5
CDP Driving sustainable economies	A (Leadership)	Climate change rating: D-, D (Disclosure); C-, C (Awareness); B-, B (Management); A-, A (Leadership)
V.E Moody's ESG	60 (Advanced)	Sustainability index: 0, <30 (Weak); 30-49 (Limited); 50-59 (Robust); 60, 100 (Advanced)



6.1 Environmental and climate strategy

As a founding member of the Net-Zero Banking Alliance (NZBA), CaixaBank is committed to becoming carbon neutral by 2050. CaixaBank currently has a neutral carbon footprint from its own activity and is working to ensure that its indirect activity, in other words, its portfolio, is also net zero in greenhouse gas emissions by 2050.

Environmental protection is one of the Bank's priorities and it has an Environmental Strategy in place that seeks to contribute to the transition by funding and investing in sustainable projects, managing environmental and climate risk and curbing the direct impact of its operations.

>> Lines of action of the Environmental Strategy

- Promoting sustainable business
- Managing ESG and climate risks
- Minimising its impact on the environment

The Strategy is embodied in a public commitment to a **Climate Change Statement**, reviewed and approved by the Board of Directors in January 2022.

Environmentally sustainable financing

During the first half of 2022, CaixaBank continued to finance environmentally sustainable activities:

CaixaBank has been leader in sustainable financing in Europe during the first half of the year, according to the classification of *Refinitiv*, that situates the bank **in the first position of the ranking EMEA *Top Tier Green & ESG-Linked Loans***

- Financing **energy efficient buildings** with an expected rating of A or B for an amount of 729 million euros (534 million euros in the first six months of 2021).
- Financing 15 **renewable energy projects** for an amount of 370 million euros (1,170 million euros in the first half of 2021).
- Granting 53 **loans indexed to sustainability variables** that are linked to the good performance of companies in terms of ESG criteria, for an amount of 7077 million euros (51 loans for 7,784 million euros in the same period last year).
- Financing **consumer and AgroBank eco-financing facilities** for an amount of 37.9 million euros (36 million euros in the first six months of 2021).
- Granting 35 **green loans** for an amount of 3,225 million euros (12 loans for 335 million euros in the first six months of 2021). Of these, 986 million euros was set aside for 12 real-estate projects with energy certification A or B.
- Financing 262 million euros in green mortgages, 45.9 million euros in solar panels and 2.6 million euros in sustainable vehicles.
- CaixaBank has **taken part in placing 1 green bond issue** for an amount of 500 million euros (7,322 million euros in the first six months of 2021).
- CaixaBank has **taken part in placing 4 sustainable bond issues** for an amount of 3,000 million euros **and 3 sustainability-linked bonds** for an amount of 2,750 million euros.

In **BPI**, the total **environmentally sustainable financing** granted in the first six months amounts to 232 million euros, and it participated in placing ESG bond issues for the amount of 25 million euros.

Promoting green business

In a move to advance towards sustainability, CaixaBank applies specific liquidity premiums to asset transactions that are deemed green, in other words, those that contribute to improving the environment and/or reducing greenhouse gas emissions.

With this green premium, the bank seeks to foster the issuance of green bonds and the channelling of business opportunities that will arise in the forthcoming years driven by national and European regulations and commitments to the economy and sustainable activities, such as the green taxonomy, the Next Generation EU funds, and the net-zero decarbonisation targets for 2050.

Thus far, the scope of the green premium is limited to new mortgages, promoter subrogations and commercial real estate operations, project finance, asset finance, and corporate financing for specific purposes, when they comply with the eligibility criteria.

Managing ESG and climate risks

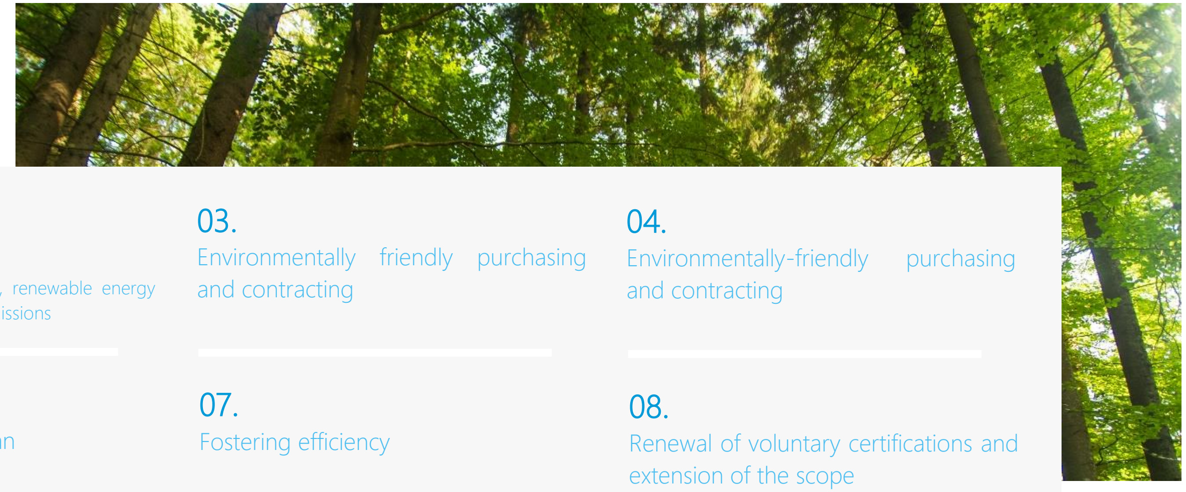
CaixaBank seeks to ensure that procedures and tools used to identify, assess and monitor climate and environmental risks are applied and integrated within its standard risk processes, compliance function and operations.

For this purpose, in March 2022 the Board of Directors approved the Corporate Policy on Sustainability / ESG Risks, which consolidates the previous Corporate Policies on Environmental Risk Management and Relations with the Defence Sector and lays down the criteria for ESG analysis in the customer onboarding and credit approval processes of the bank.

The Policy establishes a series of general and sectorial exclusions relating to activities that may have a significant impact on human rights, the environment and climate, under which CaixaBank cannot take on credit risk. The general exclusions apply to all customers, while the sector-based exclusions impact certain activities in the defence, energy, mining, infrastructure and agriculture, fisheries, livestock and forestry sectors. The scope of the new policy includes: (i) the approval of new loans and guarantees; (ii) the purchase of bonds and equities; and (iii) the investment in companies through the investee portfolio.

Minimising environmental impact: - Environmental management planning

Our Sustainable Management Plan includes the 2022-2024 Environmental Management Plan, with 8 action plans aimed at reducing the direct impact of our activity.



01. Governance in the Group's Environmental Management

02. Climate change
Operational carbon footprint, renewable energy consumption and offset of emissions

03. Environmentally friendly purchasing and contracting

04. Environmentally-friendly purchasing and contracting

05. Commitment to circular economy

06. Sustainable Mobility Plan

07. Fostering efficiency

08. Renewal of voluntary certifications and extension of the scope

The 2022–2024 Environmental Management Plan lays down quantitative targets for all the years throughout which the plan is in force, making it possible to measure the degree of success of its implementation:

Objective	Indicators	2022 objective	2023 objective	2024 objective
Carbon Neutral Project				
Minimising and offsetting the carbon footprint	Reduced carbon emissions	-12.9%	-15.8%	-19.3%
	Scope 1[1]	-7%	-10%	-15%
	Scope 2	-100%	-100%	-100%
	Scope 3	-12%	-15%	-18%
	Offset carbon emissions	100%	100%	100%
100% renewable energy consumption	Energy consumed from renewable sources	100%	100%	100%
Environmental efficiency and certifications				
Reduction of paper consumption/waste	Reduction of paper consumption	-8%	-12%	-15%
Implementation of energy efficiency measures	Energy consumption savings	-6%	-8%	-10%
Renewal of certifications and extension of the perimeter	Environmental certifications in main buildings	+2	+3	+4

Note: The target data shown in the table take 2021 as the base year of reference.
[1] To calculate the objective of Scope 1, the 2019-2021 period's average has been considered as the baseline reference year.
[2] To calculate the objective of Scope 3, 2019 (prior to the COVID-19 restrictions) has been considered as the baseline reference year for the data on emissions from business trips. The objective is framed within the same perimeter reported in 2021. Scope 3 does not include the category 15 "Investments".

6.2 Social commitment

Social projects in our communities

Social action is one of CaixaBank's core assets and differential value, which is integrated into and goes beyond its banking activity, featuring solutions that respond to the needs of people and the world we live in.

We conduct our social actions through:

- **Partnerships with third parties** to provide solutions to overcome social challenges, promote education and support vulnerable groups.
- Promotion of **volunteering initiatives**
- Conducting **social projects** in partnership with local NGOs and associations.

6,228
active volunteers
2024 target: 10,000

>> Conflict in Ukraine

The Group has launched an array of measures to facilitate aid to the people affected by the war in Ukraine:

- **Charity routes**: transfer of families from conflict zones in Ukraine to host territories in Spain. A total of 5 convoys completed with 540 refugees. Furthermore, 29 medical ambulances and medical equipment were delivered to hospitals in Ukraine.

- **Collection of donations**: the bank has collected 4.9 million euros through the Donation Platform, for making financial donations to humanitarian organizations.
- **Free services**: The bank offers no cost transfers to Ukraine with the aim of helping refugees and permits customers of Ukrainian banks to use its ATMs free of commissions. The Entity has also expedited the account opening process for people from Ukraine, in addition to other services.

Financial inclusion

Financial inclusion is a key factor in reducing poverty and promoting shared prosperity. Promoting financial inclusion is in the CaixaBank DNA and one of its strategic priorities.

>> CaixaBank views inclusion from a three-pronged perspective

(at 30.06.2022):

Channeling funds towards concrete actions, directly contributing to the SDGs.

1 Social bond issued in 2022 for 1,000 million euros

Social housing programme and Impulsa programme

12,103 houses in the social rental housing programme

Offering products and services to vulnerable groups and contributing to financial literacy.

302,915 social and insertion accounts

Physical and technology accessibility measures and presence in most municipalities.

In 2022, we have strengthened our commitment to the senior group

MicroBank The largest private microfinance institution in Europe

570 million euros of microloans and other impact financing granted in the first semester

7.9 million euros to Skills & Education Programme granted in the first semester

>> Skills and Education

In 2021, MicroBank signed a new agreement with the European Investment Fund (EIF) to improve access to finance for individuals and organizations who want to invest in training and education in order to improve their employability.

The facility offering funding to students has been implemented in 2022. The funding facility for organizations was implemented in 2021.

Strengthening our commitment to the senior group

CaixaBank strengthens its commitment to care for the elderly, with the most extensive measures in Spain's financial sector.

CaixaBank has reaffirmed its commitment towards the senior group by launching ten initiatives, most notably including the creation of a team of 2,000 senior advisers, the extension of the cashiers' hours in branches and the strengthening of all its communication channels with these users. All of these are already operational or in the process of being implemented.

It thus will expand this group's global product and services offering, with the aim of providing an excellent service and maintaining its leading position in this segment, in which it boasts over four million customers and a market share 34.3% in direct-deposit pensions.

We accompany people

>> 982 specialized exclusively dedicated advisers
2,000 in 2024

>> Strengthening of 1,475 people in branches for personal service
1,350 in 2024

>> Personal accompaniment in the use of ATMs

We adapt to suit your way of interacting

>> 100% user-friendly ATMs adapted for passbook use
100% in 2024

>> Personal service by telephone and WhatsApp

>> Unrestricted opening hours

>> Advance payment of monthly pension payments on the 24th day of the month

We work together to prevent financial exclusion

>> 114 attendance-based training sessions
3,000 in 2024

>> The most extensive network of branches (4,202 in Spain, of which 3.934 retail branches) and ATMs (11,719 in Spain).

>> We do not abandon towns and cities and we are expanding the ofibus service (579 municipalities with 17 ofibus)

CaixaBank now offers an extensive portfolio of products that blends protection solutions with VAUL (unit-linked asset value) savings solutions

SENIOR SOLUTIONS

€26,443m
in Life Annuities and VAUL

152,900
Customers
MyBox *Senior Protection*

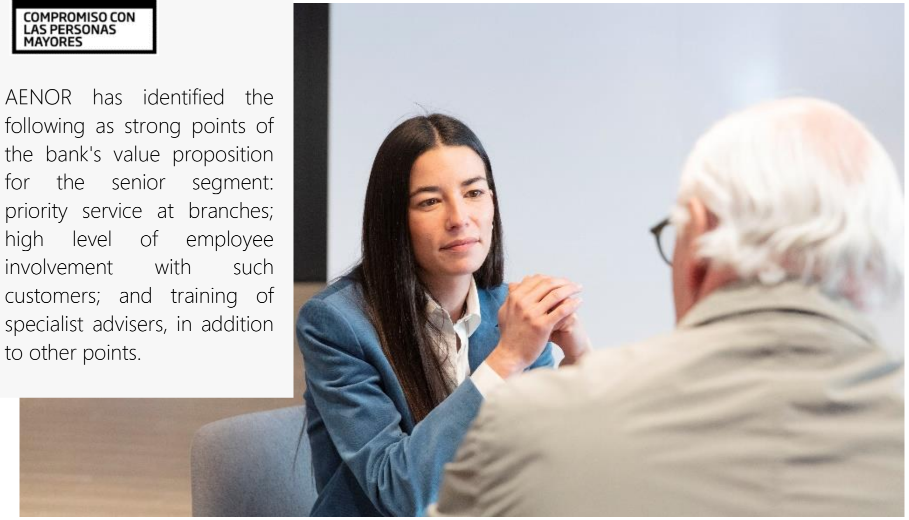
MAIN PRODUCTS

- MyBox Senior Protection
- MyBox Health Senior
- MyBox Senior Burials
- VAUL
- Life Annuities

CaixaBank, the first institution to be certified by AENOR as an organisation committed to the elderly.

AENOR
COMPROMISO CON LAS PERSONAS MAYORES

AENOR has identified the following as strong points of the bank's value proposition for the senior segment: priority service at branches; high level of employee involvement with such customers; and training of specialist advisers, in addition to other points.



6.3 Socially responsible investment

In line with its socially responsible banking model, CaixaBank is committed to sustainable investment, understood as investment that not only offers financial returns for investors, but also promotes management that is coherent with the creation of value for the whole of society, pursuing a social and environmental benefit.

VidaCaixa and CaixaBank Asset Management's efforts have been focused on the implementation of the regulatory requirements arising from the European Commission's Sustainable Finance Plan.

Milestones 1st half 2022

- Statement of **Principal Adverse Impacts** (PIA) of investment decisions on sustainability factors.

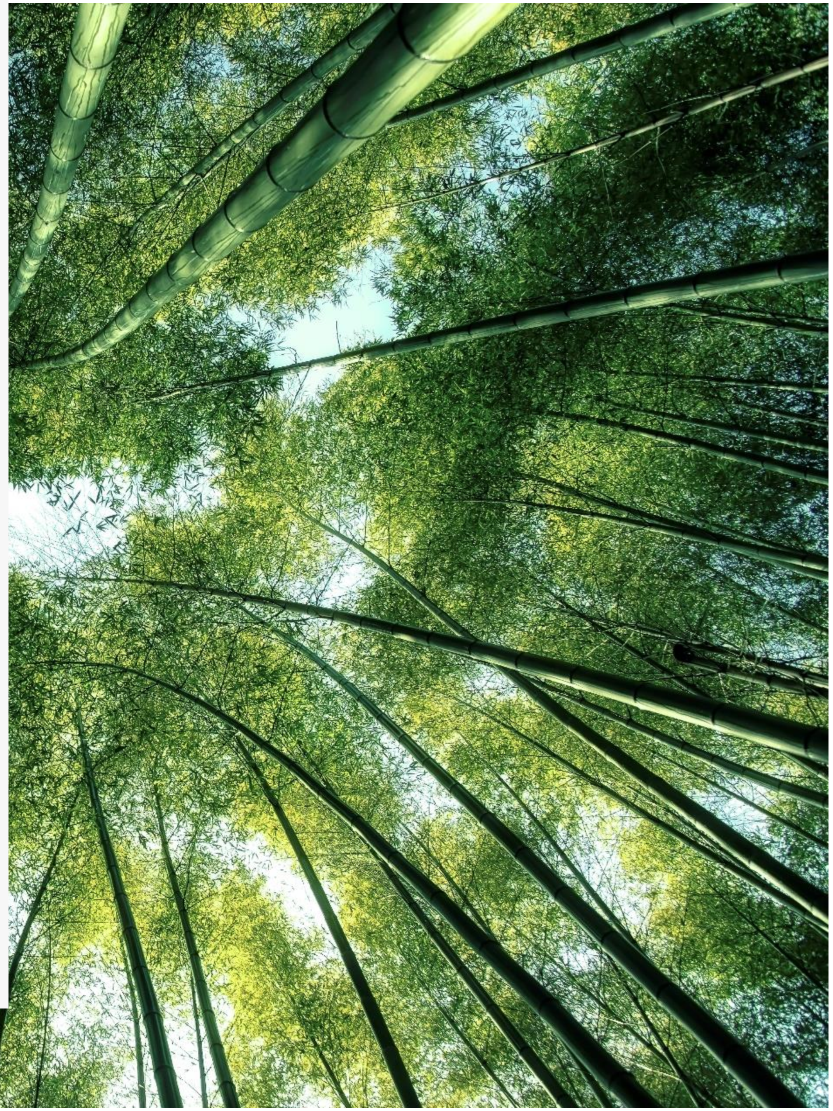
  As stated previously, on 30 June 2022, CaixaBank, CaixaBank Asset Management and VidaCaixa have anticipated the regulatory requirement for 2023 by publishing, this year, information on the most relevant indicators for the Group.

- VidaCaixa and CaixaBank Asset Management have successfully passed the first monitoring audit for the **Sustainable Finances Certification by AENOR**.

- CaixaBank Asset Management and VidaCaixa have adhered to a new Collaborative Dialogue: 2022 Global Investor Statement to Governments on the Climate Crisis.

- **VidaCaixa** received the award for **"Best Pension Fund Manager"**, as a result of its strategy of diversification, active management and integration of environmental, social and good governance criteria.

CaixaBank Asset Management, BPI Gestão de activos and VidaCaixa are rated A+ in the strategy and governance category, the highest possible PRI rating



VidaCaixa

>> MANAGED CUSTOMER FUNDS

€106,142m in Spain[1]

€106,032m in December 2021

€7,444m in Portugal[2]

€7,978m in December 2021

>> DISTRIBUTION OF ASSETS OF PRODUCTS UNDER SFDR (PENSION PLANS IN SPAIN)

54.1% (€23,507m)	Assets of products classified under article 6 (Integra range)
42.0% (€18,222m)	Assets of products with sustainability rating (article 8 - Impulsa range)
3.9% (€1,691m)	Assets of products with sustainability rating (article 9 - Impacta range)

100%
OF ASSETS UNDER MANAGEMENT TAKE INTO ACCOUNT ESG ASPECTS AS OF 30 JUNE 2022 (ACCORDING TO UNPRI CRITERIA)

45.9%[3]
OF ASSETS WILL HAVE A HIGH SUSTAINABILITY RATING ACCORDING TO SFDR (ARTICLES 8 AND 9) (€19,913m)

[1] Includes the life insurance and pension plans business of VidaCaixa, S.A.
[2] Includes the life insurance and pension plans business of BPI Vida e Pensões, wholly owned by VidaCaixa, S.A.
[3] Calculated percentage of plans affected by SFDR, including EPSV and Unit Linked.

>> ASSETS UNDER MANAGEMENT

CaixaBank ASSET MANAGEMENT

€80,445m in Spain[1]

€84,507m in December 2021

€7,289m in Portugal[2]

€7,959m in December 2021

€826m in Luxembourg[3]

€967m in December 2021

100% OF ASSETS UNDER MANAGEMENT TAKE INTO ACCOUNT ESG ASPECTS AS OF 30 JUNE 2022 (ACCORDING TO UNPRI CRITERIA)

>> DISTRIBUTION OF ASSETS OF PRODUCTS ACTIVELY MARKETED UNDER SFDR

Spain		Portugal
59.7% (€43,951m)	Assets of products classified under article 6 (Integra range)	39.5% (€1,420m)
4.0% (€2,951m)	Assets of products classified under article 6 (non-Integra range)	0% (€0m)
32.4% (€23,850m)	Assets of products with sustainability rating (article 8 - Impulsa range)	59.9% (€2,154m)
3.9% (€2,863m)	Assets of products with sustainability rating (article 9 - Impacta range)	0.7% (€24m)

36.3% OF ASSETS WILL HAVE A HIGH SUSTAINABILITY RATING ACCORDING TO SFDR (ARTICLES 8 AND 9) (€26,713m)

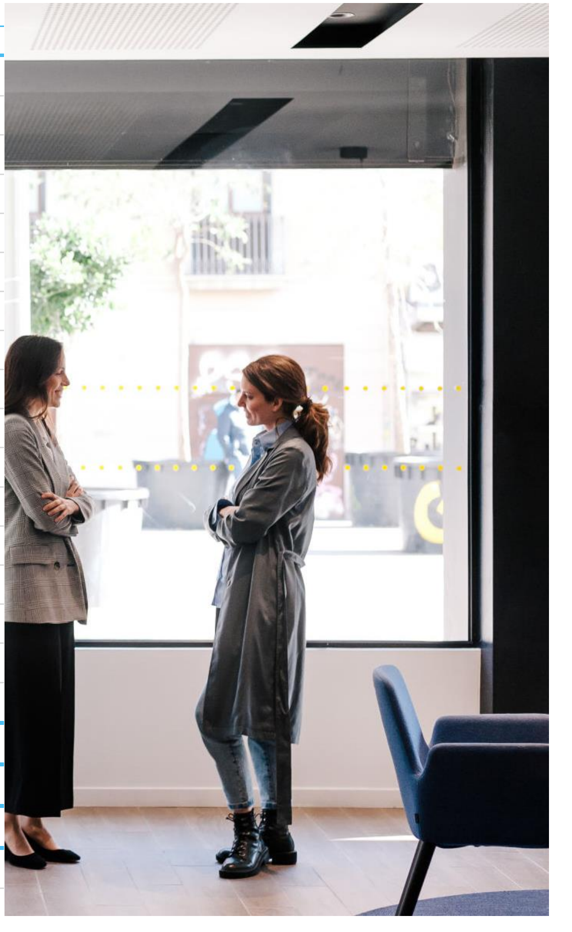
60.6% OF ASSETS WILL HAVE A HIGH SUSTAINABILITY RATING ACCORDING TO SFDR (ARTICLES 8 AND 9) (€2,178m)

[1] Includes CaixaBank Asset Management SGIIC's fund business, discretionary management portfolio and SICAVs
[2] Includes the mutual and real estate fund business and discretionary management portfolios of BPI Gestão de Activos SGFIM, wholly owned by CaixaBank Asset Management.
[3] Includes the business of funds and SICAVs of CaixaBank Asset Management Luxembourg, S.A.

7. Income statement and **financial information**

Below is the performance of profit and loss in the previous two interim periods. The profits of 2021 are impacted by the Q1 2021 formalisation of the merger between CaixaBank and Bankia, which has affected the performance of the various headings and generates extraordinary impacts.

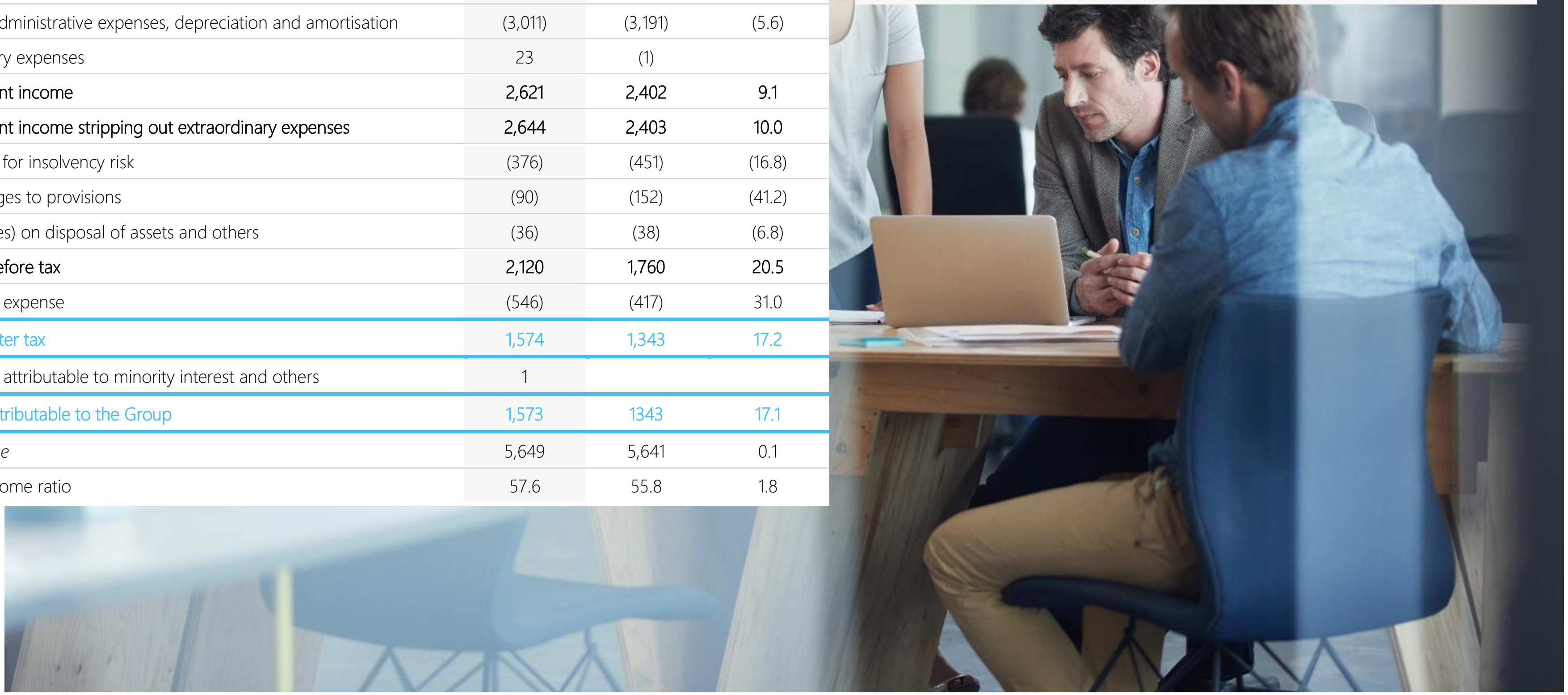
				ex M&A one offs	
€ million	June 2022	June 2021	Change	June 2021	Change
Net interest income	3,156	2,827	11.6	2,827	11.6
Dividend income	131	152	(13.4)	152	(13.4)
Share of profit/(loss) of entities accounted for using the equity method	112	205	(45.5)	205	(45.5)
Net fee and commission income	1,994	1,640	21.6	1,640	21.6
Trading income	247	80		80	
Income and expense under insurance or reinsurance contracts	411	318	29.3	318	29.3
Other operating income and expense	(397)	(339)	17.0	(339)	17.0
Gross income	5,655	4,883	15.8	4,883	15.8
Recurring administrative expenses, depreciation and amortisation	(3,011)	(2,747)	9.6	(2,747)	9.6
Extraordinary expenses	(23)	(1,970)	(98.8)	(1)	
Pre-impairment income	2,621	166		2,135	22.8
Pre-impairment income stripping out extraordinary expenses	2,644	2,136	23.8	2,136	23.8
Allowances for insolvency risk	(376)	(328)	14.3	(328)	14.3
Other charges to provisions	(90)	(155)	(42.2)	(129)	30.5
Gains/(losses) on disposal of assets and others	(36)	4,284		(16)	
Profit/(loss) before tax	2,120	3,966	(46.6)	1,662	27.6
Income tax expense	(546)	214		(384)	42.0
Profit/(loss) after tax	1,574	4,180	(62.4)	1,277	23.2
Profit/(loss) attributable to minority interest and others	1				
Profit/(loss) attributable to the Group	1,573	4,181	(62.4)	1,278	23.1
Core *income*	5,649	4,899	15.3	4,899	15.3
Cost-to-income ratio	57.6	75.8	(18.1)	54.3	3.3



Furthermore, in order to facilitate comparability, the evolution of the 2022 income statement is presented in comparison to that of 2021 on a like-for-like basis, i.e. aggregating Bankia's profit prior to the merger (Q1 2021) and excluding the extraordinary items associated with the merger.

€ million	June 2022	June 2021	Change
Net interest income	3,156	3,275	(3.6)
Dividend income	131	152	(13.5)
Share of profit/(loss) of entities accounted for using the equity method	112	217	(48.4)
Net fee and commission income	1,994	1,922	3.8
Trading income	247	90	
Income and expense under insurance or reinsurance contracts	411	318	29.3
Other operating income and expense	(397)	(380)	4.3
Gross income	5,655	5,593	1.1
Recurring administrative expenses, depreciation and amortisation	(3,011)	(3,191)	(5.6)
Extraordinary expenses	23	(1)	
Pre-impairment income	2,621	2,402	9.1
Pre-impairment income stripping out extraordinary expenses	2,644	2,403	10.0
Allowances for insolvency risk	(376)	(451)	(16.8)
Other charges to provisions	(90)	(152)	(41.2)
Gains/(losses) on disposal of assets and others	(36)	(38)	(6.8)
Profit/(loss) before tax	2,120	1,760	20.5
Income tax expense	(546)	(417)	31.0
Profit/(loss) after tax	1,574	1,343	17.2
Profit/(loss) attributable to minority interest and others	1		
Profit/(loss) attributable to the Group	1,573	1343	17.1
Core *income*	5,649	5,641	0.1
Cost-to-income ratio	57.6	55.8	1.8

In relation to the performance of core income by item, following the merger in 2021, fees and commissions from the sale of insurance products were received from the agreement between Bankia and Mapfre and 49% of the attributable income from Bankia Vida was recognised in the item Share of profit/(loss) of entities accounted for using the equity method. As of 2022, following the acquisition of 100% of Bankia Vida at the end of the last quarter of 2021, its income and costs are integrated by global consolidation (in the items Net interest income and Income and expenses under insurance or reinsurance contracts).



Breakdown by business

Profit and Loss by business segment is set out below:

€ million	June 2022	Breakdown by business: Banking and Insurance	BPI	Corporate centre
Net interest income	3,156	2,919	232	4
Dividend income and share of profit/(loss) of entities accounted for using the equity method	243	91	15	138
Net fee and commission income	1994	1,850	145	
Trading income	247	210	18	20
Income and expense under insurance or reinsurance contracts	411	411		
Other operating income and expense	(397)	(349)	(41)	(7)
Gross income	5,655	5,132	368	155
Recurring administrative expenses, depreciation and amortisation	(3,011)	(2,756)	(226)	(29)
Extraordinary expenses	(23)	(23)		
Pre-impairment income	2,621	2,353	143	125
Pre-impairment income stripping out extraordinary expenses	2,644	2,376	143	125
Allowances for insolvency risk	(376)	(403)	28	
Other charges to provisions	(90)	(89)		
Gains/(losses) on disposal of assets and others	(36)	(37)	1	
Profit/(loss) before tax	2,120	1,823	171	125
Income tax expense	(546)	(499)	(47)	
Profit/(loss) after tax	1,574	1,325	124	125
Profit/(loss) attributable to minority interest and others	1	1		
Profit/(loss) attributable to the Group	1,573	1,323	124	125

For the purpose of presenting the financial information, the Group is set up with following business sectors, which have been reconfigured in 2022 (the 2021 data has been restated for comparability purposes):

- **Banking and Insurance** shows earnings from the Group's banking, insurance, asset management, real estate and ALCO's activity mainly in Spain.

  Most of the activity and results generated by Bankia are included in this business.

  The recognition date take of the merger for accounting purposes is 31 March 2021, the date on which the financial statements included Bankia's assets and liabilities at fair value. As of the second quarter of 2021, the generated results are included in the various lines of the income statement.

- **Corporate center**: includes the investees allocated to the equity investments business in the segmentation effective until 2021, in other words, Telefónica, BFA, BCI, Coral Homes and Gramina Homes, as well as Erste Group Bank until its divestment in the fourth quarter of 2021. This line of business shows earnings from the stakes net of funding expenses.

- **BPI**: covers the income from the BPI's domestic banking business, essentially in Portugal. The income statement includes the reversal of the adjustments deriving from the measurement at fair value of the assets and liabilities under the business combination.

The Group's excess capital is allocated to the **corporate center**, which is calculated as the difference between the Group's total shareholders' equity and the capital assigned to the Banking and Insurance business, BPI and the investees allocated to the corporate center. Specifically, the allocation of capital to these businesses and investees takes into account the 11.5% capital consumption for risk-weighted assets, as well as any applicable deductions. Liquidity is the counterpart of the excess capital allocated to the corporate center.

The operating expenses of these business segments include both direct and indirect costs, which are assigned according to internal distribution methods. The corporate expenses at Group level are assigned to the **corporate center**.

Trends in results

Attributable profit for the first half of 2022 amounts to 1,573 million euros, versus 4,181 million euros in 2021 (-62.4%), which included the extraordinary aspects related to the merger with Bankia (negative consolidation difference for 4,300 million euros and extraordinary expenses and charges to provisions for -1,397 million euros, net of tax).

Below is an explanation of the income statement for 2022 compared to the comparative proforma income statement for 2021 (drawn up by adding the result generated by Bankia before the merger and excluding the extraordinary aspects related thereto), presented previously.

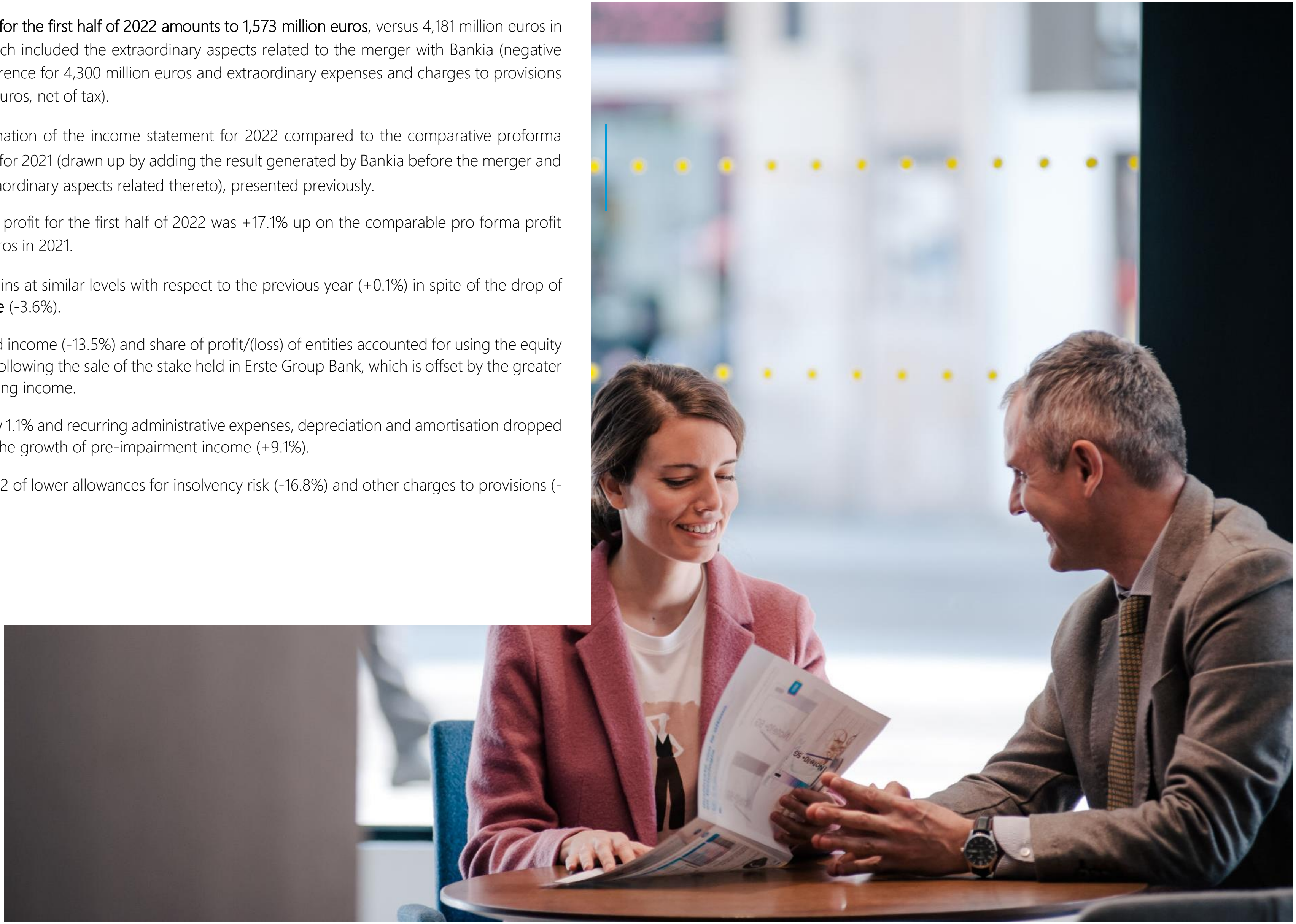
In that regard, the profit for the first half of 2022 was +17.1% up on the comparable pro forma profit of 1,343 million euros in 2021.

Core income remains at similar levels with respect to the previous year (+0.1%) in spite of the drop of **net interest income** (-3.6%).

Decline of dividend income (-13.5%) and share of profit/(loss) of entities accounted for using the equity method (-48.4%) following the sale of the stake held in Erste Group Bank, which is offset by the greater generation of trading income.

Gross income grew 1.1% and recurring administrative expenses, depreciation and amortisation dropped 5.6%, resulting in the growth of pre-impairment income (+9.1%).

Recognition in 2022 of lower allowances for insolvency risk (-16.8%) and other charges to provisions (-41.2%).



Net interest income

Net interest income amounted to 3,156 million euros (-3.6% compared to the same period in 2021). In an environment of negative interest rates up to the middle of the first half, this decrease is due to:

- Lower income from loans due to the interest rate decline, mainly impacted by the drop of the rate curve. A lower average volume is added to this rate reduction.
- Lower contribution of the fixed-income portfolio due to the reduction of the average rate, as a result of the revaluation of assets at market value within the framework of the CaixaBank and Bankia integration in the first quarter of 2021. Effect partially mitigated by a portfolio increase.
- Higher costs for financial intermediaries due to the increase of liquidity at negative rates

These effects have been partially offset by:

- Savings in the costs of institutional funding due to a lower price, mainly as a result of the revaluation of liabilities at market value within the framework of the CaixaBank and Bankia integration and to a drop in the curve.
- Lower retail funding costs due to the drop in the rate.
- Inclusion of the financial margin on life savings insurance products of Bankia Vida, which after acquiring control in the last quarter of 2021, is integrated in 2022 by global consolidation.

€ million		1st half of 2022			1st half of 2021		
		Average balance	Income or expense	Rate %	Average balance	Income or expense	Rate %
Financial Institutions		136,028	554	0.82	82,846	450	1.10
Loans and advances	(a)	332,457	2,664	1.62	341,831	2,866	1.69
Debt securities		89,011	144	0.33	84,403	155	0.37
Other assets with returns		64,981	813	2.52	65,109	793	2.45
Other assets		84,400	33		91,801	6	
Total average assets	**(b)**	**706,877**	**4,208**	**1.20**	**665,990**	**4,270**	**1.29**
Financial Institutions		129,405	(349)	0.54	106,514	(173)	0.33
Retail customer funds	(c)	384,826	40	(0.02)	358,384	(7)	
Institutional debentures and marketable securities		47,532	(66)	0.28	47,460	(122)	0.52
Subordinated liabilities		9,599	(8)	0.16	9,455	(39)	0.83
Other funds with cost		78,974	(627)	1.60	76,338	(625)	1.65
Other funds		56,541	(42)		67,840	(29)	
Total average funds	**(d)**	**706,877**	**(1,052)**	**0.30**	**665,990**	**(995)**	**0.30**
Net interest income			3,156			3,275	
Customer spread	(a-c)			1.64			1.69
Balance sheet spread	(b-d)			0.90			0.99

To help readers interpret the information contained in this report, the following aspects should be taken into account:

- According to applicable accounting standards, income resulting from the application of negative interest rates should be reported in the appropriate income classification. Financial intermediaries on the assets side includes the negative interest on the balances of financial intermediaries held on the liabilities side, the most significant being income from ECB funding measures (TLTRO and MRO). Conversely, the heading financial intermediaries on the liabilities side shows the negative interest on the balances of financial intermediaries on the assets side. Only the net amount between income and expense for both headings has economic significance.
- Other assets with returns and Other funds with cost relate largely to the Group's life insurance activity.
- The balances of all headings except "Other assets" and "Other funds" correspond to balances with returns/cost. "Other assets" and "other liabilities" incorporate balance items that do not have an impact on the net interest income and on returns and costs that are not assigned to any other item.

Fee and commission income

Fee and commission income grew to 1,994 million euros, up 3.8% on the same period of 2021.

- **Banking services, securities and other fees** includes income on securities transactions, transactions, risk activities, deposit management, payment methods and wholesale banking.

  With regard to year-on-year performance, recurring fees and commissions grew 1.1%, mainly due to the rise in transactions and payment methods, which offset the impact of the consolidation of the customer loyalty programmes.

  Fees and commissions from wholesale banking show good performance when compared to the first half of 2021 (+11.0%).

- **Fees and commissions from the sale of insurance products** grew when compared to the same period of 2021 (+5.1%). Their performance is negatively impacted by the drop of fees and commissions from the sale of insurance products following the effective control of Bankia Vida and positively affected by the quarterly accrual of the 10-year phased in income associated with the renegotiation of the agreement to distribute non-life insurance entered with SegurCaixa Adeslas in the last quarter of 2021.

- **Fees and commissions from managing long-term savings products** (investment funds, pension plans and Unit Link) stand at 681 million euros, due to managing higher average asset volumes following the good performance of the markets and sales. Growth of 6.3% with respect to the same quarter of 2021, despite the volatility in the markets in 2022.

€ million	1st half of 2022	1st half of 2021
Banking services, securities and other fees	1,121	1,098
Recurring	1,001	990
Wholesale banking	120	108
Sale of insurance products	193	183
Long-term savings products	681	640
Investment funds, portfolios and SICAVs	422	399
Pension plans	152	150
Unit Link and other[1]	107	91
Net fee and commission income	1,994	1,922

[1] Includes income corresponding to Unit Link and Flexible Investment Life Annuity (the part managed)

Income from equity investments

- **Dividend income** (131 million euros) includes, the dividends from Telefónica for 38 million euros and BFA for 87 million euros (51 and 98 million euros, respectively in 2021).

- **Attributable profit of entities accounted for using the equity method** (112 million euros) fell (-48.4%) compared to the same period of 2021, chiefly due to changes in the scope of consolidation. In 2022 there are no results attributed to Erste Group Bank since the third quarter of 2021 after its divestment or to Bankia Vida following its effective control at the end of 2021 and its full consolidation as of January 2022.

€ million	1st half of 2022	1st half of 2021
Dividend income	131	152
Share of profit/(loss) of entities accounted for using the equity method	112	217
Income from equity investments	243	369

Trading income

Trading income stands at 247 million euros at the end of the first half of 2022, compared to 38 million euros in the same period in 2021.

Income and expense under insurance or reinsurance contracts

The **income and expense under insurance contracts** stands at 411 million euros, showing a growth of 29.3% with respect to the same quarter of 2021, impacted by the consolidation of Bankia Vida.

Other operating income and expense

Other operating income and expense ascends to -397 milion euros in comparison with -380 milion euros in the same period of last year, includes, among other items, income and expenses of non-real estate subsidiaries, income from rentals and expenses incurred in managing foreclosed properties and contributions, levies and taxes. With regard to the latter, its timing generates a seasonal impact on the quarterly performance under this heading:

- an estimation of the Spanish property tax for 22 million euros (19 million euros in 2021)
- the contribution to the Portuguese banking sector for 21 million euros (19 million euros in 2021).
- the contribution to the SRF[1] of 159 million euros is noteworthy in the second quarter (181 million euros in 2021).

€ million	1st half of 2022	1st half of 2021
Contributions and levies	(181)	(200)
Other real estate income and expense	(61)	(44)
Other	(155)	(136)
Other operating income and expense	(397)	(380)

[1] It includes BPI's contribution to the Portuguese Resolution Fund of 9 million euros.

Administration and amortisation expenses

Year-on-year drop in **Recurring administrative expenses, depreciation and amortisation** of 5.6% supported on the synergies achieved following the integration. Personnel expenses (-7.5%) mainly shows the savings following the departure of employees within the framework of the labour agreement. General expenses (-7.5%) include the capture of synergies associated with Bankia's merger.

Extraordinary expenses includes, among others, the recognition of -29 million euros related to the penalty for early termination of the alliance and acquisition of 100% of the stake in Sa Nostra Vida, as part of the price agreed with CASER.

The *core* cost-to-income ratio (12 months) reached 54.6%.

€ million	1st half of 2022	1st half of 2021
Gross income	5,655	5,593
Personnel expenses	(1,837)	(1,986)
General expenses	(780)	(844)
Depreciation and amortisation	(394)	(361)
Recurring administrative expenses, depreciation and amortisation	(3,011)	(3,191)
Extraordinary expenses	(23)	(1)

Allowances for insolvency risk and other charges to provisions

- **Allowances for insolvency risk** stand at -376 million euros, compared to -451 million euros in the first half of 2021 (-16.8%).

  The half-yearly recalibration of the provision models was carried out in the second quarter, which includes, among others, an update of the forward-looking macroeconomic scenarios under the IFRS 9 accounting standard. The macroeconomic framework used includes the expected effects of the armed conflict in Ukraine. In view of the uncertainty involved in estimating the macroeconomic scenario and due to the fact that it includes customer-related risks, who benefited from support measures during the pandemic, the remainder of the collective provision fund amounts to 1,257 million euros.

  The **cost of risk (last 12 months)** stands at 0.23%.

- **Other charges** mainly include the coverage of future contingencies and impairment of other assets.
  In 2022, inclusion of the use provisions for 39 million euros established in 2021 to cover asset write-downs from the plan to restructure the commercial network. When the expense materialises, it is recognised in Gains/(losses) on disposal of assets and others.

€ million	1st half of 2022	1st half of 2021
Allowances for insolvency risk	(376)	(451)
Other charges to provisions	(90)	(152)
Allowances for insolvency risk and other charges to provisions	(465)	(604)

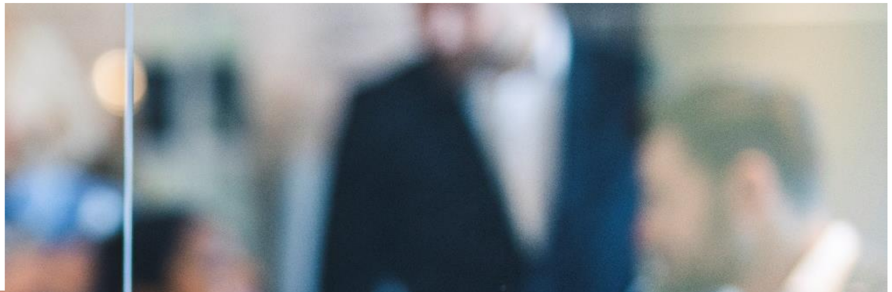
Gains/(losses) on disposal of assets and others

Gains/(losses) on disposal of assets and others includes, essentially, the results of completed one-off transactions and proceeds on asset sales and write-downs.

The real estate results in 2022 is mainly impacted by higher asset sales.

The item Other includes in 2022 the materialisation of the asset write-downs within the framework of the aforementioned plan to restructure the commercial network.

€ million	1st half of 2022	1st half of 2021
Real estate results	19	(3)
Other	(55)	(33)
Gains/(losses) on disposal of assets and others	(36)	(38)




Business performance

Balance sheet

The **Group's total assets** reached 704,505 million euros on 30 June 2022, up 3.6% on 31 December 2021.

	Group		Segmentation by business		
€ million	31.12.2021	30 Jun. 2022	Banking and insurance	BPI	Corporate centre
Total assets	680,036	704,505	655,614	43,034	5,857
Total liabilities	644,611	669,662	627,668	40,121	1,873
Equity	35,425	34,843	27,946	2,913	3,984
Assigned equity	100%	100%	81%	8%	11%

The difference between the Group's total shareholders' equity and the capital allocated to the Banking and Insurance business, BPI and the investees allocated to the corporate centre is allocated to the Corporate Centre.

Loans and advances to customers

Loans and advances to customers, gross stood at 362,770 million euros, up -2.8% in the year. The solid growth of loans to business is noteworthy, as so does the positive seasonal impact from the advance of double payments made to pension holders in June for an amount of 3,300 million euros (+1.8%).

Changes by segment include:

- **Loans for home purchases** (-0.8% change) continue to be marked by the portfolio's repayments, with a positive trend of the new production indicators.
- **Loans to individuals - Other** has grown 5.6% in the quarter, impacted by the abovementioned advance of double payments made to pension holders in June (-1.7% in the year, excluding this seasonal effect).
- **Consumer lending** grows 2.4% with respect to December 2021, thanks to the recovery of production levels, which compensate the portfolio's maturities.
- Good performance of **Financing for Corporates**, up 4.8% in the year.
- Loans to the public sector grew 6.5 in the year, marked by one-off transactions.

	Group		Segmentation by business	
€ million	31.12.2021	30 Jun. 2022	Banking and insurance	BPI
Loans to individuals	184,752	186,127	170,500	15,627
Home purchases	139,792	138,650	124,850	13,800
Other	44,959	47,478	45,650	1,828
Loans to business	147,419	154,513	143,247	11,266
Public sector	20,780	22,131	20,375	1,755
Loans and advances to customers, gross	352,951	362,771	334,122	28,649
Provisions for insolvency risk	(8,265)	(7,767)	(7,228)	(539)
Loans and advances to customers, net	344,686	355,004	326,894	28,110
Contingent liabilities	27,209	29,046	27,001	2,045

Customer funds

Customer funds reached 624,087 million euros on 30 June 2022, up 0.7% in the year, impacted by the usual positive seasonal nature of demand deposits at the end of the second quarter and the market volatility on Unit Linked products and assets under management.

On-balance sheet funds amount to 468,787 million euros (+3.0% in the year).

- **Demand deposits** amounted to 369,068 million euros (+5.3% in the year)
- **Term deposits** totalled 29,706 million euros (-12.2% in the organic year). Their performance continues to be marked by the reduction of deposits on the renewal of maturities.
- Decrease of **liabilities under insurance contracts** (down 1.4% in the year) due to the impact of the negative market effect on Unit Links, albeit with positive net subscriptions in the year.

Assets under management stand at 145,324 million euros. Its performance (-8.0% in the year) is mainly due to the negative market effect, with positive net subscriptions in the year.

- The assets managed in **investment funds, portfolios and SICAVs** stand at 101,166 million euros (-8.1% in the year).
- **Pension plans** stand at 44,158 million euros (-7.9% over the year).

The changes in **other accounts** stands at +42.9% in the year due to the performance of temporary funds associated with transfers and collections.

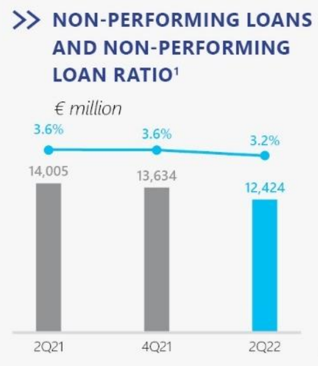
	Group		Segmentation by business	
€ million	31.12.2021	30 Jun. 2022	Banking and insurance	BPI
Customer funds	384,270	398,773	369,018	29,755
Demand deposits	350,449	369,068	347,901	21,167
Time deposits[1]	33,821	29,706	21,118	8,588
Insurance contract liabilities[2]	67,376	66,413	66,413	
of which: Unit link and other[3]	19,366	18,529	18,529	
Reverse repurchase agreements and other	3,322	3,600	3,595	5
On-balance sheet funds	454,968	468,787	439,027	29,760
Mutual funds, managed accounts and SICAVs	110,089	101,166	95,451	5,715
Pension plans	47,930	44,158	44,158	
Assets under management	158,020	145,324	139,609	5,715
Other accounts	6,983	9,976	9,509	467
Total customer funds	619,971	624,087	588,145	35,942

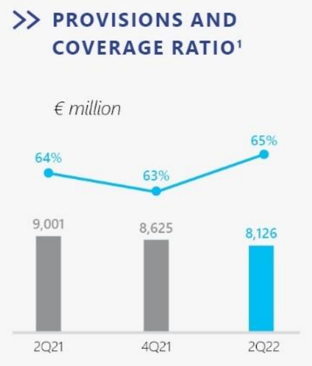
1. Includes retail debt securities amounting to 1,326 million euros at 30 June 2022.

2. Excluding the impact of the change in value of the associated financial assets, with the exception of Unit Link and Flexible Investment Life Annuity (the part managed) products.

3. Includes technical provisions corresponding to Unit Link and Flexible Investment Life Annuity (the part managed).

Credit risk quality





[1] Calculations include loans and contingent liabilities.

Non-performing balances dropped **12,424 million euros** following the good performance of asset quality indicators and active management of moratoria. Non-performing balances have decreased by -1,209 million euros compared to the close of December 2021.

At 30 June, the **non-performing loan ratio** stood at 3.2%, compared to 3.6% in December 2021.

Provisions for insolvency risk on 30 June stood at 8,126 million euros versus 8,625 million euros at the end of 2021. The **coverage ratio** at 30 June stood at 65% (versus 63% in December 2021).

>> NPL RATIO BY SEGMENT

	Group		Segmentation by business	
€ million	31.12.2021	30 Jun. 2022	Banking and insurance	BPI
Loans to individuals	4.2%	3.6%	3.7%	2.1%
Home purchases	3.6%	3.0%	3.2%	1.6%
Other	6.4%	5.2%	5.2%	5.8%
Loans to business	3.5%	3.3%	3.3%	2.8%
Public sector	0.3%	0.1%	0.1%	
NPL Ratio (loans and contingent liabilities)	3.6%	3.2%	3.2%	2.3%
NPL coverage ratio	63%	65%	65%	78%

Liquidity and structure of the financing

CaixaBank manages the liquidity risk to maintain sufficient liquidity levels so that it can comfortably meet all its payment obligations and to prevent its investment activities from being affected by a lack of lendable funds, at all times within the risk appetite framework.

- **Total liquid assets** totalled 162,847 million euros at 30 June 2022.
- The Group's ***Liquidity Coverage Ratio*** (LCR) at 30 June 2022 was 312%, showing an ample liquidity position (323% LCR average last 12 months) well clear of the minimum requirement of 100%.
- The *Net Stable Funding Ratio* (NSFR) stood at 150% at 30 June 2022, above the 100% regulatory minimum required as of June 2021.
- Solid retail financing structure with a loan-to-deposit ratio of 88%.
- The **balance drawn under the ECB facility** at 30 June 2022 amounted to 80,752 million euros, corresponding to TLTRO III.
- **Institutional lending** amounted to 52,748 million euros, diversified by instruments, investors and maturities.
- Available capacity to issue mortgage and regional public sector covered bonds at CaixaBank, S.A. came to 21,954 million euros at 30 June 2022.

€ million	31.12.2021	30 Jun. 2022
Total liquid assets (a + b)	168,349	162,847
Available balance in non-HQLA facility	1,059	1,397
HQLA	167,290	161,451
Institutional financing	54,100	52,748
Loan to Deposits	89%	88%
Liquidity Coverage Ratio	336%	312%
Liquidity Coverage Ratio (last 12 months)	320%	323%
Net Stable Funding Ratio	154%	150%

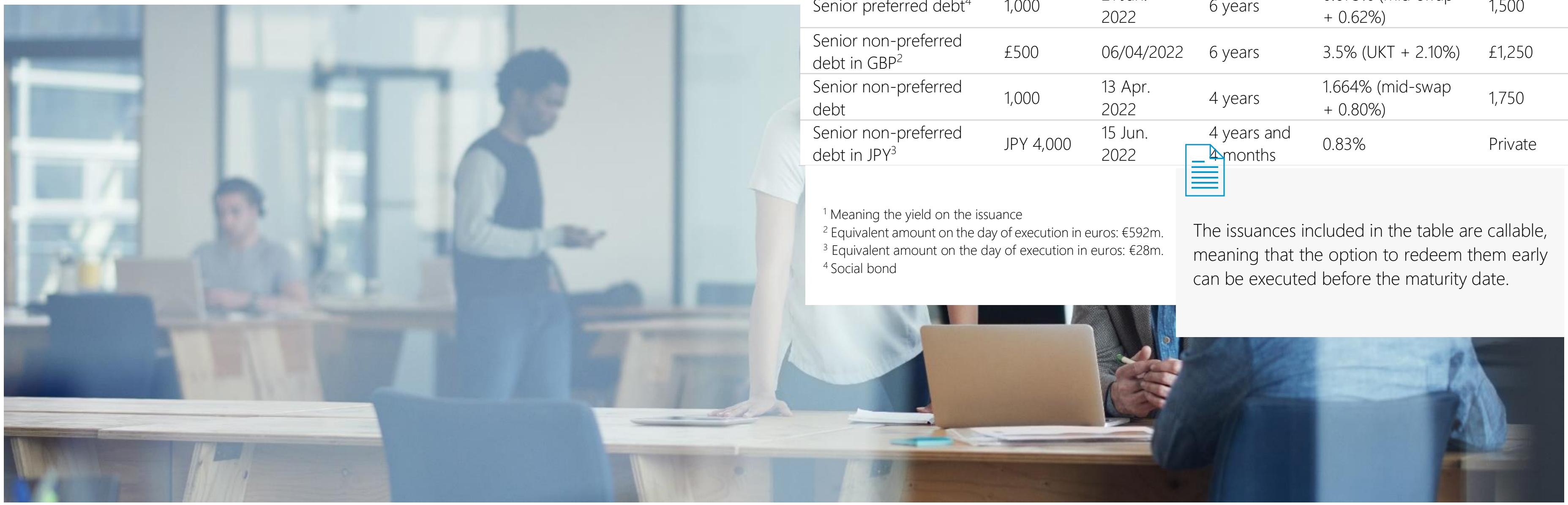
>> INFORMATION ON ISSUANCES MADE IN THE SIX MONTHS

€ million

Issue	Amount	Issue date	Maturity	Cost[1]	Demand
Senior preferred debt[4]	1,000	21 Jan. 2022	6 years	0.673% (mid-swap + 0.62%)	1,500
Senior non-preferred debt in GBP[2]	£500	06/04/2022	6 years	3.5% (UKT + 2.10%)	£1,250
Senior non-preferred debt	1,000	13 Apr. 2022	4 years	1.664% (mid-swap + 0.80%)	1,750
Senior non-preferred debt in JPY[3]	JPY 4,000	15 Jun. 2022	4 years and 4 months	0.83%	Private

[1] Meaning the yield on the issuance
[2] Equivalent amount on the day of execution in euros: €592m.
[3] Equivalent amount on the day of execution in euros: €28m.
[4] Social bond

The issuances included in the table are callable, meaning that the option to redeem them early can be executed before the maturity date.



Capital management

- The *Common Equity Tier 1 (CET1)* ratio **stands at 12.4 %** (12.2 % without applying the IFRS 9 transitional adjustments), following the extraordinary impact from the share buy-back programme (-83 basis points, corresponding to the total deduction of the maximum authorised amount for 1,800 million euros).

  The first half of the year includes the impact of -50 b.p. from the dividend forecast and the AT1 coupon payment, in addition to +9 b.p. due to market developments and others. The organic evolution in the half year was +62 basis points.

  The impact of IFRS 9 phase-in was of +25 basis points at 30 June 2022.

- The internal CET1 target ratio approved by the Board of Directors is set between 11 % and 12 % (without applying the IFRS 9 transitional adjustments) with a margin of between 250 and 350 basis points in relation to the SREP requirements.

- The *Tier 1* ratio stood at **14.4 %** (14.2 % excluding IFRS9 transitional adjustments) and the **total capital** ratio was **16.6 %** (16.3% excluding IFRS9 transitional adjustments).

- The leverage ratio stands at 4.6 %.

- On 30 June, the subordinated MREL ratio reached 21.7% and the **total MREL ratio 24.6 %**. The total MREL ratio reached 8.0 % of LRE. The following three issues of Senior non-preferred debt were carried out for 1,611 million euros in the second quarter: one for 500 million pounds, one for 1,000 million euros and another for 4,000 million yen.

- Similarly, **CaixaBank is subject to minimum capital requirements** on a non-consolidated basis. The CET1 ratio under this perimeter reached 13.0 %.

- **BPI** is also compliant with its minimum capital requirements. Capital ratios at a sub-consolidated level are as follows: CET1 of 13.6%, Tier1 of 15.0 % and Total Capital of 17.3 %.

- In terms of regulatory requirements, the Group's domestic systemic risk buffer rose to 0.375% for 2022 (0.50% expected in 2023). As a result, the capital requirements for 2022 is 8.31% for CET1, 10.12% for Tier 1 and 12.53% for Total Capital. At 30 June, CaixaBank has a margin of 405 basis points, equating to 8,735 million euros, until the Group's MDA trigger.

- As for the MREL requirement, in February 2022 the Bank of Spain communicated to CaixaBank the Total and Subordinated minimum MREL requirements that it must meet at consolidated level:

RWA requirement in % (including CBR)	2022	2024
Total MREL	22.21%	23.93%
Subordinated MREL	16.38%	18.70%
% requirement for LRE		
Total MREL	6.09%	6.19%
Subordinated MREL	6.09%	6.19%

- The Group's level of capital adequacy confirms that the applicable requirements would not lead to any automatic restrictions according to the capital adequacy regulations, regarding the distribution of dividends, variable remuneration, and the interests of holders of Additional Tier 1 capital securities.

In EUR millions and %	31.12.2021	30 Jun. 2022
Common Equity Tier 1 (CET1)	13.1%	12.4%
Tier 1	15.5%	14.4%
Total capital	17.9%	16.6%
MREL	25.7%	24.6%
Risk Weighted Assets (RWA)	215,651	215,521
Leverage ratio	5.3%	4.6%

Shareholder remuneration

On 20 April 2022, the bank paid its shareholders 0.1463 euros per share, corresponding to the ordinary dividend charged to 2021 profits and following the approval at the Annual General Meeting held on 8 April. This dividend distribution amounts to 1,179 million euros and is equivalent to 50% of the consolidated net profit of 2021 adjusted by the extraordinary impacts from the merger with Bankia.

Furthermore, the Board of Directors approved on 27 January 2022 the Dividend Policy for 2022, establishing the distribution of a cash dividend between 50% and 60% of the consolidated net profit in a single payout in April 2023, subject to final approval at the Annual General Meeting.

After receiving the appropriate regulatory authorisation, the Board of Directors agreed to approve and commence the programme for the repurchase of treasury shares. On 30 June, CaixaBank has acquired 190,664,468 shares for 641,186,443 euros, equivalent to 35.6% of the maximum monetary amount (269.177.680 shares at 947.492.930 euros, which represent 52,6 % of the maximum amount, according to the latest information reported in the OIR of 25 July 2022).

Ratings

	Issuer Rating						
Agency	Long-Term	Short-Term	Outlook	Senior Preferred Debt	Last review date	Mortgage covered bonds	Last review date mortgage covered bonds
S&P Global Ratings	A-	A-2	Stable	A-	25.04.2022	AA+	28.03.2022
FitchRatings	BBB+	F2	Stable	A-	30.06.2022	-	-
Moody's	Baa1	P-2	Stable	Baa1	16.02.2022	Aa1	24.08.2021
DBRS	A	R-1 (low)	Stable	A	29.03.2022	AAA	08.07.2022

Glossary - Alternative Performance Measures (APMs) definition

Non-financial information

AuMs (Assets Under Management) considering ESG (Environmental, Social, Governance) aspects: assets for which a sustainability indicator is taken into account their measurement, or where engagement and proxy voting policies are applied. Definition based on UNPRI criteria.

Digital customers: Individual customers banking on Now (website or mobile), Imagin or other CaixaBank apps in the last 6 months. Spain network.

Customer: any natural or legal person with a overall funds equal to or greater than 5 euros in the Entity that has made at least two non-automatic transactions in the last two months.

Employees: scope of active or structural workforce at the year-end. This does not include absenteeism or partial retirees, non-eligible personnel, personnel in centres pending relocation, apprentices or workers from temporary employment agencies.

Employees with a disability (number): employees working at the Company with a recognised degree of disability equal to or greater than 33%.

Management free float (%): The number of shares available for the public, calculated as the number of issued shares minus the shares held in the treasury, advisers, and shareholders represented on the Board of Directors.

Microloans: loans of up to 25,000 euros, without collateral, for people who, due to their economic and social conditions, may have difficulties in accessing traditional banking financing. Its aim is to promote production, job creation and personal and family development.

Other socially-impacting funding: loans that contribute to generating a positive and measurable social impact on society, intended for sectors related to entrepreneurship and innovation, the social economy, education and health. Its aim is contribute to maximising the social impact in these sectors.

Branches: total number of centres. Includes retail branches and other specialised segments. It does not include tellers (displaced public service centres with no director, dependent on another main branch). It also does not include representation branches and offices abroad or virtual/digital centres.

Accessible branch: a branch is deemed to be accessible when its features enable all types of people, regardless of their abilities, to enter, move around, navigate, identify, understand and make use of the available services and facilities, and to communicate with staff. In addition, the branch must comply with current regulations.

Products with high sustainability rating: assets of products that are classified under **article 8** (direct promotion of environmental or social characteristics) and **article 9** (pursuing a sustainable investment objective) of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector. Data estimated for 31.12.21 pending authorisation and recording in CNMV. Considers investment funds and pension plans, including EPSV (Voluntary Social Welfare Entities) and Unit Linked.

Financial information

In addition to the financial information prepared in accordance with International Financial Reporting Standards (IFRSs), this document includes certain Alternative Performance Measures (APMs) as defined in the guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority on 30 June 2015 (ESMA/2015/1057) (the "ESMA Guidelines"). CaixaBank uses certain APMs, which have not been audited, for a better understanding of the Group's financial performance. These measures are considered additional disclosures and in no case replace the financial information prepared under IFRSs.

Moreover, the way the Group defines and calculates these measures may differ to the way similar measures are calculated by other companies. Accordingly, they may not be comparable.

ESMA guidelines define an APM as a financial measure of historical or future performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.

In accordance with these guidelines, following is a list of the APMs used, along with a reconciliation between certain management indicators and the indicators presented in the consolidated financial statements prepared under IFRS. Figures are presented in millions of euros unless the use of another unit is stated explicitly.

Profitability and cost-to-income

Customer spread*: difference between: (i) average rate of return on loans (annualised quarterly income from loans and advances to customers divided by the net average balance of loans and advances to customers for the quarter); (ii) average rate for retail customer funds (annualised quarterly cost of retail customer funds divided by the average balance of those same retail customer funds for the quarter, excluding subordinated liabilities that can be classified as retail).

		2Q21	3Q21	4Q21	1Q22	2Q22
Numerator	Annualised quarterly income from loans and advances to customers	5,688	5,499	5,376	5,297	5,447
Denominator	Net average balance of loans and advances to customers	339,866	336,605	333,254	329,860	335,025
(a)	**Average yield rate on loans (%)**	**1.67**	**1.63**	**1.61**	**1.61**	**1.63**
Numerator	Annualised quarterly cost of on-balance sheet retail customer funds	8	(8)	4	(65)	(96)
Denominator	Average balance of on-balance sheet retail customers funds	362,009	371,366	376,774	382,008	387,613
(b)	**Average cost rate of retail customer funds (%)**	**0.00**	**0.00**	**0.00**	**(0.02)**	**(0.03)**
	Customer spread (%) (a - b)	**1.67**	**1.63**	**1.61**	**1.63**	**1.66**

Balance sheet spread*: the difference between: (i) average rate of return on assets (annualised interest income for the quarter divided by total average assets for the quarter), and; (ii) average cost of funds (annualised interest expenses for the quarter divided by total average funds for the quarter). Allows the Group to track the spread between interest income and cost for its on-balance sheet assets and liabilities.

		2Q21	3Q21	4Q21	1Q22	2Q22
Numerator	Annualised quarterly interest income	8,371	8,272	8,197	8,464	8,507
Denominator	Average total assets for the quarter	671,368	690,460	695,346	706,116	707,629
(a)	**Average return rate on assets (%)**	**1.25**	**1.20**	**1.18**	**1.20**	**1.20**
Numerator	Annualised quarterly interest expenses	1,809	1,968	2,011	2,178	2,066
Denominator	Average total funds for the quarter	671,368	690,460	695,346	706,116	707,629
(b)	**Average cost of fund rate (%)**	**0.27**	**0.28**	**0.29**	**0.31**	**0.29**
	Balance sheet spread (%) (a - b)	**0.98**	**0.92**	**0.89**	**0.89**	**0.91**

(*) The average balances of the analysed period are calculated on the basis of the daily closing balances of said period, except in the case of some subsidiaries, for which the average balances are calculated as the arithmetic average of the closing balances of each month.

ROE: ratio of profit/(loss) attributable to the Group (adjusted by the amount of the *Additional Tier 1* coupon, recorded in shareholder equity) to shareholder equity plus average valuation adjustments over the last 12 months (calculated as the average value of average monthly balances). Allows the Group to monitor the return on its shareholder equity.

		2Q21	3Q21	4Q21	1Q22	2Q22
(a)	Profit/(loss) attributable to the Group 12M	5,357	5,456	5,226	1,147	2,617
(b)	Additional Tier 1 coupon	(185)	(217)	(244)	(269)	(276)
Numerator	**Adjusted profit/(loss) attributable to the Group 12M (a+b)**	**5,172**	**5,239**	**4,981**	**878**	**2,342**
(c)	Average shareholder equity 12M	29,464	32,019	34,516	37,000	36,940
(d)	Average valuation adjustments 12M	(1,806)	(1,765)	(1,689)	(1,649)	(1,709)
Denominator	**Average shareholder equity + valuation adjustments 12M (c+d)**	**27,657**	**30,254**	**32,827**	**35,351**	**35,232**
	ROE (%)	**18.7%**	**17.3%**	**15.2%**	**2.5%**	**6.6%**
(e)	Extraordinary income from the merger in 2021	2,903	2,779	2,867	(1,405)	(37)
Numerator	**Adjusted numerator 12M (a+b-e)**	**2,269**	**2,460**	**2,115**	**2,283**	**2,378**
	ROE (%) ex M&A impacts	**8.2%**	**8.1%**	**6.4%**	**6.5%**	**6.8%**

ROTE: quotient between; (i) profit/(loss) attributable to the Group (adjusted by the amount of the *Additional Tier 1* coupon reported in shareholder equity) and; (ii) twelve-month average shareholder equity plus valuation adjustments (calculated as the average value of the monthly average balances) deducting intangible assets using management criteria (calculated as the value of intangible assets in the public balance sheet, plus the intangible assets and goodwill associated with investees, net of provisions, recognised in Investments in joint ventures and associates in the public balance sheet). Metric used to measure the return on a company's tangible equity.

		2Q21	3Q21	4Q21	1Q22	2Q22
(a)	Profit/(loss) attributable to the Group 12M	5,357	5,456	5,226	1,147	2,617
(b)	Additional Tier 1 coupon	(185)	(217)	(244)	(269)	(276)
Numerator	**Adjusted profit/(loss) attributable to the Group 12M (a+b)**	**5,172**	**5,239**	**4,981**	**878**	**2,342**
(c)	Average shareholder equity 12M	29,464	32,019	34,516	37,000	36,940
(d)	Average valuation adjustments 12M	(1,806)	(1,765)	(1,689)	(1,649)	(1,709)
(e)	Average intangible assets 12M	(4,555)	(4,752)	(4,948)	(5,155)	(5,210)
Denominator	**Average shareholder equity + valuation adjustments excluding intangible assets 12M (c+d+e)**	**23,102**	**25,501**	**27,879**	**30,196**	**30,022**
	ROTE (%)	**22.4%**	**20.5%**	**17.9%**	**2.9%**	**7.8%**
(f)	Extraordinary income from the merger in 2021	2,903	2,779	2,867	(1,405)	(37)
Numerator	**Adjusted numerator 12M (a+b-f)**	**2,269**	**2,460**	**2,115**	**2,283**	**2,378**
	ROTE (%) ex M&A impacts	**9.8%**	**9.6%**	**7.6%**	**7.6%**	**7.9%**

ROA: net profit (adjusted by the amount of the *Additional Tier 1* coupon reported in shareholder equity) divided by average total assets for the last 12 months (calculated as the average value of the daily balances of the analysed period). Measures the level of return relative to assets.

		2Q21	3Q21	4Q21	1Q22	2Q22
(a)	Profit/(loss) after tax and before minority interest 12M	5,360	5,458	5,229	1,151	2,622
(b)	Additional Tier 1 coupon	(185)	(217)	(244)	(269)	(276)
Numerator	**Adjusted net profit 12M (a+b)**	**5,174**	**5,241**	**4,984**	**882**	**2,346**
Denominator	**Average total assets 12M**	**506,854**	**568,619**	**628,707**	**690,792**	**699,832**
	ROA (%)	**1.0%**	**0.9%**	**0.8%**	**0.1%**	**0.3%**
(c)	M&A impacts in 2021	2,903	2,779	2,867	(1,405)	(37)
Numerator	**Adjusted numerator 12M (a+b-c)**	**2,271**	**2,462**	**2,118**	**2,287**	**2,383**
	ROA (%) ex M&A impacts	**0.5%**	**0.4%**	**0.3%**	**0.3%**	**0.3%**

RORWA: net profit (adjusted by the amount of the Additional Tier 1 coupon reported in shareholder equity) divided by average total risk-weighted assets for the last 12 months (calculated as the average value of the quarterly average balances). Measures the return based on risk weighted assets.

		2Q21	3Q21	4Q21	1Q22	2Q22
(a)	Profit/(loss) after tax and before minority interest 12M	5,360	5,458	5,229	1,151	2,622
(b)	Additional Tier 1 coupon	(185)	(217)	(244)	(269)	(276)
Numerator	**Adjusted net profit 12M (a+b)**	**5,174**	**5,241**	**4,984**	**882**	**2,346**
Denominator	**Risk-weighted assets (regulatory) 12M**	**163,801**	**182,510**	**200,869**	**218,558**	**217,093**
	RORWA (%)	3.2%	2.9%	2.5%	0.4%	1.1%
(c)	M&A impacts in 2021	2,903	2,779	2,867	(1,405)	(37)
Numerator	**Adjusted numerator 12M (a+b-c)**	**2,271**	**2,462**	**2,118**	**2,287**	**2,383**
	RORWA (%) ex M&A impacts	1.4%	1.3%	1.1%	1.0%	1.1%

Cost-to-income ratio: ratio of operating expenses (administrative expenses and depreciation and amortisation) to gross income (or core income for the core cost-to-income ratio), for the last 12 months. Metric widely used in the banking sector to compare the cost to income generated.

		2Q21	3Q21	4Q21	1Q22	2Q22
Numerator	**Administrative expenses, depreciation and amortisation 12M**	6,952	7,468	8,049	8,391	**6,366**
Denominator	**Gross income 12M**	9,175	9,860	10,274	10,987	**11,046**
	Cost-to-income ratio	75.8%	75.7%	78.3%	76.4%	57.6%

		2Q21	3Q21	4Q21	1Q22	2Q22
Numerator	**Administrative expenses, depreciation and amortisation stripping out extraordinary expenses 12M**	4,981	5,448	5,930	6,305	**6,194**
Denominator	**Gross income 12M**	9,175	9,860	10,274	10,987	**11,046**
	Cost-to-income ratio stripping out extraordinary expenses	54.3%	55.3%	57.7%	57.4%	56.1%

		2Q21	3Q21	4Q21	1Q22	2Q22
Numerator	**Administrative expenses, depreciation and amortisation stripping out extraordinary expenses 12M**	4,981	5,448	5,930	6,305	**6,194**
Denominator	**Core income 12M**	9,145	9,860	10,597	11,293	**11,347**
	Core cost-to-income ratio	54.5%	55.3%	56.0%	55.8%	54.6%

Risk management

Cost of risk (CoR): total allowances for insolvency risk (12 months) divided by average of gross loans to customers plus contingent liabilities, using management criteria (calculated as the average value of the monthly closing balances). Metric used to monitor allowances for insolvency risk on the lending portfolio.

		2Q21	3Q21	4Q21	1Q22	2Q22
Numerator	**Allowances for insolvency risk 12M**	910	814	838	892	**885**
Denominator	**Average of gross loans + contingent liabilities 12M**	302,243	333,404	363,368	382,176	**382,125**
	Cost of risk (%)	0.30%	0.24%	0.23%	0.23%	0.23%

Non-performing loan ratio: quotient between the non-performing loans and advances to customers and contingent liabilities, using management criteria, and the total gross loans to customers and contingent liabilities, using management criteria. Indicator used to monitor and track the change in the quality of the loan portfolio.

		2Q21	3Q21	4Q21	1Q22	2Q22
Numerator	**Non-performing loans and contingent liabilities**	14,005	13,955	13,634	13,361	**12,424**
Denominator	**Total gross loans and contingent liabilities**	389,389	382,801	380,160	380,895	**391,816**
	Non-performing loan ratio (%)	3.6%	3.6%	3.6%	3.5%	3.2%

Coverage ratio: quotient between the total credit loss provisions for loans to customers and contingent liabilities, using management criteria, and non-performing loans and advances to customers and contingent liabilities, using management criteria. Indicator used to monitor NPL hedging via provisions.

		2Q21	3Q21	4Q21	1Q22	2Q22
Numerator	**Provisions on loans and contingent liabilities**	9,001	8,955	8,625	8,648	**8,126**
Denominator	**Non-performing loans and contingent liabilities**	14,005	13,955	13,634	13,361	**12,424**
	Coverage ratio (%)	64%	64%	63%	65%	65%

Real estate available for sale coverage ratio (**): quotient between the gross debt cancelled at the foreclosure or surrender of the real estate asset minus the present net book value of the real estate asset; and the gross debt cancelled at the foreclosure or surrender of the real estate asset. Reflects the coverage level via write-downs and accounting provisions on foreclosed real estate assets available for sale.

		2Q21	3Q21	4Q21	1Q22	2Q22
(a)	Gross debt cancelled at the foreclosure	1,917	1,933	4,417	4,262	4,030
(b)	Net book value of the foreclosed assets	1,109	1,117	2,279	2,223	2,110
Numerator	**Total coverage of the foreclosed asset (a - b)**	**808**	**816**	**2,138**	**2,039**	**1,920**
Denominator	**Gross debt cancelled at the foreclosure**	**1,917**	**1,933**	**4,417**	**4,262**	**4,030**
	Real estate available for sale coverage ratio (%)	42%	42%	48%	48%	48%

(**) As of 4Q21, it includes coverage for real estate exposure from Bankia (previously solely from CaixaBank).

Real estate available for sale coverage ratio with accounting provisions: quotient between accounting coverage (charges to provisions of foreclosed assets) and the gross book value of the foreclosed asset (sum of net carrying amount and the accounting provision). Indicator of accounting provisions covering foreclosed real estate assets available for sale.

		2Q21	3Q21	4Q21	1Q22	2Q22
Numerator	**Accounting provisions of the foreclosed assets**	**1,103**	**1,087**	**1,006**	**960**	**917**
(a)	Net book value of the foreclosed assets	2,297	2,289	2,279	2,223	2,110
(b)	Accounting provisions of the foreclosed assets	1,103	1,087	1,006	960	917
Denominator	**Gross book value of the foreclosed asset (a + b)**	**3,400**	**3,376**	**3,285**	**3,183**	**3,027**
	Real estate available for sale accounting coverage (%)	32%	32%	31%	30%	30%

Liquidity

Total liquid assets: sum of HQLAs (*High Quality Liquid Assets* within the meaning of Commission Delegated Regulation of 10 October 2014) plus the available balance under the facility with the European Central Bank (non-HQLA). Shows the Entity's liquidity position.

		2Q21	3Q21	4Q21	1Q22	2Q22
(a)	**High Quality Liquid Assets (HQLAs)**	161,929	172,066	167,290	170,170	**161,451**
(b)	**Available balance under the ECB facility (non-HQLAs)**	802	1,059	1,059	1,033	**1,397**
	Total liquid assets (a + b)	162,731	173,125	168,349	171,202	162,847

Loan-to-deposits: quotient between net loans and advances to customers using management criteria excluding brokered loans (funded by public institutions), and customer deposits on the balance sheet. Metric showing the retail funding structure (allows us to value the proportion of retail lending being funded by customer funds).

		2Q21	3Q21	4Q21	1Q22	2Q22
Numerator	**Loans and advances to customers, net (a-b-c)**	**350,468**	**343,506**	**340,948**	**341,477**	**351,449**
(a)	Loans and advances to customers, gross	363,012	355,929	352,951	353,404	362,770
(b)	Provisions for insolvency risk	8,609	8,554	8,265	8,277	7,767
(c)	Brokered loans	3,935	3,869	3,738	3,650	3,554
Denominator	**On-balance sheet customer funds**	**371,191**	**377,551**	**384,270**	**385,816**	**398,773**
	Loan to Deposits (%)	94%	91%	89%	89%	88%

Stock market ratios

EPS (Earnings per share): profit/(loss) attributed to the Group (adjusted by the amount of the Additional Tier 1 coupon, registered in shareholder equity) divided by the average number of shares outstanding.

		2Q21	3Q21	4Q21	1Q22	2Q22
(a)	Profit/(loss) attributable to the Group 12M	5,357	5,456	5,226	1,147	2,617
(b)	Additional Tier 1 coupon	(185)	(217)	(244)	(269)	(276)
Numerator	**Adjusted profit attributable to the Group (a+b)**	**5,172**	**5,239**	**4,981**	**878**	**2,342**
Denominator	**Average number of shares outstanding, net of treasury shares (c)**	**6,670**	**7,096**	**7,575**	**8,054**	**8,034**
	EPS (Earnings per share)	0.78	0.74	0.66	0.11	0.29
(d)	Extraordinary impacts from the merger	2,903	2,779	2,867	(1,405)	(37)
Numerator	**Adjusted numerator (a+b-d)**	**2,269**	**2,460**	**2,115**	**2,283**	**2,378**
	EPS (Earnings per share) ex M&A impacts	0.34	0.35	0.28	0.28	0.30

Note: The average number of shares outstanding is calculated as average number of shares less the average number of treasury shares (includes the impact of the share buy-back programme for the executed volume). The average is calculated as the average number of shares at the closing of each month of the analysed period. The impacts associated with the merger in the numerator are eliminated in 2021.

PER (Price-to-earnings ratio): share price at the closing of the analysed period divided by earnings per share (EPS).

		2Q21	3Q21	4Q21	1Q22	2Q22
Numerator	**Share price at the end of the period**	2.594	2.684	2.414	3.077	**3.317**
Denominator	**Earnings per share (EPS)**	0.78	0.74	0.66	0.11	**0.29**
	PER (*Price-to-earnings ratio*)	3.33	3.64	3.67	28.23	11.38
Denominator	**Earnings per share (EPS) ex M&A impacts**	0.34	0.35	0.28	0.28	0.30
	PER (Price-to-earnings ratio) ex M&A impacts	7.63	7.74	8.65	10.85	11.21

Dividend yield: dividends paid (in shares or cash) corresponding to the last fiscal year divided by the period-end share price.

		2Q21	3Q21	4Q21	1Q22	2Q22
Numerator	**Dividends paid (in shares or cash) last year**	0.03	0.03	0.03	0.15	**0.15**
Denominator	**Share price at the end of the period**	2.594	2.684	2.414	3.077	**3.317**
	Dividend yield	1.03%	1.00%	1.11%	4.75%	4.41%

Book value per share (BVPS): equity less minority interests divided by the number of fully diluted shares outstanding at a specific date.

The book value and tangible book value per share include the impact of the share buy-back programme for the amount executed at the end of the quarter, in both the numerator (excluding the repurchased shares from shareholder equity, in spite of not being redeemed) and the denominator (the number of shares does not include the repurchased shares).

Fully-diluted outstanding shares equals shares issued (less treasury shares) plus the shares resulting from a theoretical redemption/conversion of the issued exchangeable debt instruments, at a specific date.

TBVPS (Tangible book value per share): equity less minority interests and intangible assets divided by the number of fully-diluted shares outstanding at a specific date.

P/BV: share price at the end of the period divided by book value.

P/TBV: share price at the end of the period divided by tangible book value.

		2Q21	3Q21	4Q21	1Q22	2Q22
(a)	Equity	34,571	35,124	35,425	35,916	34,843
(b)	Minority interests	(29)	(29)	(31)	(32)	(31)
Numerator	**Adjusted equity (c = a+b)**	**34,542**	**35,095**	**35,394**	**35,884**	**34,811**
Denominator	**Shares outstanding, net of treasury shares (d)**	**8,053**	**8,053**	**8,053**	**8,053**	**7,862**
e= (c/d)	**Book value (€/share)**	**4.29**	**4.36**	**4.39**	**4.46**	**4.43**
(f)	Intangible assets (reduce adjusted equity)	(5,102)	(5,104)	(5,316)	(5,304)	(5,340)
g=((c+f)/d)	**Tangible book value (€/share)**	**3.66**	**3.72**	**3.73**	**3.80**	**3.75**
(h)	Share price at end the period	2.594	2.684	2.414	3.077	3.317
h/e	**P/BV (Share price divided by book value)**	**0.60**	**0.62**	**0.55**	**0.69**	**0.75**
h/g	**P/TBV tangible (Share price divided by tangible book value)**	**0.71**	**0.72**	**0.65**	**0.81**	**0.88**

Fully-diluted outstanding shares equals shares issued (less treasury shares) plus the shares resulting from a theoretical redemption/conversion of the issued exchangeable debt instruments, at a specific date.

Adjustment of the structure of the public income statement to the management format

Net fee and commission income. Includes the following line items:
• Fee and commission income.
• Fee and commission expense.

Trading income. Includes the following line items:
• Gains/(losses) on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net.
• Gains/(losses) on financial assets not designated for trading that must be designated at fair value through profit or loss, net.
• Gains/(losses) on financial assets and liabilities held for trading, net.
• Gains/(losses) from hedge accounting, net.
• Exchange differences (net).

Administrative expenses, depreciation and amortisation. Includes the following line items:
• Administrative expenses.
• Depreciation and amortisation.

Pre-impairment income.
• (+) Gross income.
• (-) Operating expenses.

Impairment losses on financial assets and other provisions. Includes the following line items:
• Impairment/(reversal) of impairment losses on financial assets not measured at fair value through profit or loss and net gains/(losses) on adjustments.
• Provisions/(reversal) of provisions.

Of which: Allowances for insolvency risk.
• Impairment/(reversal) of impairment losses on financial assets not measured at fair value through profit or loss corresponding to Loans and advances to customers, using management criteria.
• Provisions/(reversal) of provisions corresponding to Provisions for contingent liabilities, using management criteria.

Of which: Other charges to provisions.
• Impairment/(reversal) of impairment losses on financial assets not measured at fair value through profit or loss, excluding balances corresponding to Loans and advances to customers, using management criteria.

• Provisions/(reversal) of provisions, excluding provisions corresponding to contingent liabilities using management criteria.

Gains/(losses) on derecognition of assets and others. Includes the following line items:

• Impairment/(reversal) of impairment on investments in joint ventures or associates.
• Impairment/(reversal) of impairment on non-financial assets.
• Gains/(losses) on derecognition of non-financial assets and investments, net.
• Negative goodwill recognised in profit or loss.
• Profit/(loss) from non-current assets and disposal groups classified as held for sale not qualifying as discontinued operations, net.

Profit/(loss) attributable to minority interests and others. Includes the following line items:
• Profit/(loss) for the period attributable to minority interests (non-controlling interests).
• Profit/(loss) after tax from discontinued operations

Reconciliation of activity indicators with management criteria

Loans and advances to customers, gross

June 2022 € million	
Financial assets at amortised cost - Customers (Public Balance Sheet)	**355,444**
Reverse repurchase agreements (public and private sector)	(1,137)
Clearing houses and sureties provided in cash	(2,187)
Other, non-retail, financial assets	(261)
Financial assets not designated for trading compulsorily measured at fair value through profit or loss - Loans and advances (Public Balance Sheet)	**54**
Fixed income bonds considered retail financing (Financial assets at amortised cost - Public debt securities, Balance Sheet)	**3,036**
Fixed income bonds considered retail financing (Assets under the insurance business - Balance Sheet)	**56**
Provisions for insolvency risk	**7,767**
Loans and advances to customers (gross) using management criteria	**362,770**

Insurance contract liabilities

June 2022 € million	
Liabilities under the insurance business (Public Balance Sheet)	**69,292**
Capital gains/(losses) under the insurance business (excluding unit link and other)	(2,878)
Liabilities under insurance contracts, using management criteria	**66,413**

Customer funds

June 2022 € million	
Financial liabilities at amortised cost - Customer deposits (Public balance sheet)	**428,404**
Non-retail financial liabilities (registered under Financial liabilities at amortised cost - Customer deposits)	**(27,357)**
Multi-issuer covered bonds and subordinated deposits	(5,121)
Counterparties and other	(22,236)
Retail financial liabilities (registered under Financial liabilities at amortised cost - Debt securities)	**1,326**
Retail issues and other	1,326
Liabilities under insurance contracts, using management criteria	**66,413**
Total on-balance sheet customer funds	**468,787**
Assets under management	**145,324**
Other accounts[1]	**9,976**
Total customer funds	**624,087**

(1) It mainly includes transitional funds associated with transfers and collection activity.