Information Memorandum dated 18 December 2019

CAIXABANK, S.A.

(incorporated as a limited liability company (sociedad anónima) in Spain)

€3,000,000,000
EURO-COMMERCIAL PAPER PROGRAMME

Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin (**Euronext Dublin**) for euro-commercial paper notes issued during the twelve months after the date of this Information Memorandum under the €3,000,000,000 Euro-Commercial Paper Programme (the **Programme**) described in this Information Memorandum (the **Notes**) to be admitted to the official list of Euronext Dublin (the **Official List**) and trading on its regulated market. The regulated market of Euronext Dublin is a regulated market for the purposes of Directive 2014/65/EU (as amended, **MiFID II**).

There are certain risks related to any issue of Notes under the Programme, which potential investors should ensure they fully understand (see "*Risk Factors*" on pages 13 to 38 (inclusive) of this Information Memorandum).

This Programme is rated by Moody's Investors Service España, S.A. (**Moody's**) and S&P Global Ratings Europe Limited (**S&P**).

Potential investors should note the statements on pages 125 to 135 (inclusive) regarding the tax treatment in Spain of income obtained in respect of the Notes and the disclosure requirements imposed by Law 10/2014 of 26th June, on regulation, supervision and solvency of credit institutions (*Ley 10/2014, de 26 de junio, de ordenación, supervisión y solvencia de entidades de crédito*) (as amended, **Law 10/2014**), and on the Issuer relating to the Notes. In particular, payments on the Notes may be subject to Spanish withholding tax if certain information is not received by the Issuer in a timely manner.

Arranger

Barclays

Dealers

Barclays
CaixaBank
Crédit Agricole CIB
Goldman Sachs International
NATIXIS
Société Générale Corporate & Investment Banking

BNP PARIBAS
Citigroup
Credit Suisse
ING
NatWest Markets

UBS Investment Bank

IMPORTANT NOTICE

This Information Memorandum (together with any supplementary information memorandum and information incorporated herein by reference, the **Information Memorandum**) contains summary information provided by CaixaBank, S.A. (the **Issuer**, the **Bank** or **CaixaBank**) in connection with a euro-commercial paper programme (the **Programme**) under which the Issuer may issue and have outstanding at any time euro-commercial paper notes (the **Notes**) up to a maximum aggregate amount of €3,000,000,000 or its equivalent in alternative currencies. CaixaBank and its subsidiaries comprise the CaixaBank Group (the **CaixaBank Group** or the **Group**). Under the Programme, the Issuer may issue Notes outside the United States pursuant to Regulation S (**Regulation S**) of the United States Securities Act of 1933, as amended (the **Securities Act**). The Issuer has, pursuant to an amended and restated dealer agreement dated 18 December 2019 (as further amended and/or restated, the **Dealer Agreement**), appointed Barclays Bank Ireland PLC as arranger for the Programme (the **Arranger**), appointed Barclays Bank Ireland PLC, BNP Paribas, CaixaBank, S.A., Citibank Global Markets Europe AG, Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank, Credit Suisse Securities (Europe) Limited, Credit Suisse Securities Sociedad de Valores S.A., Goldman Sachs International, ING Bank N.V., NATIXIS, NatWest Markets N.V., NatWest Markets Plc, Société Générale and UBS Europe SE as dealers for the Notes (the **Dealers**) and authorised and requested the Dealers to circulate the Information Memorandum in connection with the Programme on their behalf to purchasers or potential purchasers of the Notes.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT) OR ANY SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (REGULATION S) (U.S. PERSONS) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES.

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Information Memorandum or confirmed the accuracy or determined the adequacy of the information contained in this Information Memorandum. Any representation to the contrary is unlawful.

The Issuer accepts responsibility for the information contained in this Information Memorandum and declares that, having taken all reasonable care to ensure that such is the case, the information contained in the Information Memorandum is, to the best of the knowledge of the Issuer, in accordance with the facts and does not omit anything likely to affect the import of such information.

Notice of the aggregate nominal amount of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each issue of Notes will be set out in final terms (each the **Final Terms**) which will be attached to or endorsed on the relevant Note (see "*Forms of the Notes*"). Each Final Terms will be supplemental to and must be read in conjunction with the full terms and conditions of the Notes. Copies of each Final Terms containing details of each particular issue of Notes will be available from the specified office set out below of the Issuing and Paying Agent (as defined below).

This Information Memorandum comprises listing particulars for the purposes of giving information with regard to the issue of the Notes under the Programme. References throughout this document to this Information Memorandum shall be deemed to read "Listing Particulars" for such purpose.

Application has been made to Euronext Dublin for Notes to be admitted to the Official List and to trading on Euronext Dublin's regulated market. The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchange(s) or markets as may be agreed between the Issuer and the relevant Dealer. References in this Information Memorandum to the Notes being "listed" shall be construed accordingly. No Notes may be issued pursuant to the Programme on an unlisted basis.

The Issuer has confirmed to the Arranger and the Dealers that the information contained or incorporated by reference in the Information Memorandum is true and accurate in all material respects and not misleading and that there are no other facts the omission of which makes the Information Memorandum as a whole or any such information contained or incorporated by reference therein misleading. Any statements of intention, opinion, belief or expectation contained in the Information Memorandum are honestly and reasonably made by the Issuer and, in relation to each issue of Notes agreed as contemplated in the Dealer Agreement to be issued and subscribed, the Information Memorandum, together with the relevant Final Terms, contains all the information which is material in the context of the issue of such Notes.

Neither the Arranger nor the Dealers accept any responsibility, express or implied, for updating the Information Memorandum and neither the delivery of the Information Memorandum nor any offer or sale made on the basis of the information in the Information Memorandum shall under any circumstances create any implication that the Information Memorandum is accurate at any time subsequent to the date thereof with respect to the Issuer or that there has been no change in the business, financial condition or affairs of the Issuer since the date thereof.

No person is authorised by the Issuer to give any information or to make any representation not contained in the Information Memorandum and any information or representation not contained therein must not be relied upon as having been authorised.

Neither the Arranger nor any Dealer has independently verified the information contained in the Information Memorandum. Accordingly, no representation or warranty or undertaking (express or implied) is made, and no responsibility or liability is accepted by the Arranger or the Dealers as to the authenticity, origin, validity, accuracy or completeness of, or any errors in or omissions from, any information or statement contained or incorporated by reference in the Information Memorandum or in or from any accompanying or subsequent material or presentation.

This Information Memorandum contains references to the ratings of the Programme. Where a tranche of Notes is rated, such rating will be disclosed in the Final Terms and will not necessarily be the same as the rating assigned to the Programme by Moody's or S&P. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, modification or withdrawal at any time by the relevant rating agency.

The information contained in this Information Memorandum or Final Terms or any other information provided by the Issuer in connection with the Programme is not intended to provide the basis of any credit, taxation or other evaluation is not and should not be construed as a recommendation by the Arranger, the Dealers or the Issuer that any recipient should purchase Notes. Each such recipient must make and shall be deemed to have made its own independent assessment and investigation of the financial condition, affairs and creditworthiness of the Issuer and of the Programme as it may deem necessary and must base any investment decision upon such independent assessment and investigation and not on the Information Memorandum or any Final Terms or any other information supplied in connection with the Programme.

Neither the Arranger nor any Dealer undertakes to review the business or financial condition or affairs of the Issuer during the life of the Programme, nor undertakes to advise any recipient of the Information Memorandum of any information or change in such information coming to the Arranger's or any Dealer's attention.

Neither the Arranger nor any of the Dealers accepts any liability in relation to this Information Memorandum or any Final Terms or its distribution by any other person. This Information Memorandum does not, and is not intended to, constitute (nor will any Final Terms constitute, or be intended to constitute) an offer or invitation to any person to purchase Notes.

The distribution of this Information Memorandum and any Final Terms and the offering for sale of Notes or any interest in such Notes or any rights in respect of such Notes, in certain jurisdictions, may be restricted by law. Persons obtaining this Information Memorandum, any Final Terms or any Notes or any interest in such Notes or any rights in respect of such Notes are required by the Issuer, the Arranger and the Dealers to inform themselves about and to observe any such restrictions. In particular, but without limitation, such persons are required to comply with the restrictions on offers or sales of Notes and on distribution of this Information Memorandum and other information in relation to the Notes and the Issuer set out under "*Subscription and Sale*" below.

A communication of an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended (the **FSMA**)) received in connection with the issue or sale of any Notes will only be made in circumstances in which Section 21(1) of the FSMA does not (or would not, if the Issuer were not an "authorised" person) apply to the Issuer.

MIFID II PRODUCT GOVERNANCE / TARGET MARKET

The Final Terms in respect of any Notes will include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the **MiFID Product Governance Rules**), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID Product Governance Rules.

SPANISH TAX RULES

Article 44 of Royal Decree 1065/2007 of 27th July, as amended by Royal Decree 1145/2011 of 29th July (as so amended, **Royal Decree 1065/2007**), sets out the reporting obligations applicable to preference shares and debt instruments (including debt instruments issued at a discount for a period equal to or less than twelve months) issued under the First Additional Provision of Law 10/2014. The procedures described in this Information Memorandum for the provision of information required by Spanish law and regulation is a summary only. None of the Issuer, the Arranger or the Dealers assumes any responsibility therefor.

No comment is made, and no advice is given by the Issuer, the Arranger or any Dealer in respect of taxation matters relating to the Notes and each investor is advised to contact its own professional adviser.

BENCHMARK REGULATION

Amounts payable under the Notes may be calculated or otherwise determined by reference to a reference rate or an index or a combination of indices and amounts payable on the Notes may in certain circumstances be determined in part by reference to such reference rates or indices. Any such index may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (as amended, the **Benchmark Regulation**). If any such reference rate or index does constitute such a benchmark the applicable Final Terms will indicate whether or not the benchmark is provided and administered by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (**ESMA**) pursuant to article 36 of the Benchmark Regulation. Not every reference rate or index will fall within the scope of the Benchmark Regulation. Furthermore, the transitional provisions in Article 51 of the Benchmark Regulation may apply such that the administrator of a particular benchmark may not currently be required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence) at the date of the applicable Final Terms.

NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT (CHAPTER 289) OF SINGAPORE

Unless otherwise stated in the Final Terms in respect of any Notes, solely for the purposes of its obligations pursuant to Sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act, Chapter 289 of Singapore (as amended, the **SFA**), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes issued or to be issued under the Programme are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) of Singapore and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the **MAS**) Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

INTERPRETATION

In the Information Memorandum, references to:

- **Euros** and **€** are to the lawful currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended from time to time;
- references to **Sterling** and **£** are to pounds sterling;
- references to **U.S. Dollars** and **USD** are to United States dollars;
- references to **JPY** and **¥** are to Japanese Yen;
- references to **CHF** are to Swiss francs;
- references to **AUD** are to Australian dollars;
- references to **CAD** are to Canadian dollars;
- references to **NZD** are to New Zealand dollars;
- references to **HKD** are to Hong Kong dollars;
- references to **NOK** are to Norwegian Kroner;
- references to **SEK** are to Swedish Kronor; and
- references to **DKK** are to Danish Kroner.

Where the Information Memorandum refers to the provisions of any other document, such reference should not be relied upon and the document must be referred to for its full effect.

Certain numerical information in this Information Memorandum may not sum due to rounding. In addition, information regarding period-to-period changes is based on numbers which have not been rounded.

All references to any financial information in this Information Memorandum are to the consolidated financial information of the Group, unless otherwise stated.

TABLE OF CONTENTS **Page**

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published or are being published simultaneously with this Information Memorandum and have been filed with Euronext Dublin, are incorporated by reference in, and form part of, this Information Memorandum:

(a) an English language translation of CaixaBank's audited consolidated financial statements prepared in accordance with the IFRS–EU (including the independent auditor's report thereon) for the financial year ended 31 December 2017 (the **2017 Consolidated Financial Statements**) together with CaixaBank's management report in respect of the 2017 Consolidated Financial Statements (**CaixaBank Group Management Report for 2017**) (available at: https://www.caixabank.com/deployedfiles/caixabank/Estaticos/PDFs/Informacion_accionistas_inversores/MEMGRUPCAIXABANK31122017-CNMV-ING.pdf);

(b) an English language translation of CaixaBank's audited consolidated financial statements prepared in accordance with the IFRS–EU (including the independent auditor's report thereon) for the financial year ended 31 December 2018 (the **2018 Consolidated Financial Statements**) together with CaixaBank's management report in respect of the 2018 Consolidated Financial Statements (**CaixaBank Group Management Report for 2018**) (available at: https://www.caixabank.com/deployedfiles/caixabank/Estaticos/PDFs/Informacion_accionistas_inversores/Informacion_Economica_Financiera/MEMGRUPCAIXABANK_31122018_CNMV_ING.pdf);

(c) an English language translation of CaixaBank's unaudited condensed interim consolidated financial statements and interim management report, together with the consolidated management accounts and the auditors' limited review report, for the six month period ended 30 June 2019 (available at: https://www.caixabank.com/deployedfiles/caixabank/Estaticos/PDFs/Informacion_accionistas_inversores/MEM_IdG_GRUPCAIXABANK_30062019_ING.pdf); and

(d) an English language translation of CaixaBank's unaudited quarterly business activity and results report prepared under the management criteria for the nine months ended 30 September 2019 (available at: https://www.caixabank.com/deployedfiles/caixabank/Estaticos/PDFs/Informacion_accionistas_inversores/InformeFinancier3T19_ENG.PDF).

Any statement contained in a document incorporated by reference herein or contained in any supplementary information memorandum or in any document which is incorporated by reference therein shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede earlier statements contained in this Information Memorandum or in a document which is incorporated by reference in this Information Memorandum. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Information Memorandum.

Except as provided above, no other information, including information on the websites of the Issuer, is incorporated by reference into this Information Memorandum.

KEY FEATURES OF THE PROGRAMME

Issuer:	CaixaBank, S.A.
Risk factors:	Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed under "*Risk Factors*" below.
Arranger:	Barclays Bank Ireland PLC
Dealers:	Barclays Bank Ireland PLC, BNP Paribas, CaixaBank, S.A., Citibank Global Markets Europe AG, Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank, Credit Suisse Securities (Europe) Limited, Credit Suisse Securities Sociedad de Valores S.A. Goldman Sachs International, ING Bank N.V., NATIXIS, NatWest Markets N.V., NatWest Markets Plc, Société Générale and UBS Europe SE
Issuing and Paying Agent:	The Bank of New York Mellon, London Branch
Programme Amount:	The aggregate principal amount of the Notes outstanding at any time will not exceed €3,000,000,000 or its equivalent in other currencies subject to applicable legal and regulatory requirements. The maximum amount of the Programme may be increased from time to time in accordance with the Dealer Agreement.
Currencies:	Notes may be denominated in Euros, Sterling, U.S. Dollars, JPY, CHF, AUD, CAD, NZD, HKD, NOK, SEK, DKK and such other currencies as may be agreed between the Issuer and the relevant Dealer(s) from time to time and subject to compliance with any applicable legal and regulatory requirements.
Denomination of the Notes:	Notes may have any denomination, subject to compliance with any applicable legal and regulatory requirements. The initial minimum denominations for Notes are: (a) USD500,000; (b) €500,000; (c) £100,000; (d) ¥100,000,000; (e) CHF500,000; (f) AUD1,000,000; (g) CAD500,000; (h) HKD2,000,000;

(i) NZD1,000,000;

(j) NOK1,000,000;

(k) SEK1,000,000; and

(l) DKK1,000,000,

and, in each case, integral multiples of units of 1,000 in excess thereof (¥100,000,000 in the case of Notes denominated in JPY). The minimum denominations of Notes denominated in other currencies will be in accordance with any applicable legal and regulatory requirements. Minimum denominations may be changed from time to time. Where the proceeds of any Notes are accepted in the United Kingdom, the minimum denomination and any integral multiples in excess thereof shall be not less than £100,000 (or the equivalent in any other currency)

Maturity of Notes: Not less than one day or more than 364 days from and including the date of issue, to (but excluding) the maturity date, subject to compliance with any applicable legal and regulatory requirements.

Redemption for taxation reasons: The Notes cannot be redeemed prior to their stated maturity other than for taxation reasons. The terms of any such redemption will be indicated in the terms of the Notes and the relevant Final Terms.

Issue Price: The Issue Price of each issue of interest bearing Notes (and, in the case of discount Notes, the discount rate) will be as set out in the relevant Final Terms.

Fixed Rate Notes: Fixed interest will be payable on such date or dates as may be agreed between the Issuer and the relevant Dealer and will be calculated on the basis of such Day Count Convention as may be agreed between the Issuer and the relevant Dealer.

Floating Rate Notes: Floating Rate Notes will bear interest at a rate on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the relevant Series), or, in the case of Notes which specify EONIA as the Reference Rate, on the basis set out in the relevant Final Terms.

Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Convention, as may be agreed between the Issuer and the relevant Dealer.

The margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer for each Series of Floating Rate Notes.

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Status of the Notes: The payment obligations of the Issuer under the Notes constitute and at all times shall constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer. In accordance with Law 22/2003 (*Ley Concursal*) dated 9 July 2003 (the **Insolvency Law**) and Additional Provision 14.2 of Law 11/2015, but subject to any applicable legal and statutory exceptions and subject to any other ranking that may apply as a result of any mandatory provision of law (or otherwise), upon insolvency (*concurso de acreedores*) of the Issuer the payment obligations of the Issuer under the Notes in respect of principal (unless they qualify as subordinated claims (*créditos subordinados*) under article 92 of the Insolvency Law or equivalent legal provision which replaces it in the future) will rank (a) *pari passu* among themselves and with any Senior Preferred Obligations and (b) senior to (i) Senior Non Preferred Obligations and (ii) any claims against the Issuer qualifying as subordinated claims (*créditos subordinados*) under article 92 of the Insolvency Law.

Law 11/2015 means Law 11/2015 of 18 June on recovery and resolution of credit institutions and investment firms, as amended from time to time;

Senior Preferred Obligations means any obligations of the Issuer with respect to any ordinary claims (*créditos ordinarios*) against the Issuer, other than the Senior Non Preferred Obligations; and

Senior Non Preferred Obligations means any obligation of the Issuer with respect to any non preferred ordinary claims (*créditos ordinarios no preferentes*) against the Issuer referred to under Additional Provision 14.2 of Law 11/2015 and any other obligations which, by law and/or by their terms, and to the extent permitted by Spanish law, rank *pari passu* with the Senior Non Preferred Obligations.

Taxation: All payments under the Notes will be made without deduction or withholding for or on account any present or future Spanish taxes, except as stated in the Notes and as stated under the heading "*Taxation – Taxation in the Kingdom of Spain*".

Tax disclosure requirements: Under Law 10/2014 and Royal Decree 1065/2007, as amended, the Issuer shall receive certain information in respect of the Notes as described under "*Taxation – Taxation in the Kingdom of Spain*. *Disclosure obligations in connection with payments on the Notes*".

The Issuer and the Issuing and Paying Agent have entered into an amended and restated agency agreement dated 18 December 2019 (as further amended and/or restated, the **Agency Agreement**) where they have arranged certain procedures to facilitate the collection of information concerning the Notes.

If the Issuing and Paying Agent fails to provide to the Issuer the information described under "*Taxation – Taxation in the Kingdom of Spain. Disclosure obligations in connection with payments on the Notes*", the Issuer may be required to withhold tax and may pay income in respect of such principal amount net of the Spanish withholding tax applicable to such payments (as at the date of the Information Memorandum, 19 per

	cent.). The Issuer shall apply such additional amounts as required under the terms of the Notes as described under "*Taxation*" below. None of the Issuer, the Arranger, the Dealers, Euroclear Bank SA/NV (**Euroclear**) or Clearstream Banking S.A. (**Clearstream, Luxembourg**) assumes any responsibility therefor or for any other taxation matters.
Form of the Notes:	The Notes will be in bearer form. Each issue of Notes will initially be represented by one or more global notes (each a **Global Note** and together the **Global Notes**). Each Global Note which is not intended to be issued in new global note form (a **Classic Global Note** or **CGN**), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system. Each Global Note which is intended to be issued in new global note form (a **New Global Note** or **NGN**), as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Global Notes may be exchanged in whole (but not in part) for definitive Notes in the limited circumstances set out in the Global Notes (see "*Certain Information in Respect of the Notes – Form of the Notes*").
Listing and Trading:	Each issue of Notes may be admitted to the Official List and admitted to trading on the regulated market of Euronext Dublin and/or listed, traded and/or quoted on any other listing authority, stock exchange and/or quotation system as the Issuer may decide. The Issuer shall be responsible for any fees incurred therewith. The Issuer shall notify the relevant Dealer of any change of listing venue in accordance with the Dealer Agreement. No Notes may be issued on an unlisted basis.
Delivery:	The Notes will be available in London for delivery to Euroclear or Clearstream, Luxembourg or to any other recognised clearing system in which the Notes may from time to time be held. Account holders will, in respect of Global Notes, have the benefit of a deed of covenant dated 18 December 2019 (the **Deed of Covenant**).
Governing Law:	The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law, except the provisions relating to the status of the Notes, the capacity of the Issuer and the relevant corporate resolutions and the provisions relating to the exercise and effect of the Bail-in Powers and the acknowledgement of the same, which are governed by Spanish law.
Selling Restrictions:	Offers and sales of Notes are subject to all applicable selling restrictions, details of which are set out under "*Subscription and Sale*" below.
Use of Proceeds:	The net proceeds of the issue of the Notes will be used for the general funding purposes of the Issuer.
Ratings:	The Programme has been assigned ratings by Moody's and S&P. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the relevant rating agency.

RISK FACTORS

In purchasing Notes, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's control. The Issuer has identified in this Information Memorandum a number of factors which could materially adversely affect its business and ability to make payments due under the Notes.

In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

Prospective investors should also read the detailed information set out elsewhere in this Information Memorandum and reach their own views prior to making any investment decision.

FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER NOTES ISSUED UNDER THE PROGRAMME

The principal banking business conducted by the Issuer consists of retail banking including, amongst other things, retail financial services such as taking customer deposits and customer lending, as well as the provision of insurance services, securities transactions and foreign exchange transactions. This part of the Issuer's business, in addition to the Issuer's investments to expand and develop it, are subject to certain inherent risks in the financial sector which in turn depend on a series of macroeconomic variables beyond the Issuer's control.

CaixaBank Group has a Corporate Risk Taxonomy, where risks are classified as follows: (1) risks stemming from its business model (business risk, eligible own funds/capital adequacy risk, liquidity risk); (2) risks stemming from its financial activity (credit risk (which includes sovereign risk, counterparty risk and risk associated with the investment portfolio)), risk of impairment of other assets (mainly banking book equity investments, real estate assets, intangible assets and tax assets), market risk, structural rates risk and actuarial risk); and (3) operational and reputational risks (legal/regulatory risk, conduct risk, information technology risk, other operational risks, reliability of financial information and reputational risk).

The Group's business could be significantly affected by a failure to monitor concentration and spread of risks

Risk concentration (by economic sector, geography, sovereign risk, etc.) is one of the main causes of significant losses and has the potential to impact a financial institution's solvency, thus, the Group's activity could be affected by errors in the monitoring of concentration and distribution of risks. Specifically, the exposure of the Group to the Spanish real estate market makes it vulnerable to its impairment. (See "*Risks arising from changes in credit quality and the recoverability of loans and amounts due from counterparties are inherent in a wide range of the Group's businesses*").

Although the Group monitors its risk concentration by geographic area and by business activity, a failure to monitor and adequately remedy any significant imbalances in the spread of the Group's risk concentration could adversely affect the Group's operations in an affected particular geographical region or business sector, or both.

Risks arising from changes in credit quality and the recoverability of loans and amounts due from counterparties are inherent in a wide range of the Group's businesses

The Group is exposed to the credit solvency risk of its customers and counterparties. It may therefore experience losses in the event of total or partial non-compliance of their obligations as a result of decreases in their credit worthiness and the recoverability of the assets. Credit risk can be defined as possible losses which may be generated by a potential default in whole or in part of obligations by a counterparty or debtor (including, but not limited to, the insolvency of a counterparty or debtor). Credit risk is the most significant risk item on the Group's balance sheet and, primarily, such risk is of concern in respect of the Group's business activities in the banking, insurance, treasury and investee portfolio sectors. In recent years, the main items in the consolidated assets of the Group that are subject to credit risk have been fluctuating. Such movements have been affected by the integration of Banca Cívica, S.A. (**Banca Cívica**), Banco de Valencia, S.A. (**Banco de Valencia**) and Barclays Bank S.A.U. on the Group's balance sheet in 2012, 2013 and 2015 respectively, and the deleveraging process in connection therewith, and, more recently, by the integration of Banco BPI, S.A. (**Banco BPI**).

Payment defaults by clients and other counterparties may arise from events and circumstances that are unforeseeable or difficult to predict or detect.

Market turmoil and economic weakness, especially in Spain, could have a material adverse effect on the liquidity, business and financial conditions of the Group's borrowers, which could in turn increase the Group's own non-performing loan (**NPL**) ratios, devalue the Group's loan and other financial assets and result in decreased demand for borrowings in general. In the context of the uneven global recovery from the recent market turmoil and economic recession, and the possibility of continued economic contraction in continental Europe combined with continued high unemployment and low consumer spending, the value of assets collateralising the Group's secured loans, including homes and other real estate, could decline significantly, possibly resulting in the impairment of the value of the Group's loan assets and thereby requiring an increase in provisions for bad and doubtful debts and other provisions. Collateral and security provided to the Group may be insufficient to cover the exposure or the obligations of others to the Group. In addition, the Group's customers may further significantly decrease their risk tolerance to non-deposit investments such as stocks, bonds and mutual funds, which would adversely affect the Group's fee and commission income. Accordingly, any of the foregoing could have a material adverse effect on the Group's business, financial condition and results of operations.

In aggregate terms the capital requirements on credit risks reached €10,690 million as 30 September 2019 (€10,490 million and €10,694 million as at 31 December 2018 and 2017 respectively), which mostly include the following risks: loan investment portfolio, counterparty, concentration, equity portfolio in the banking book, real estate and deferred tax assets.

Gross loans to customers were €227,876 million as at 30 September 2019. Financing to individuals made up 55% of the portfolio, followed by financing to the production sector (excluding real estate developers) with 36%, the public sector with 6% and real estate developers with 3%. The NPL ratio by sectors was distributed as 4.5% in loans to individuals and 4.2% in loans to enterprises. Within this category the NPL ratio for firms other than real estate developers stood at 4.0%; 8.0% for real estate developers and 0.3% for public sector companies. Except for a slight worsening in non-performing loans related to consumer spending which rose from 4% as at 31 December 2018 to 4.5% as at 30 September 2019, the remaining ratios have displayed a stable decreasing pattern resulting in a non-performing loan ratio of 4.1%, 61 basis points or a €1,242 million fall as at 30 September 2019.

At 30 September 2019, refinanced transactions amounted to €9,281 million (€10,163 million and €12,370 million at 31 December 2018 and 2017 respectively). Of this amount, €5,459 million was classified as non-performing. Provisions associated with these transactions totalled €2,216 million.

As at 30 September 2019, provisions for insolvency risk stood at €5,330 million (€6,014 million and €7,135 million at 31 December 2018 and 2017 respectively). The change in provisions in the period is largely down to the adjustments made to the recoverable value on credit exposures, the cancellation of debt incurred from the acquisition and foreclosure of real estate assets and the derecognition of assets and write-offs. However, these provisions made to cover insolvencies may not be sufficient to address the obligations in the event of an unforeseen scenario.

The risk relating to the equity portfolio is the risk associated with the possibility of incurring losses as the result of fluctuations in market prices (see "*Market risks associated with fluctuations in bond and equity prices and other market factors are inherent in the Group's business. Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and leading to material losses (market risk)*") and/or default on the positions making up the equity portfolio with a medium to long time horizon (as for example, the Group's stakes Telefónica, S.A. (**Telefónica**), Erste Group Bank, A.G. (**Erste Group Bank**) and Banco de Fomento de Angola (**BFA**)). Thus, the Group faces risks derived from both its existing and future acquisitions and divestments as well as the inherent risks to which the investees are exposed in their management, business sector, geography, regulatory framework, etc. The capital requirements of the equity portfolio totalled €1,550 million at 30 September 2019, which is already included in the €10,690 million of aggregate credit risk.

Any of the conditions described above could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's exposure to the Spanish real estate market makes it more vulnerable to adverse developments in the Spanish market

The Group is exposed to the Spanish real estate market, and the deterioration of Spanish real estate prices could have a material adverse effect on the Group's business, financial condition and results of operations. Spanish real estate assets secure many of the Group's outstanding loans, and the Group holds a significant amount of Spanish real estate assets on its balance sheet, including real estate received in lieu of payment for certain underlying loans. Furthermore, the Group has restructured and extended the maturity of certain of the loans it has made relating to real estate, and the capacity of such borrowers to repay such restructured loans may be materially adversely affected by declining real estate prices.

As at 30 September 2019, €89,445 million, or 71% of all the credit granted to individuals was concentrated in the acquisition of homes.

The exposure to the construction and property development sector amounted to €6,143 million at 30 September 2019 and amounted to €6,302 million and €7,101 million at 31 December 2018 and 2017 respectively. The NPL ratio associated with this activity stood at 8.0% at 30 September 2019, 14.3% in December 2018 and 21.7% in December 2017.

As at 30 September 2019, the net portfolio of assets acquired in lieu of payment of debt available for sale totalled €914 million (an increase of €174 million in the first three quarters of 2019), with a coverage ratio and accounting provision of 30%. The figure stood at €740 million and €5,878 million at 31 December 2018 and 2017, respectively.

The rental portfolio, net of provisions, stood at €2,235 million representing a €244 million decrease in the first nine months of 2019 (€2,479 million and €3,030 million net at 31 December 2018 and 2017, respectively).

During the first nine months of 2019, CaixaBank sold €354 million of real estate assets.

The risks stemming from the exposure of the Group to the Spanish real estate sector could therefore have a material adverse effect on the business, financial condition and results of operations of the Group.

Sovereign Risk

Any decrease in the Spanish sovereign credit ratings could adversely affect both the value of the Issuer's holdings of the Spanish sovereign debt and credit rating, as well as its cash and financing situation. As a Spanish financial institution with a nationwide footprint and a substantial portion of gross operating income derived from Spain, any decline in the Spanish sovereign credit ratings could adversely affect the value of certain securities held by the Group and the Group's ability to use Spanish government bonds as collateral for European Central Bank (**ECB**) refinancing and, indirectly, as refinancing with other securities, should it choose to do so. Likewise, any permanent reduction in the value of Spanish government bonds would adversely affect the Group's ability to access liquidity, raise capital and meet minimum regulatory capital requirements. As such, a downgrade or series of downgrades in the sovereign rating of Spain and any resulting reduction in the value of Spanish government bonds may have a material adverse effect on the Group's business, financial condition and results of operations. In addition, as the Issuer's rating is affected by the sovereign rating of Spain, which is the maximum level achievable by the Issuer, any reduction in the sovereign credit rating of Spain may have a consequential effect on the credit rating of the Issuer.

Likewise, following the integration of Banco BPI (see "*History and development of the Issuer*" for additional information), the Group would be adversely affected by a negative development in the credit ratings and value of the Portuguese sovereign bonds, resulting in a material adverse effect on Banco BPI's business, financial condition and results of operations. Additionally, any downgrade of the rating of the Republic of Portugal may increase the risk of a downgrade of Banco BPI's credit ratings.

Total exposure to Spanish and Portuguese sovereign debt securities in the banking book and loans totalled €36,847 million and €1,892 million on 31 December 2018, respectively (€32,870 million and €4,399 million on 31 December 2017, respectively). The exposure to Italian investment securities stood at €1,846 million at 31 December 2018 (€1,490 million at 31 December 2017).

For more information on the Group's exposure to sovereign debt, see Note 3.3.3 to the 2018 Consolidated Financial Statements.

Market risks associated with fluctuations in bond and equity prices and other market factors are inherent in the Group's business. Protracted market declines can reduce liquidity in the markets, making it harder to sell assets and leading to material losses (market risk)

The Group is exposed to market risk as a consequence of its trading activities in financial markets and through the asset and liability management of the Group's overall financial position, including the Group's trading portfolio and other equity investments.

Market risk refers to the value decrease of the assets or value increase of the liabilities included in the Group's trading and investment portfolio, due to fluctuations in rates, credit spread, external factors or prices on the market where these assets/liabilities are traded. The most significant risk factors to which CaixaBank's exposures are subject are: interest and exchange rates, share prices, credit spread and credit rating migration of fixed-income instruments or even the default of debt instruments, inflation, volatility and raw material prices.

The performance of financial markets may cause changes in the value of the Group's investments, available for sale assets and trading portfolios. In some of the Group's business, protracted adverse market movements, particularly a decline in asset prices, can reduce the level of activity in the market

or reduce market liquidity. These developments can lead to material losses if the Group cannot close out deteriorating positions in a timely way. This may especially be the case for assets of the Group for which there are less liquid markets. Furthermore, the value of certain financial instruments (such as derivatives not traded on stock exchanges or other public trading markets) is recorded at fair value, which is determined by using financial models other than publicly quoted prices that incorporate assumptions, judgements and estimations that are inherently uncertain and which may change over time or may ultimately be inaccurate. Consequently, failure to obtain correct valuations for such assets may result in unforeseen losses for the Group in the case of any asset devaluations. Furthermore, monitoring the deterioration of prices of these types of assets is difficult and such inaccuracies could lead to losses that the Group does not anticipate.

Any of these factors could require the Group to recognise further write-downs or realise impairment charges, which may have a material adverse effect on the Group's business, regulatory position, financial condition and results of operations.

Volatility in the equity markets due to recent economic uncertainty has had a particularly adverse impact on the financial sector. Continued volatility such as that experienced recently may affect the value of the Group's equity investments and, depending on their fair value and future recovery expectations could become a permanent impairment which would be subject to write-offs against the Group's results and cause volatility in capital ratios, which in turn may have a material adverse effect on the Group's business, financial condition and results of operations.

With regard to the quantification of market risk, in order to standardise risk measurement across the entire portfolio, and to produce certain assumptions regarding the extent of changes in market risk factors, the Value-at-Risk methodology is used (VaR: statistical estimate of potential losses from historical data on price fluctuations) with a one-day time horizon and a statistical confidence interval of 99% (i.e. under normal market conditions 99 times out of 100 the actual daily losses will be less than the losses estimated using the VaR model).

The consumption of the average one-day VaR at 99% attributable to the various risk factors at CaixaBank is moderate (€1,035 thousand at 30 June 2019, €1,020 thousand in 2018 and €1,116 thousand in 2017). These are concentred on the interest rate risk, which includes the sovereign debt credit spread, with CaixaBank classifying the amounts of risk for the other factors as being of less importance. Compared to the previous year, the exposure to sovereign debt spread decreased although the corporate credit spread increased in the same period.

Beyond the trading portfolio, fair-value hedge accounting is used, which eliminates potential accounting mismatches between the balance sheet and the income statement caused by the different treatment of hedged instruments and their hedges at market values. In the area of market risk, levels for each hedge are established and monitored, expressed as ratios between total risk and the risk of the hedged items. Nonetheless, although the Group takes efforts to mitigate market risks, the mitigation strategy may be inadequate in the event of certain situations and ineffective in unforeseen situations, which could have a material adverse effect on the Group's business, financial condition and results of operations.

Changes in interest rates may negatively affect the Group's business

The Group's results of operations depend upon the level of its net interest income, which is the difference between interest income from loans and other interest-earning assets and interest expense paid to its depositors and other creditors on interest-bearing liabilities. Interest rates are highly sensitive to many factors beyond the Issuer's control, including fiscal and monetary policies of governments and central banks and regulation of the financial sectors in the markets in which it operates, as well as domestic and international economic and political conditions and other factors.

Changes in market interest rates may affect the spread between interest rates charged on interest-earning assets and interest rates paid on interest-bearing liabilities and subsequently affect the Group's results of operations. An increase in interest rates, for instance, could cause the Group's interest expense on deposits to increase more significantly and quickly than its interest income from loans, resulting in a reduction in its net interest income as often its liabilities will re-price more quickly than its assets. Further, an increase in interest rates could result in a reduction in the demand for loans and the Group's ability to originate loans, and also contribute to an increase in credit default rates among the Group's customers. Conversely, a decrease in the general level of interest rates could adversely affect the Group through, among other things, increased pre-payments on its loan and mortgage portfolio, lower net interest income from deposits, reduced demand for deposits and increased competition for deposits and loans to clients. Fluctuations in interest rates may therefore have a material adverse effect on the Group's business, financial condition and results of operations.

In 2018, CaixaBank continued to adapt its balance sheet structure to the expected environment, positioning it for potential future interest rate increases. From a structural point of view, exceptionally low interest rates have continued to drive the movement of deposits from fixed term accounts to on-demand accounts, which are less sensitive to interest rates.

Balance sheet assets and liabilities sensitive to interest rates results, in a scenario of rising / falling interest rates of 100 basis points, in around +10.67%/-8.87% in terms of net interest income and in +4.30%/-2.12% in terms of economic value. The assets and liabilities subject to interest rate risk in the banking book are all those positions that are sensitive to balance sheet interest rates (such as variable interest rate loans and deposits), excluding the calculation of positions of the trading book.

Changes in exchange rates may negatively affect the Group's business

The Group faces risks relating to fluctuations in exchange rates. An adverse movement in exchange rates could lead to the potential loss in market value of the balance sheet. The Group has foreign currency assets and liabilities in its balance sheet as a result of its commercial activity and shareholdings, in addition to the foreign currency assets and liabilities deriving from the Bank's measures to mitigate exchange rate risk.

As of 30 September 2019 and 31 December 2018, the Group's foreign currency positions were mostly concentrated in the equity shareholdings of Banco BPI, specifically in BFA, denominated in Angolan kwanza, and Banco Comercial de Investimento, denominated in Mozambican metical.

In 2017, Angola was classified as a hyperinflationary economy by the principal international audit companies as a result of its accumulated ratio of inflation close to 100% in the previous three years as well as the evolution prices, wages and interest rates. As a result, since 2017, CaixaBank has made estimates related to the impact of the application of IAS 29 –Financial Information in Hyperinflationary Economies in its stake in BFA as of 31 December 2017 and during 2018, until it lost significant influence in this stake, for the purposes of determining the value of its stake in the net assets and tax year results of BFA. Until the date in which its stake in BFA was reclassified as financial asset at fair value with changes in other comprehensive income (see note 2.1 to the 2018 Consolidated Financial Statements), the variations derived from the application of the IAS 29 were registered in "Other accumulated global result – Items that may be reclassified to profit or loss – Foreign currency exchange". During 2018, the effect of IAS 29, was a credit to "Other accumulated global result" of €78 million (€71 million net), and €90 million (€81 million net) loss to "Results of entities accounted for using the equity method" in the income statement. On the other hand, and as a result of successive devaluations of the kwanza, in "Other accumulated global result" a loss of €293 million net was registered as a result of the conversion into Euros of the BFA financial statements, in application of the requirements of the IAS 21.

The equivalent Euro value of all foreign currency assets and liabilities in the CaixaBank Group's balance sheet at 31 December 2018 is €14,112 million and €9,818 million, respectively and at 31 December 2017 €10,241 million and €7,858 million, respectively.

Actuarial Risk

Actuarial risk is associated with the insurance business within the Group's existing business lines and types of insurance. Actuarial risk reflects the risk arising from the execution of life and other insurance contracts, considering events covered and the processes used in the conduct of business, and mainly distinguishing mortality, longevity, disability, expense and surrender risk. The Group faces the risk of a loss or adverse change to the value of the commitments assumed through insurance or pension contracts with customers or employees due to the differences between the estimate for the actuarial variables used in the Group's tariff model and reserves and the actual performance of these.

Management of this risk depends on actuarial management policies relating to underwriting, pricing, reserving, and usage of risk transfer mechanisms such as reinsurance. Actuarial risk management seeks the long-term stability of the main actuarial factors that affect the technical evolution of marketed insurance products, which are as follows: (i) non-life branch: the claims ratio, and (ii) life branch which includes the following risks: mortality, longevity, disability and morbidity, expenses, lapse and catastrophe.

The position and control of the Insurance Group's risks are monitored regularly by the management, investment and global risks committees of VidaCaixa S.A.U. de Seguros y Reaseguros (**VidaCaixa**) and CaixaBank's global risks committee and the Committee on the Management of Assets and Liabilities (ALCO). This involves calculation and analysis of the sufficiency of technical provisions and risk capital, analysis of expenses, lapses, and claims, and analysis of products and operations.

On 31 December 2018, the Group insurer of CaixaBank, headed by VidaCaixa, had a Solvency Capital Requirement (**SCR**) coverage ratio of 150% since the amount of eligible own funds was €2,991 million, as compared to a SCR of €1,992 million, which implied a capital surplus of €999 million. The capital surplus as of 31 December 2018 was €227 million higher than by the end of the previous financial year.

Adverse regulatory developments or changes in government policy relating to any of the foregoing or other matters could have a material adverse effect on the Group's business, financial condition and results of operations.

Business profitability, growth prospects and other targets may be adversely affected by factors beyond the Group's control

The Group is exposed to business profitability risk which implies obtaining results either lower than market expectations or outside the Group's targets, preventing the Group from reaching a profitability level higher than the cost of capital.

The Group's targets, backed by a process of financial planning, are defined in its 2019-2021 strategic plan (the **2019-2021 Strategic Plan**) and in the budget and are subject to ongoing monitoring. Such targets are based on assumptions and estimates and should not be treated as a guarantee of future performance or as an indication of the Group's expected or actual results or returns since they might be affected by uncertainties and factors beyond the Group's control. In addition, profitability depends to a large extent on the ability to earn margin in excess of costs, particularly in adverse scenarios, such as the current prolonged low interest rate environments. Other circumstances which could have an impact on business profitability are, among others, those implying the imposition of levies, taxes or additional financing requirements in any of the jurisdictions in which the Group operates, extraordinary contributions for assisting in the future recovery and resolution of the Spanish banking

sector (see "*Contributions to the Resolution Fund*") or as a result of regulatory reforms (see "*The Group is subject to substantial regulation, and regulatory and governmental oversight. Adverse regulatory developments or changes in government policy could have a material adverse effect on its business, results of operations and financial condition (regulatory risk)*").

Additionally, markets in which the Group operates are highly competitive. Financial sector reforms have increased competition among both local and foreign financial institutions, and this trend is likely to continue. In addition, the trend towards consolidation in the banking industry has created larger and stronger banks with which the Group must now compete, some of which have recently received public capital. This trend is expected to continue as the Bank of Spain continues to impose measures aimed at restructuring the Spanish financial sector, including requirements that smaller, non-viable regional banks consolidate into larger, more solvent and competitive entities, and reducing overcapacity.

The increased competition from more agile and flexible newcomers with very light cost structures, fintechs and agile banks, as well as the competition from global asset managers and bigtechs with a disruptive potential in terms of competition or services, poses the possibility of impacts due to disaggregation and disintermediation of the value chain, in margins and cross sales. The Group also faces competition from non-bank competitors, such as department stores (for some credit products), automotive finance corporations, leasing companies, factoring companies, mutual funds, pension funds, insurance companies, and public debt. In addition, the Group faces competition from shadow banking entities that operate outside the regulated banking system. Furthermore, "crowdfunding" and other social media developments in finance are expected to become more popular as technology further continues to connect society.

In 2018, the average yield as Return on Tangible Equity (**ROTE**) increased to 9.3% (from 8.4% in 2017), while the recurring ROTE for the banking and insurance business stood at 12.3%. Additionally, steps taken towards digitalisation and divestment of non-strategic businesses seek to contribute to higher future returns based on the growth of core income.

If the Group is unable to provide competitive product and service offerings, it may fail to attract new customers and/or retain existing customers, experience decreases in its interest, fee and commission income, and/or lose market share, the occurrence of any of which could have a material adverse effect on its business, financial condition and results of operations.

Increasingly onerous capital requirements constitute one of the Group's main regulatory challenges

The Group is subject to increasingly stringent capital requirements under the European regulatory framework governing capital requirements for financial institutions and banking recovery and resolution (which, among others, prescribes banks hold a minimum level of capital and eligible liabilities (**MREL**)) (see "*Description of the Issuer - Formal communication regarding minimum requirement for own funds and eligible liabilities (MREL requirement)*" and "*Capital and Funding Requirements*"). The Issuer is not able to determine the impact that these regulations may have. As these and other regulatory changes that limit the Group's ability to manage its balance sheet and capital resources effectively or to access funding on commercially acceptable terms are implemented, the Group may experience a material adverse effect on its financial condition and regulatory capital position. There can be no assurance that the implementation of these requirements will not require the Issuer to issue additional securities that qualify as regulatory capital or eligible liabilities for compliance with MREL, to maintain a greater proportion of its assets in higher-liquid but lower-yielding financial instruments, to liquidate assets, to deleverage its business or to take any other actions, any of which may have adverse effects on the business, financial condition, results of operations and prospects of the Issuer. Furthermore, increased capital requirements may negatively affect the Issuer's return on equity and other financial performance indicators.

In addition, there can be no assurance that additional regulations or requirements will not be adopted by the authorities of the jurisdictions where the Issuer operates and, as some of the banking laws and regulations have been recently adopted, the manner in which those laws and related regulations are applied to the operations of financial institutions is still evolving.

Failure to comply with existing or new legislation regarding capital, MREL or provision requirements could result in the imposition of administrative actions or sanctions (such as further "Pillar 2" requirements or the adoption of any early intervention or, ultimately, resolution measures), which may have a material adverse effect on the business, financial condition, results of operations and prospects of the Issuer.

On 30 September 2019, the CET 1 ratio of the Group was 11.7%, the Tier 1 ratio of the Group stood at 13.2%, the Total Capital of the Group ratio stood at 15.3% and the leverage ratio was 5.6%. On the same date CaixaBank reached a MREL ratio of 21.4% of RWAs at consolidated level. At a subordinated level, primarily including own funds and senior non-preferred debt, the MREL ratio of subordinated instruments reached 19.1% (see "*Capital and Funding Requirements*").

The Group has a continuous demand for liquidity to fund its business activities. The Group may suffer during periods of market-wide or firm-specific liquidity constraints, and liquidity may not be available to it even if its underlying business remains strong (liquidity risk)

Liquidity risk comprises uncertainties in relation to the Group's ability, under adverse conditions, to access funding necessary in a timely manner to cover the Group's obligations to customers as they become due, to meet the maturity of the Group's liabilities and to satisfy capital requirements. It includes both the risk of unexpected increases in the cost of funding and the risk of not being able to structure the maturity dates of the Group's liabilities reasonably in line with the Group's assets.

Liquidity and funding continues to remain a key area of focus for the Group and the industry as a whole. Should the Group, due to exceptional circumstances, be unable to continue to source sustainable funding, its ability to fund its financial obligations could be affected.

The Group's main source of liquidity and funding is its customer deposit base, as well as on-going access to wholesale lending markets, including senior unsecured and subordinated bonds, interbank deposits, mortgage and public sector covered bonds and short-term commercial paper. The Group's financial position could be adversely affected if access to liquidity and funding is limited or becomes more expensive for a prolonged period of time. Under extreme and unforeseen circumstances, such as the closure of financial markets and uncertainty as to the ability of a significant number of firms to ensure they can meet their liabilities as they fall due, the Group's ability to meet its financial obligations as they fall due or to fulfil its commitments to lend could be affected through reduced access to liquidity (including government and central bank facilities). In such extreme circumstances the Group may not be in a position to continue to operate without additional funding support, which it may be unable to access.

Liquidity and funding risk includes having insufficient liquid assets or limited access to markets to meet contractual maturities of liabilities, regulatory requirements, or investment needs of the Group. It measures the possibility that, due to a gap between the maturities of the assets and liabilities, the Group cannot settle its payment agreements or in order to settle them it must resort to the acquisition of funds under less favourable conditions.

The level of deposits can fluctuate due to factors beyond the control of the Group, such as the loss of confidence (even as a consequence of political initiatives) or increased competition from other participants or products on the market.

The financing obtained from the ECB through various monetary policy instruments was €14,773 million at 30 September 2019 compared to €28,183 million at 31 December 2018. The amount at 30 September 2019 relates to the extraordinary liquidity auctions, known as TLTRO II (Targeted Longer-Term Refinancing Operations II) maturing in 2020 (€11,319 million in June and €2,500 million in December) and in 2021 (€954 million in March). Similarly, the Group maintains issuance programmes to facilitate the issuance of short-term and medium-term securities to the market, as well as access to interbank and repo funding as well as to Central Counterparty Clearing Houses.

The total liquid assets stood at €89,442 million, of which €56,437 million are HQLA (High Quality Liquidity Asset), as at 30 September of 2019, and were at €79,530 / €72,775 million and €57,093 / €53,610 million as at 31 December 2018 / 31 December 2017, respectively.

Central banks have taken extraordinary measures to provide adequate amounts of liquidity during the past few years, with the aim of contributing to the stability of the financial system. If current central bank facilities were rapidly removed or significantly reduced, this could have an adverse effect on the Group's ability to access liquidity and on its funding costs.

The Group cannot assure that in the event of a sudden or unexpected shortage of funds in the banking system it will be able to maintain levels of funding without incurring high funding costs, a reduction in the term of funding instruments or the liquidation of certain assets. These factors may have a material adverse effect on the Group's regulatory position, including its ability to meet its regulatory minimum liquidity requirements. These risks can be exacerbated by operational factors such as an over-reliance on a particular source of funding or changes in credit ratings, as well as market-wide phenomena such as market dislocation, regulatory change or major disasters.

Additionally, corporate and institutional counterparties may seek to reduce aggregate credit exposures to the Group (or to all banks), which could increase the Group's cost of funding and restrict its access to liquidity. The funding structure employed by the Group may also prove to be inefficient, thus giving rise to a level of funding cost where the cumulative costs are not sustainable over the longer term. The funding needs of the Group may increase and such increases may be material to the Group's business, financial condition or and results of operations.

Since CaixaBank needs to comply with evolving liquidity regulatory requirements, it may need to implement changes in business practices that could affect the profitability of its business activities

The liquidity coverage ratio (**LCR**) is the short-term indicator calculated as the ratio between the amount of high-quality liquid assets and the net cash imbalance accumulated over a 30-day liquidity stress period. It is a quantitative liquidity standard developed by the Basel Committee on Banking Supervision (**BCBS**) and provided for in Regulation (EU) 575/2013, as of 26 June, of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (**CRR**) to ensure that those banking organisations to which this standard is to apply (including CaixaBank) have sufficient high-quality liquid assets to cover expected net cash outflows over a 30-day liquidity stress period. The final standard was announced in January 2013 by the BCBS and since January 2015 has been progressively phased in. Since 1 January 2018, the banks to which this standard applies (including CaixaBank) must comply with 100% of the applicable LCR requirement. CaixaBank's consolidated LCR stood at 179%, 200% and 202% as at 30 September 2019, 31 December 2018 and 31 December 2017, respectively.

The net stable funding ratio (**NSFR**) establishes a minimum liquidity standard to ensure medium and long term resilience and was initially implemented in the CRR purely as a reporting obligation. Regulation (EU) 2019/876 rolls out a harmonised binding NSFR, set at a minimum level of 100% from June 2021. The NSFR is calculated as the ratio of the amount of stable funding available (defined as the amount of own and third-party funding that are expected to be reliable) and the amount of stable funding required given the liquidity characteristics and residual maturities of its assets and

the contingent liquidity risk arising from its off-balance sheet exposure. The NSFR of the Group stood at 124% as of 30 September 2019, calculated under the interpretation of the criteria set forth in Regulation (EU) 2019/876 (117% at 31 December 2018 calculated under the interpretation of the criteria of the BCBS). The Group has a robust retail lending structure, with a loan-to-deposit ratio of 105% at 31 December 2018 (100% at 30 September 2019).

Various elements of the LCR and the NSFR, as they are implemented by national banking regulators and complied with by the Group, may cause changes that affect the profitability of business activities and require changes to certain business practices, which could expose the Group to additional costs (including increased compliance costs) or have a material adverse effect on the Group's business, financial condition or results of operations. These changes may also cause the Group to invest significant management attention and resources to implement any necessary changes.

Operational risk is inherent in the Group's business

The Group breaks down operational risks into (i) Legal/Regulatory risks, (ii) Conduct risks (iii) Information Technology risks (iv) Other operational risks and (v) Reliability of the financial information.

Operational risk is defined as the possibility of incurring losses due to inadequacy or failure of internal processes, personnel and internal systems or from unforeseen external events, including legal risk, and external events beyond the control of the Group or due to third parties outside the Group, both accidentally and fraudulently. It includes errors in the management of suppliers, the use of quantitative models and securities custody and fiduciary risk. The Group's businesses depend on the ability to process a large number of transactions efficiently and accurately and require recording, processing and handling a large number of transactions and/or amounts of money accurately on a daily basis. Losses can result from inadequate personnel, inadequate or failed internal control processes and systems, the failure of due application of necessary compliance measures or from external events that interrupt normal business operations. The Group also faces the risk that the design of its controls and procedures proves to be inadequate or are circumvented. Despite the risk management measures put in place by the Group, there can be no assurance that the Group will not suffer material losses from operational risk in the future, which may have a material adverse effect on its business, financial condition and results of operations.

Capital requirements for operational risk remained unchanged as at 30 September 2019 compared to 31 December 2018, at €1,049 million, having slightly increased from €1,039 million as at 31 December 2017. The increase recorded for the year ended 31 December 2018 stood at 1%, in line with the trend of the business. Operational losses are concentrated in the categories of "Execution, delivery and process management" and "Customers, products and commercial practices".

Furthermore, the Group has outsourced certain functions to third parties and, as a result, it also faces third party operational risk, which is defined as the risk of losses or damage caused by operational errors in processes related to the Group’s activity, due to external events beyond its control, or due to third parties outside the Group, both accidentally and fraudulently. The Group is therefore also dependent on the adequacy of the internal processes, systems and security measures of such third parties. Any actual or perceived inadequacies, weaknesses or failures in the Group's and even third parties' systems, processes or security measures could damage the Group's reputation (including harming customer confidence) or could otherwise have a material adverse effect on its business, financial condition and results of operations.

The Group is exposed to risk of loss from legal and regulatory claims

The Group is currently and in the future may be involved in various claims, disputes, legal proceedings and governmental investigations in jurisdictions where it is active (see "*Description of the Issuer - Litigation*").

The Group is party to certain legal proceedings arising from the normal course of its business, including claims in connection with lending activities, relationships with employees and other commercial or tax matters. The outcome of court proceedings is inherently uncertain. Based on available information, the Group considers that it has reliably estimated the obligations arising from each proceeding and had recognised, where appropriate, sufficient provisions to reasonably cover the liabilities that may arise as a result of these ongoing lawsuits. The Group maintains provisions reasonably covering the obligations that may arise from ongoing lawsuits based on available information, which totalled €504 million as of 31 December 2017, €429 million as of 31 December 2018 and €408 million as of 30 June 2019. Given the nature of these obligations, the expected timing of these economic outflows, if any, is uncertain.

However, in view of the inherent difficulty of predicting the outcome of legal matters, particularly where the claimants seek very large or indeterminate damages, or where the cases present novel legal theories, involve a large number of parties or are in the early stages of investigation or discovery, the provisions made by the Group or the estimate for maximum risk could prove to be inadequate, and may have to be increased to cover the impact of the different proceedings or to cover additional liabilities, which could lead to higher costs for the Group. This could have a material adverse effect on the Group's results and financial situation.

The Group is subject to substantial regulation, as well as regulatory and governmental oversight. Adverse regulatory developments or changes in government policy could have a material adverse effect on its business, results of operations and financial condition (regulatory risk)

The financial services industry is among the most highly regulated industries in the world. In response to the global financial crisis and the European sovereign debt crisis, governments, regulatory authorities and others have made and continue to make proposals to reform the regulatory framework for the financial services industry to enhance its resilience against future crises. The Group's operations are subject to ongoing regulation and associated regulatory risks, including the effects of changes in laws, regulations, policies and interpretations, in Spain, the EU and the other markets in which it operates. This is particularly the case in the current market environment, which is witnessing increased levels of government and regulatory intervention in the banking sector which is expected to continue for the foreseeable future. This creates significant uncertainty for the Bank and the financial industry in general.

The main regulations which most significantly affect the Group are those related to prudential supervision, bank recovery and resolution, and capital and liquidity requirements which have become increasingly stringent in the past few years (see "*Increasingly onerous capital requirements constitute one of the Group's main regulatory challenges*" and "*Since CaixaBank needs to comply with evolving liquidity regulatory requirements, it may need to implement changes in business practices that could affect the profitability of its business activities*").

Regulation has also considerably increased in customer and investor protection, digital and technological matters, taxation and anti-money laundering, among others.

The specific effects of a number of new laws and regulations remain uncertain because the drafting and implementation of these laws and regulations are still ongoing and some of them have been recently adopted. As a result, the Group may be subject to an increasing incidence or amount of liability or regulatory sanctions and may be required to make greater expenditures and devote

additional resources to address potential liability. This could lead to additional changes in the near future and also require the payment of levies, taxes, charges and comply with other additional regulatory requirements. By way of example, see "*Capital and Funding Requirements*", "*Loss Absorbing Powers by the Relevant Resolution Authority under Law 11/2015 and the SRM Regulation*" and "*Contributions to the Resolution Fund*".

Implementation of the relevant procedures, monitoring and other technical and human requirements in relation to recent laws and regulations, such as those related to data protection and anti-money laundering had, and could further have, an impact on the Group's business by increasing its operational and compliance costs and, if not implemented correctly or in case of breaches in the relevant procedures, could lead to legal and regulatory claims and sanctions (see "*The Group is exposed to risk of loss from legal and regulatory claims*" above).

Any legislative or regulatory actions and any required changes to the business operations of the Group resulting from such legislation and regulations, as well as any deficiencies in the Group's compliance with such legislation and regulation, could result in significant loss of revenue, limit the ability of the Group to pursue business opportunities in which the Group might otherwise consider engaging and provide certain products and services, affect the value of assets that it holds, require the Group to increase its prices and therefore reduce demand for its products, impose additional compliance and other costs on the Group or otherwise adversely affect its businesses.

The Group is exposed to conduct risk

Conduct risk is defined as the Group's risk arising from the application of conduct criteria that run contrary to the interests of its customers and stakeholders, or from acts or omissions that are not compliant with the legal or regulatory framework, or with internal policies, codes and rules, such as CaixaBank's Code of Business Conduct and Ethics.

This is particularly relevant in the context of laws and regulations increasingly complex and detailed whose implementation requires a substantial and sophisticated improvement of technical and human resources, such as those related to anti money laundering and data protection, where such acts or omissions as described above could have severe consequences, including claims, sanctions, fines and an adverse effect on reputation (see "*Description of the Issuer – Litigation*").

The Group is increasingly dependent on information technology systems, which may fail, may not be adequate for the tasks at hand or may no longer be available

CaixaBank identifies technological risk as risks of losses due to hardware or software inadequacies or failures in technical infrastructure, due to cyberattacks or other circumstances, which could compromise the availability, integrity, accessibility and security of the infrastructures and data. Like other members of the financial sector, the Group is increasingly dependent on highly sophisticated information technology (**IT**) systems. IT systems are vulnerable to a number of problems, such as software or hardware malfunctions, computer viruses, hacking and physical damage to vital IT centres. IT systems need regular upgrading and banks, including the Issuer, may not be able to implement necessary upgrades on a timely basis or upgrades may fail to function as planned. Furthermore, failure to protect financial industry operations from cyber-attacks could result in the loss or compromise of customer data or other sensitive information. A breach of sensitive customer data, such as account numbers, could have a significant reputational impact and significant legal and/or regulatory costs for the Group. These threats are increasingly sophisticated and there can be no assurance that banks will be able to prevent all breaches and other attacks on its IT systems.

Weaknesses or failures in the Group's internal processes used for financial information purposes and recent changes in accounting standards could materially adversely affect its results of

operations, financial condition or prospects and cause material misstatement of the results of its operations and financial position

CaixaBank identifies the financial information reliability risk as the risk of damage, whether financial or other, stemming from possible deficiencies in the accuracy, integrity and criteria of the processes used in preparing the data necessary to evaluate the financial and equity situation of the Group. The systems for internal control and risk management of financial reporting of the Group are designed to provide reasonable assurance about the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, applicable laws and regulations, and other requirements for listed companies. The Group has a system of internal control over financial reporting, which is defined as the set of processes that are carried out to provide reasonable assurance on the reliability of financial information published by the Group in the markets.

Additionally, the preparation of financial statements in accordance with IFRS requires the use of estimates. It also requires management to exercise judgement in applying relevant accounting policies. The key areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the consolidated and individual financial statements, include impairment of certain financial assets, the assumptions used to quantify certain provisions and for the actuarial calculation of post-employment benefit liabilities and commitments, the useful life and impairment losses of tangible and intangible assets, the valuation of goodwill and purchase price allocation of business combinations, the fair value of certain unlisted financial assets and liabilities, the recoverability of deferred tax assets and the exchange rate and the inflation rate of countries in which certain subsidiaries operate. There is a risk that if the judgment exercised or the estimates or assumptions used subsequently turn out to be incorrect then this could result in significant loss to the Group, beyond that anticipated or provided for, which could have an adverse effect on the Group's business, financial condition and results of operations.

Observable market prices are not available for many of the financial assets and liabilities that the Group holds at fair value and a variety of techniques to estimate the fair value are used. Should the valuation of such financial assets or liabilities become observable, for example as a result of sales or trading in comparable assets or liabilities by third parties, this could result in a materially different valuation to the current carrying value in the Group's financial statements.

Any weakness or failure in these internal processes could have an adverse effect on the Group's results and the reporting of such results. In addition, any breach in security of the Group's systems could disrupt its business, result in the disclosure of confidential information and create significant financial and legal exposure for the Group. Although the Group devotes significant resources to maintain and regularly update its processes and systems that are designed to protect the security of its systems, software, networks and other technology assets, there is no assurance that all of its security measures will provide absolute security. Any actual or perceived inadequacies, weaknesses or failures in the Group's systems, processes or security could damage the Group's reputation or could otherwise have a material adverse effect on its business, financial condition and results of operations.

Changes in accounting regulations may also impact the Group. For example, IFRS 16, effective from 1 January 2019, introduced a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of scarce value. The main change derives from the lessee's obligation to recognise a right-of-use asset representing its right to use the underlying leased good and a lease liability representing its obligation in terms of the present value of future lease payments. The asset is depreciated over the life of the contract, while the liability will generate a finance cost. In 2019 the impact in CET 1 capital ratio is -11 basis points for the first-time adoption of IFRS 16.

IFRS 17 sets out the requirements an entity must apply when accounting for insurance contracts issued and reinsurance contracts entered into. The results of the Group could be adversely affected by the implementation of IFRS 17 in 2021 (or 2022, in case the one-year deferral of IFRS 17 proposed in the International Accounting Standards Board meeting of November 2018 is finally approved in the due process of the amendment of the standard). The Group is currently analysing the effect of these standards and cannot anticipate as of the date of this Information Memorandum how these will impact the Group's business, financial condition and results of operations.

The Group faces the risk of reputational damage, which could result in loss of trust by some of its stakeholders and could, as a result, materially adversely affect its results of operations, financial condition or prospects (reputational risk)

CaixaBank defines reputational risk as the possibility that the Group's competitive edge could be blunted by loss of trust by some of its stakeholders, based on their assessment of actions or omissions, whether real or purported, of the Group, its senior management or governance bodies, or because of related unconsolidated financial institutions going bankrupt (step-in risk).

The risk is monitored using internal and external selected reputational indicators from various sources of stakeholder expectations and perception analysis. By way of example this includes the risk of disinformation or "fake news", whereby false news is published in relation to a situation or performance.

Throughout the 2019 financial year, the measures related to the management of Environmental, Social & Governance (**ESG**) risks, defined as the risk of a possible reputational or economic loss resulting from a mistake when identifying or managing an existing or emerging sustainability risk, have become increasingly relevant. From a point of view of the Group's business, ESG risks could materialise in aspects such as: potential exposure to financing/investment operations in sectors with high carbon emissions; possible mistakes in the assessment and coverage of operations or customers that are highly exposed to climate change risks; potential exposure to social risk financing operations (e.g. violations of human rights), among others.

The Group is also exposed to reputational risk in the case of certain operational events, for instance, in the context of the claim initiated against CaixaBank for an alleged breach of anti-money laundering regulations (see "*Description of the Issuer – Litigation*").

Although the Group actively manages reputational risk using its external and internal reputational risk management polices and committees and developing in-house training to mitigate the appearance and effects of reputational risks, establishing protocols to deal with those affected by the Group's actions, or defining crisis and/or contingency plans to be activated if the various risks arise, should reputational risks arise, this could have a material adverse effect on the Group's business, financial condition and results of operations.

Credit, market and liquidity risks may have an adverse effect on the Bank's credit ratings and the Group's cost of funds. Any reduction in or withdrawal of the Bank's credit rating could increase the Group's cost of funding and adversely affect the Group's interest margins

The Issuer is rated by various credit rating agencies.

The credit ratings of the Issuer are an assessment by rating agencies of its ability to pay its obligations when due. Credit ratings affect the cost and other terms upon which the Group is able to obtain funding. Rating agencies regularly evaluate the Group and the ratings of the Issuer's long-term debt are based on a number of factors, including the Group's financial strength as well as conditions affecting the financial services industry generally.

Credit ratings are subject to the evaluation of the financial strength of a company in accordance with the methodology applied by rating agencies.

As at the date of this Information Memorandum, the Bank has been assigned the following credit ratings:

Agency	Review date	Short-term rating	Long-term rating[1]	Outlook
Moody's	17/05/2019	P-2	Baa1	Stable
S&P	31/05/2019	A-2	BBB+	Stable
Fitch	27/09/2019	F2	BBB+	Stable
DBRS	29/03/2019	R-1 (low)	A	Stable

(1) Relates to the rating assigned to the preferred senior debt of CaixaBank.

Any downgrade or withdrawal in the Issuer's ratings could increase its borrowing costs, and require it to post additional collateral or take other actions under some of its derivative contracts, and could limit its access to capital markets and adversely affect the Group's commercial business. For example, a ratings downgrade could adversely affect the Group's ability to sell or market certain of its products, engage in business transactions (particularly longer-term) and derivatives transactions and retain its customers, particularly customers who need a minimum rating threshold in order to invest. This, in turn, could reduce the Group's liquidity and have a material adverse effect on its business, financial condition and results of operations.

Credit, market and liquidity risks may have an adverse effect on the Bank's credit ratings and the Group's cost of funds. Any reduction in the Bank's credit rating could increase the Group's cost of funding and adversely affect the Group's interest margins.

In light of the difficulties in the financial services industry and the financial markets, there can be no assurance that the rating agencies will maintain their current ratings or outlooks. The Group's failure to maintain favourable ratings and outlooks could increase the cost of its funding and adversely affect the Group's interest margins, which may have a material adverse effect on its business, financial condition and results of operations.

RISKS RELATED TO EARLY INTERVENTION AND RESOLUTION

The Notes may be subject to the exercise of the Spanish Bail-in-Power by the Relevant Resolution Authority. Other powers contained in Law 11/2015 or the SRM Regulation could materially affect the rights of the Noteholders under, and the value of, any Notes

As discussed in "*Loss Absorbing Powers"*, the Notes may be subject to the bail-in tool (the **Spanish Bail-in Power** as defined therein) and in general to the powers that may be exercised by the Relevant Resolution Authority (as defined therein) under Law 11/2015 of 18 June on recovery and resolution of credit institutions and investment firms, as amended from time to time (**Law 11/2015**) and the Regulation (EU) No. 806/2014 effective from 1 January 2015 (the **SRM Regulation**). The exercise of any such powers (or any other resolution powers and tools) may result in Noteholders losing some or all of their investment or otherwise having their rights under the Notes adversely affected and not only the exercise but also any suggestion that such exercise may happen, could materially adversely affect the market price or value or trading behaviour of any Notes and/or the ability of the Bank to satisfy its obligations under any Notes. The Spanish Bail-in Power may also be exercised in such manner as to result in Noteholders receiving a different security, which may be worth significantly less than the Notes, or having the principal amount of the Notes reduced even to zero.

There may be limited protections, if any, that will be available to holders of securities subject to the Spanish Bail-in Power (including the Notes) and to the broader resolution powers of the Relevant Resolution Authority. Accordingly, Noteholders may have limited or circumscribed rights to challenge any decision of the Relevant Resolution Authority to exercise its bail-in power or other powers. In particular, to the extent that any resulting treatment of a Noteholders pursuant to the exercise of the Spanish Bail-in Power is less favourable than would have been the case in normal insolvency proceedings, a Noteholder of such affected Notes may have a right to compensation under Directive 2014/59/EU, of 15 May, establishing a framework for the recovery and resolution of credit institutions and investment firms (the **BRRD**) and the SRM Regulation based on an independent valuation of the institution, in accordance with Article 10 of Royal Decree 1012/2015 of 6 November, implementing Law 11/2015 (**Royal Decree 1012/2015**) and the SRM Regulation. Any such compensation, together with any other compensation provided by any applicable banking regulations (including, among other such compensation, in accordance with Article 36.5 of Law 11/2015) is unlikely to compensate that Noteholder for the losses it has actually incurred and there is likely to be a considerable delay in the recovery of such compensation. Compensation payments (if any) are also likely to be made considerably later than when amounts may otherwise have been due under the affected Notes.

The exercise of the Spanish Bail-in Power by the Relevant Resolution Authority with respect to the Notes is likely to be inherently unpredictable and may depend on a number of factors which may also be outside of the Bank's control. In addition, as the Relevant Resolution Authority will retain an element of discretion, Noteholders may not be able to refer to publicly available criteria in order to anticipate any potential exercise of any such Spanish Bail-in Power. Because of this inherent uncertainty, it will be difficult to predict when, if at all, the exercise of any such powers by the Relevant Resolution Authority may occur.

Any actions by the Relevant Resolution Authority pursuant to the ones granted by Law 11/2015, or other measures or proposals relating to the resolution of institutions, may adversely affect the rights of Noteholders, the price or value of an investment in the Notes and/or the Bank's ability to satisfy its obligations under the Notes.

Noteholders may not be able to exercise their rights in the event of the adoption of any early intervention or resolution measure under Law 11/2015 and the SRM Regulation

The Issuer may be subject to a procedure of early intervention or resolution pursuant to the BRRD as implemented through Law 11/2015 and RD 1012/2015 and the SRM Regulation if the Issuer or its group of consolidated credit entities is in breach (or due, among other things, to a rapidly deteriorating financial condition, it is likely in the near future to be in breach) of applicable regulatory requirements relating to solvency, liquidity, internal structure or internal controls or the conditions for resolution referred to above are met (see "*Capital and Funding Requirements*", and "*Loss Absorbing Powers*").

Pursuant to Law 11/2015, the adoption of any early intervention or resolution procedure, including any additional measures to address or remove impediments to resolvability that may be included in Law 11/2015 as a consequence of the EU Banking Reforms (as defined below in "*Description of the Issuer*"), shall not itself constitute an event of default or entitle any counterparty of the Issuer to exercise any rights it may otherwise have in respect thereof and any provision providing for such rights shall further be deemed not to apply. However, this does not limit the ability of a counterparty to exercise its rights accordingly where a default arises either before or after the exercise of any such early intervention or resolution procedure and does not necessarily relate to the exercise of any relevant measure or power which has been applied pursuant to Law 11/2015.

Any enforcement by a Noteholder of its rights under the Notes following the adoption of any early intervention or resolution procedure will, therefore, be subject to the relevant provisions of the BRRD, Law 11/2015 and RD 1012/2015 and the SRM Regulation in relation to the exercise of the relevant measures and powers pursuant to such procedure (see "*Loss Absorbing Powers"* and "*Contributions to the Resolution Fund*"). Any claims of a Noteholder will consequently be limited by the application of any measures pursuant to the provisions of Law 11/2015 and RD 1012/2015 and the SRM Regulation. There can be no assurance that the taking of any such action (or any threat or suggestion that such action may be taken) would not adversely affect the rights of Noteholders, the price or value of their investment in the Notes and/or the ability of the Issuer to satisfy its obligations under the Notes and the enforcement by a holder of any rights it may otherwise have may be limited in these circumstances.

RISKS IN RELATION TO THE NOTES GENERALLY

There is no active trading market for the Notes

The Notes may have no established trading market when issued, and one may never develop. If an active trading market does not develop or is not maintained, the market price and liquidity of the Notes may be adversely affected. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes at a particular time or may not be able to sell their Notes at a favourable price. Although applications have been made for Notes issued under the Programme to be admitted to the Official List and to trading on the regulated market of Euronext Dublin, there is no assurance that such applications will be accepted, that any particular issue of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular issue of Notes.

Claims of Noteholders are effectively junior to those of certain other creditors

The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and, upon the insolvency (*concurso de acreedores*) of the Issuer, in accordance with and to the extent permitted by the Law 22/2003 (*Ley Concursal*) dated 9 July 2003 (the **Insolvency Law**) and other applicable laws relating to or affecting the enforcement of creditors' rights in the Kingdom of Spain (including, without limitation, Additional Provision 14.2 of Law 11/2015) and unless they qualify as subordinated debts (*crédito subordinado*) under article 92 of the Insolvency Law and subject to any

applicable legal and statutory exceptions and subject to any other ranking that may apply as a result of any mandatory provision of law (or otherwise, the payment obligations of the Issuer under the Notes with respect to claims for principal (which claims will constitute ordinary claims) will rank: (i) junior to any (A) privileged claims (*créditos privilegiados*) (which shall include, among other claims, any claims in respect of deposits for the purposes of Additional Provision 14.1 of Law 11/2015) and (B) claims against the insolvency estate (*créditos contra la masa*); (ii) *pari passu* without any preference or priority among themselves and with all other Senior Preferred Obligations; and (iii) senior to (A) any Senior Non-Preferred Obligations and (B) all subordinated obligations of, or subordinated claims against, the Issuer (*créditos subordinados*), present and future. Terms used in this paragraph have the meanings given to them in "*Key Features of the Terms of the Programme*".

Upon insolvency, the obligations of the Issuer under the Notes will be effectively subordinated to all of the Issuer's secured indebtedness, to the extent of the value of, or the proceeds realised from, the assets securing such indebtedness and any other obligations that rank senior under Spanish law. The Notes are further structurally subordinated to all indebtedness of subsidiaries of the Issuer insofar as any right of the Issuer to receive any assets of such companies upon their winding up will be effectively subordinated to the claims of the creditors of those companies in the winding-up.

Moreover, the BRRD, Law 11/2015 and the SRM Regulation contemplate that Notes may be subject to the exercise of the Spanish Bail-in Power by the Relevant Resolution Authority. This may involve the variation of the terms of the Notes or a change in their form, if necessary, to give effect to the exercise of the Spanish Bail-in Power by the Relevant Resolution Authority. See "*Risks related to Early Intervention and Resolution - The Notes may be subject to the exercise of the Spanish Bail-in-Power by the Relevant Resolution Authority. Other powers contained in Law 11/2015 and the SRM Regulation could materially affect the rights of the Noteholders under, and the value of, any Notes*".

Global Notes held in a clearing system

Because the Global Notes are held by or on behalf of Euroclear and/or Clearstream, Luxembourg and possibly other clearing systems, investors will have to rely on their procedures for transfer, payment and communication with the Issuer.

Notes issued under the Programme may be represented by one or more Global Notes. If the relevant Final Terms specify that the New Global Note form is not applicable, such Global Note will be deposited with a common depositary for Euroclear and/or Clearstream, Luxembourg or shall be deposited with such other clearing system, or to the order of such other Clearing System's nominee. If the relevant Final Terms specify that the New Global Note form is applicable, such Global Note will be deposited with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive definitive Notes. Euroclear and/or Clearstream, Luxembourg and/or any other clearing system will maintain records of the holdings of their participants. In turn, such participants and their clients will maintain records of the ultimate holders of beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and/or Clearstream, Luxembourg and/or any other clearing system on whose behalf such Global Notes are held.

While the Notes are represented by one or more Global Notes, the Issuer will discharge its payment obligations under such Notes by making payments to the common depositary (in the case of Global Notes which are not in the New Global Note form) or, as the case may be, the common service provider (in the case of Global Notes in New Global Note form) for Euroclear and/or Clearstream, Luxembourg and/or any other clearing system for distribution to their account holders for onward transmission to the beneficial owners. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and/or Clearstream, Luxembourg and/or any other clearing system and their relevant participants, to receive payments under their relevant Notes. The Issuer has no

responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.

Holders of beneficial interests in the Global Notes will not have a direct right to take enforcement action against the Issuer under the relevant Notes but will have to rely upon their rights under the Deed of Covenant.

Potential conflicts of interest between the investor and the Calculation Agent

Potential conflicts of interest may arise between the Calculation Agent, if any, for a tranche of Notes and the Noteholders (including where a Dealer acts as a calculation agent), including with respect to certain discretionary determinations and judgments that such Calculation Agent may make pursuant to the terms and conditions of the Notes that may influence the amount receivable upon redemption of the Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes (including on an unsolicited basis). The credit ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**) from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). If the status of the rating agency rating the Notes changes, European regulated investors may no longer be able to use the rating for regulatory purposes and the Notes may have a different regulatory treatment. This may result in European regulated investors selling the Notes which may impact the value of the Notes and any secondary market. The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Any suspension, lowering or withdrawal of one or more ratings assigned to the Issuer or the Notes could have a negative impact on the business, financial condition and results of operations of the Issuer.

Change of law

The terms and conditions of the Notes are subject to English law, except for the status of the Notes and the provisions relating to the exercise and effect of the Bail-in Powers and the acknowledgement of the same, which are subject to Spanish law, as in effect as at the date of this Information Memorandum. Changes in European, English or Spanish laws or their official interpretation by regulatory authorities after the date hereof may affect the rights and effective remedies of Noteholders as well as the market value of the Notes. Such changes in law or official interpretation of such laws may include changes in statutory, tax and regulatory regimes during the life of the Notes, which may have an adverse effect on an investment in the Notes. No assurance can be given as to the impact of any possible judicial decision or change to such laws or official interpretation of such laws or administrative practices after the date of this Information Memorandum.

Such legislative and regulatory uncertainty could affect an investor's ability to value the Notes accurately and therefore affect the market price of the Notes given the extent and impact on the Notes of one or more regulatory or legislative changes.

The Issuer may redeem the Notes for tax reasons

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes if it has or will become obliged to pay additional amounts pursuant to the terms and conditions of the Notes as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Spain or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction) which change or amendment becomes effective on or after the issue date of the relevant Notes and such obligation cannot be avoided by the Issuer taking reasonable measures available to it.

Potential investors should consider the reinvestment risks in light of other investments available at the time any Notes are so redeemed.

The value of and return on any Notes linked to a benchmark may be adversely affected by ongoing national and international regulatory reform in relation to benchmarks

Reference rates and indices such as EURIBOR, LIBOR, EONIA and other interest rate or other types of rates and indices which are deemed to be "benchmarks" (each a **Benchmark** and together, the **Benchmarks**), to which interest on securities may be linked, have become the subject of regulatory scrutiny and recent national and international regulatory guidance and proposals for reforms. This has resulted in regulatory reform and changes to existing Benchmarks. Such reform of Benchmarks includes the Benchmark Regulation. These reforms may cause Benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing a Benchmark.

The Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. Among other things, it (i) requires benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevents certain uses by EU supervised entities of Benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation could have a material impact on any Notes linked to or referencing ~~a~~ Benchmark, in particular, if the methodology or other terms of the Benchmark are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant Benchmark. More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of Benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements.

Specifically, the sustainability of LIBOR has been questioned as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of benchmark reforms) for market participants to continue contributing to such benchmarks. On 27 July 2017, and in

a subsequent speech by its Chief Executive on 12 July 2018, the UK Financial Conduct Authority (**FCA**) confirmed that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021 (the **FCA Announcements**). The FCA Announcements indicated that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021.

In addition, on 29 November 2017, the Bank of England and the FCA announced that, from January 2018, its Working Group on Sterling Risk-Free Rates has been mandated with implementing a broad-based transition to the Sterling Overnight Index Average (**SONIA**) over the next four years across sterling bond, loan and derivative markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021.

Separate workstreams are also underway in Europe to reform EURIBOR using a hybrid methodology and to provide a fallback by reference to a euro risk-free rate (based on a euro overnight risk-free rate as adjusted by a methodology to create a term rate). On 13 September 2018, the working group on euro risk-free rates recommended Euro Short-term Rate (**€STR**) as the new risk free rate. €STR was published by the ECB for the first time on 2 October 2019. In addition, on 21 January 2019, the euro risk free-rate working group published a set of guiding principles for fallback provisions in new euro denominated cash products (including commercial paper). The guiding principles indicate, among other things, that continuing to reference EURIBOR or EONIA in relevant contracts may increase the risk to the euro area financial system. More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of Benchmarks, could increase the costs and risks of administering or otherwise participating in the settling of a Benchmark and complying with any such regulations or requirements. It is not possible to predict with certainty whether, and to what extent, LIBOR, EURIBOR and EONIA will continue to be supported going forwards. This may cause LIBOR, EURIBOR and EONIA to perform differently than they have done in the past, and may have other consequences which cannot be predicted. Such factors may have (without limitation) the following effects on certain Benchmarks including EURIBOR, LIBOR and EONIA: (i) discouraging market participants from continuing to administer or contribute to the Benchmark; (ii) triggering changes in the rules or methodologies used in the Benchmark; and/or (iii) leading to the disappearance of the Benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and/or return on any Notes linked to or referencing a Benchmark, or otherwise dependent (in whole or in part) upon, a Benchmark.

Investors should be aware that, upon discontinuation of or unavailability of LIBOR, EURIBOR or EONIA, the rate of interest on floating rate interest bearing Notes (**Floating Rate Notes**) which reference LIBOR, EURIBOR or EONIA will be determined for the relevant period by the fall-back provisions applicable to such Notes. This may be reliant upon the provision by reference banks of offered quotations for the LIBOR, EURIBOR or EONIA rate which, depending on market circumstances, may not be available at the relevant time. Where the LIBOR, EURIBOR or EONIA rate is no longer being calculated or administered then interest on Floating Rate Notes may be calculated by reference to an alternate rate which has replaced LIBOR, EURIBOR or EONIA in customary market usage, as determined by the Issuer. If there is no clear market consensus as to whether any rate has replaced LIBOR, EURIBOR or EONIA in customary market usage, an independent financial advisor will be appointed to determine an appropriate alternative rate. If the independent financial advisor is unable to determine an alternative rate, this will result in the effective application of a fixed rate based on the rate which applied in the previous period when LIBOR, EURIBOR or EONIA was available. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Floating Rate Notes which reference LIBOR, EURIBOR or EONIA.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Notes linked to or referencing a Benchmark.

Risks Relating to the Insolvency Law

The Insolvency Law provides, among other things, that: (i) any claim may become subordinated if it is not reported to the insolvency administrators (*administradores concursales*) within one month from the last official publication of the court order declaring the insolvency, (ii) provisions in a bilateral contract granting one party the right to terminate by reason only of the other's insolvency will not be enforceable, and (iii) accrual of interest (other than interest accruing under secured liabilities up to an amount equal to the value of the asset subject to the security) shall be suspended from the date of the declaration of insolvency and any amount of interest accrued up to such date (other than any interest accruing under secured liabilities up to an amount equal to the value of the asset subject to the security) shall become subordinated.

The Insolvency Law, in certain instances, also has the effect of modifying or impairing creditors' rights even if the creditor, either secured or unsecured, does not consent to the amendment. Secured and unsecured dissenting creditors may be written down not only once the insolvency has been declared by the judge as a result of the approval of a creditors' agreement (*convenio concursal*), but also as a result of an out-of-court restructuring agreement (*acuerdo de refinanciación pre-concursal*) without insolvency proceedings having been previously opened (e.g., refinancing agreements which satisfy certain requirements and are validated by the judge), in both scenarios (i) to the extent that certain qualified majorities are achieved and unless (ii) some exceptions in relation to the kind of claim or creditor apply (which would not be the case for the Notes). Any payments of interest in respect of debt securities will be subject to the subordination provisions of Article 92.3 of the Insolvency Law.

The majorities legal regime envisaged for these purposes also hinges on (i) the type of the specific restructuring measure which is intended to be imposed (e.g., extensions, debt reductions, debt for equity swaps, etc.) as well as (ii) on the part of claims to be written-down (i.e. secured or unsecured, depending on the value of the collateral as calculated pursuant to the rules established in the Insolvency Law).

As such, certain provisions of the Insolvency Law could affect the ranking of the Notes or claims relating to the Notes on an insolvency of the Issuer.

There are restrictions on the ability to resell Notes

The Notes have not been registered under the Securities Act, any state securities laws or the laws of any other jurisdiction. Absent such registration, the Notes may be offered or sold only in transactions that are not subject to, or that are exempt from, the registration requirement of the Securities Act and applicable state securities laws.

If an investor holds Notes which are not denominated in the investor's home currency, that investor will be exposed to movements in exchange rates adversely affecting the value of its holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with

jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the issuer to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

In any winding up of the Issuer, Noteholders may not be entitled to receive the currency of issue of the Notes

Should Noteholders be entitled to any amount with respect to the Notes in any winding-up of the Issuer, Noteholders might not be entitled in those proceedings to a recovery in the currency of issue of the Notes and might be entitled only to a recovery in euro or any other lawful currency of Spain or such other jurisdiction in which the Issuer may then be incorporated.

Risks relating to taxation

Risks relating to Spanish withholding tax

Article 44 of Royal Decree 1065/2007 sets out the reporting obligations applicable to preference shares and debt instruments issued under Law 10/2014 (the Simplified Information Procedures). The procedures apply to interest deriving from preferred securities (*participaciones preferentes*) and debt instruments to which Law 10/2014 refers, including debt instruments issued at a discount for a period equal to or less than twelve months.

According to the literal wording of Article 44.5 of Royal Decree 1065/2007, income derived from Notes originally registered with the entities that manage clearing systems located outside Spain, and are recognised by Spanish law or by the law of another OECD country (such as Euroclear and Clearstream, Luxembourg), will be paid free of Spanish withholding tax provided that the Issuing and Paying Agent appointed by the Issuer submits a statement to the Issuer, the form of which is included in the Information Memorandum, with the following information:

(a) identification of the Notes;

(b) income payment date (or refund if the Notes are issued at a discount or segregated);

(c) total amount of income (or total amount to be refunded if the Notes are issued at a discount or segregated); and

(d) total amount of the income corresponding to each clearing system located outside Spain.

These obligations refer to the total amount paid to investors through each foreign clearing system. For these purposes, "income" means interest and the difference, if any, between the aggregate amount payable on the redemption of the Notes and the issue price of the Notes.

In accordance with Article 44 of Royal Decree 1065/2007, the relevant Issuing and Paying Agent should provide the Issuer with the statement on the business day immediately prior to each interest payment date. The statement must reflect the situation at the close of business of that same day. In the event that on such date, the entity(ies) obliged to provide the declaration fail to do so, the Issuer or the Issuing and Paying Agent on its behalf will make a withholding at the general rate (currently 19%) on the total amount of the return on the relevant Notes otherwise payable to such entity.

The Issuer considers that, according to Royal Decree 1065/2007, any payments under the Notes will be made by the Issuer free of Spanish withholding tax, provided that the Simplified Information Procedures described above (which do not require identification of the Noteholders) are complied with by the Issuer and the Issuing and Paying Agent.

In the case of Notes held by Spanish resident individuals and deposited with a Spanish resident entity acting as depositary or custodian, payments in respect of such Notes may be subject to withholding by such depositary or custodian at the current rate of 19%.

Noteholders must seek their own advice to ensure that they comply with all procedures to ensure the correct tax treatment of their Notes. None the Issuer, the Dealers, the Issuing and Paying Agent or any clearing system (including Euroclear and Clearstream, Luxembourg) assume any responsibility therefore.

The procedure described in this Information Memorandum for the provision of information required by Spanish laws and regulations is a summary only and neither of the Issuer or the Dealers, assumes

any responsibility therefore. In the event that the currently applicable procedures are modified, amended or supplemented by, among other things, any Spanish law, regulation, interpretation or ruling of the Spanish tax authorities, the Issuer will notify the holders of such information procedures and their implications, as the Issuer may be required to apply withholding tax on distributions in respect of the relevant Notes if the holders do not comply with such information procedures.

FATCA

See paragraph 7 of the “Taxation" section for information relating to FATCA.

The proposed financial transactions tax

See paragraph 6 of the "Taxation" section for information relating to a proposed financial transaction tax.

CERTAIN INFORMATION IN RESPECT OF THE NOTES

Key information

The persons involved in the Programme and the capacities in which they act are specified at the end of this Information Memorandum.

The net proceeds of the issue of the Notes will be used for the general funding purposes of the Issuer.

Information Concerning the Securities to be admitted to trading

Total amount of Notes admitted to trading

The aggregate amount of each issue of Notes will be set out in the applicable Final Terms.

The maximum aggregate principal amount of Notes which may be outstanding at any one time is €3,000,000,000 (or its equivalent in other currencies). Such amount may be increased from time to time in accordance with the Dealer Agreement.

Type and class of Notes

Notes will be issued in tranches. Notes may have any denomination, subject to compliance with any applicable legal and regulatory requirements. The initial minimum denominations for Notes are:

(a) USD500,000;

(b) €500,000;

(c) £100,000;

(d) ¥100,000,000;

(e) CHF500,000;

(f) AUD1,000,000;

(g) CAD500,000;

(h) HKD2,000,000;

(i) NZD1,000,000;

(j) NOK1,000,000;

(k) SEK1,000,000; and

(l) DKK1,000,000,

and, in each case, integral multiples of units of 1,000 in excess thereof (¥100,000,000 in the case of Notes denominated in JPY). The minimum denominations of Notes denominated in other currencies will be in accordance with any applicable legal and regulatory requirements. Minimum denominations may be changed from time to time. Where the proceeds of any Notes are accepted in the United Kingdom, the minimum denomination and any integral multiples in excess thereof shall be not less than £100,000 (or the equivalent in any other currency).

The international security identification number (**ISIN**) of each issue of Notes will be specified in the relevant Final Terms.

Legislation under which the Notes have been created

The status of the Notes, the capacity of the Issuer and the relevant corporate resolutions and the provisions relating to the exercise and effect of the Bail-in Powers, and the acknowledgement of the same, shall be governed by Spanish law. Any non-contractual obligations arising out of or in connection with the Notes, the Terms and Conditions of the Notes (save as provided above) and all related contractual documentation will be governed by, and construed in accordance with, English law.

Form of the Notes

The Notes will be in bearer form. Each issue of Notes will initially be represented by a Global Note which will be deposited with a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system. Each Classic Global Note, as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system. Each New Global Note, as specified in the relevant Final Terms, will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Each Global Note may, if so specified in the relevant Final Terms, be exchangeable for Notes in definitive bearer form in the limited circumstances specified in the relevant Global Note.

On 13 June 2006, the ECB announced that Notes in NGN form are in compliance with the "*Standards for the use of EU securities settlement systems in ESCB credit operations*" of the central banking system for the euro (the **Eurosystem**), provided that certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

Currency of the Notes

Notes may be issued in USD, €, £, ¥, CHF, AUD, CAD, HKD, NZD, NOK, SEK and DKK, and such other currencies as may be agreed between the Issuer and the Dealer from time to time and subject to the necessary regulatory requirements having been satisfied.

Status of the Notes

The payment obligations of the Issuer under the Notes constitute and at all times shall constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer. In accordance with the Law 22/2003 (*Ley Concursal*) dated 9 July 2003 (the **Insolvency Law**) and Additional Provision 14.2 of Law 11/2015, but subject to any applicable legal and statutory exceptions and subject to any other ranking that may apply as a result of any mandatory provision of law (or otherwise), upon insolvency (*concurso de acreedores*) of the Issuer the payment obligations of the Issuer under the Notes in respect of principal (unless they qualify as subordinated claims (*créditos subordinados*) under article 92 of the Insolvency Law or equivalent legal provision which replaces it in the future) will rank (a) *pari passu* among themselves and with any Senior Preferred Obligations and (b) senior to (i) Senior Non Preferred Obligations and (ii) any claims against the Issuer qualifying as subordinated claims (*créditos subordinados*) under article 92 of the Insolvency Law.

Law 11/2015 means Law 11/2015 of 18 June on recovery and resolution of credit institutions and investment firms, as amended from time to time;

Senior Preferred Obligations means any obligations of the Issuer with respect to any ordinary claims (*créditos ordinarios*) against the Issuer, other than the Senior Non Preferred Obligations; and

Senior Non Preferred Obligations means any obligation of the Issuer with respect to any non preferred ordinary claims (*créditos ordinarios no preferentes*) against the Issuer referred to under Additional Provision 14.2 of Law 11/2015 and any other obligations which, by law and/or by their terms, and to the extent permitted by Spanish law, rank *pari passu* with the Senior Non Preferred Obligations.

Rights attaching to the Notes

Each issue of Notes will be the subject of a Final Terms which, for the purposes of that issue only, supplements the terms and conditions set out in the relevant Global Note or, as the case may be, definitive Notes and must be read in conjunction with the relevant Notes (see "Forms of the Notes" and "*Form of Final Terms*").

Maturity of the Notes

The Maturity Date applicable to each issue of Notes will be specified in the relevant Final Terms. The Maturity Date of an issue of Notes may not be less than 1 day nor more than 364 days from and including the date of issue, subject to applicable legal and regulatory requirements.

Optional Redemption for Tax Reasons

The Issuer may redeem Notes (in whole but not in part) if it has or will become obliged to pay additional amounts pursuant to the terms and conditions of the Notes as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Spain or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction) which change or amendment becomes effective on or after the issue date of the relevant Notes and such obligation cannot be avoided by the Issuer taking reasonable measures available to it.

Prescription

Claims for payment of principal and interest in respect of the Notes shall become prescribed and void unless made, in the case of principal, within ten years after the Maturity Date (or, as the case may be, the Relevant Date) or, in the case of interest, five years after the relevant Interest Payment Date in each case as specified in the relevant Final Terms.

Yield Basis

Notes may be issued on the basis that they will be interest bearing or they may be issued at a discount (in which case they will not bear interest). The yield basis in respect of Notes bearing interest at a fixed rate will be set out in the relevant Final Terms.

Authorisations and approvals

The establishment of the Programme and the issuance of Notes pursuant thereto was authorised by the board of directors of the Issuer (the **Board of Directors**) on 25 October 2018, and the update of the Programme was authorised by the Board of Directors of the Issuer on 30 October 2019.

The Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes.

Admission to trading and dealing arrangements

Application has been made to Euronext Dublin for Notes issued under the Programme during the period of twelve months after the date of this Information Memorandum to be admitted to the Official List and to trading on the regulated market of Euronext Dublin. Notes may be listed, traded and/or quoted on any other listing authority, stock exchange and/or quotations system, as may be agreed between the Issuer and the Dealer. No Notes may be issued on an unlisted basis.

The Bank of New York Mellon, London Branch at One Canada Square, London E14 5AL, United Kingdom is the Issuing and Paying Agent in respect of the Notes.

Maples and Calder at 75 St. Stephen's Green, Dublin 2, Ireland is the Listing Agent in respect of the Notes.

Expense of the admission to trading

The expense in relation to the admission to trading of each issue of Notes will be specified in the relevant Final Terms.

Additional Information

The legal advisers and capacity in which they act are specified at the end of this Information Memorandum.

Ratings

This Programme is rated by Moody's and S&P.

DESCRIPTION OF THE ISSUER

History and development of the Issuer

CaixaBank, S.A. (**CaixaBank** or the **Issuer**) and its subsidiaries compose the CaixaBank Group (the **CaixaBank Group** or the **Group**). The Issuer has its registered office in the city of Valencia, at calle Pintor Sorolla, 2-4, 46002 Valencia (contact telephone number +34 93 411 75 03), registration number 2100 in the register of the Bank of Spain (*Banco de España*) with Legal Entity Identifier (L.E.I.) code 7CUNS533WID6K7DGFI87. The Issuer is a Spanish company with legal status as a public limited company (*sociedad anónima*) admitted to trading on the Spanish stock exchanges and is governed by the Restated Spanish Companies Law (*Texto Refundido de la Ley de Sociedades de Capital*), approved by Royal Legislative Decree 1/2010, of 2 July (*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital*), as amended. The Issuer is also subject to special legislation applicable to lending institutions in general and to companies admitted to trading; the supervision, control and regulation of the ECB, and, as a listed company, the regulatory oversight of the CNMV.

The Issuer was incorporated for an indefinite period under the corporate name Grupo de Servicios, S.A. by virtue of a public deed granted on 12 December 1980. The Issuer changed its name to GDS-Grupo de Servicios, S.A. on 22 December 1983 and adapted its by-laws to the Royal Decree Legislative 1564/1989, of 22 December, approving the Spanish Companies Law (*Ley de Sociedades Anónimas*) in force at that time on 1 June 1992.

On 1 June 2000, GDS-Grupo de Servicios, S.A. merged with CaixaHolding, S.A.U. and adopted its corporate name, formalised by virtue of a public deed granted on 11 July 2000. In July 2000, Caixa d'Estalvis i Pensions de Barcelona (**la Caixa**) transferred the majority of its portfolio of companies in which it held a stake to the Issuer.

The Issuer subsequently changed its corporate name to Criteria CaixaCorp, S.A. (**Criteria**) on 2 August 2007 and in October 2007, the Issuer completed the process to have its securities admitted to trading on the Barcelona, Madrid, Valencia and Bilbao stock exchanges (the **Spanish Stock Exchanges**) further to a public offering.

Reorganisation of la Caixa Group in 2011

The enactment of Royal Decree-Law 11/2010, of 9 July, on the governing bodies and other matters relating to the legal framework of savings banks (*Real Decreto-ley 11/2010, de 9 de julio, de órganos de gobierno y otros aspectos del régimen jurídico de las Cajas de Ahorros*) (**Royal Decree-Law 11/2010**), and the approval of the consolidated text of the Catalan Savings Banks Law pursuant to Decree-Law 5/2010, of 3 August (*Decreto-ley 5/2010, de 3 de agosto, de modificación del texto refundido de la Ley de Cajas de Ahorros de Cataluña, aprobado por el Decreto Legislativo 1/2008, de 11 de marzo*) (**Decree-Law 5/2010**), enabled Spanish savings banks (*cajas*) based in Catalonia to conduct their financial activities indirectly through a bank.

Under this legal framework, on 27 January 2011, the boards of directors of la Caixa, Criteria and MicroBank de la Caixa, S.A. (**MicroBank**) entered into a framework agreement which set out the structure for the reorganisation of the la Caixa group. The structure was designed to enable la Caixa to indirectly carry out its financial activity while maintaining its social welfare activities. The restructuring plan was approved at the Ordinary General Assembly of la Caixa held on 28 April 2011, and at the ordinary general shareholders meeting of Criteria held on 12 May 2011.

Pursuant to the framework agreement dated 27 June 2011, la Caixa assigned the assets and liabilities comprising its financial business to MicroBank and, by means of a swap, la Caixa transferred all post-

segregation shares in MicroBank to Criteria. Further to the swap, Criteria became owner of 100% of the outstanding share capital of MicroBank. On 30 June 2011, Criteria and MicroBank merged, MicroBank ceased to exist, and the Issuer adopted its current corporate name, CaixaBank, S.A. Also on this date, the Issuer was entered on the Bank of Spain's Registry of Banks and Bankers (*Registro Especial de Bancos y Banqueros*) and, on 1 July 2011, it was listed on the Spanish stock exchanges as a bank.

Merger with Banca Cívica in 2012

On 26 March 2012, the boards of directors of la Caixa, CaixaBank, Caja de Ahorros y Monte de Piedad de Navarra (**Caja Navarra**), Caja General de Ahorros de Canarias (**Caja Canarias**), Caja de Ahorros Municipal de Burgos (**Caja de Burgos**), Monte de Piedad Caja de Ahorros San Fernando de Guadalajara, Huelva, Jerez y Sevilla (**Cajasol**, together with Caja Navarra, Caja Canarias and Caja de Burgos, the **Cajas**) and Banca Cívica, S.A. (**Banca Cívica)** entered into a merger agreement to establish the terms of the integration of Banca Cívica into CaixaBank.

At that date, Banca Cívica was the central company (*sociedad central*) of the Institutional Protection Scheme (*Sistema Institucional de Protección*) comprising the Cajas, and the entity through which the Cajas carried on their financial activity indirectly under Royal Decree-Law 11/2010. Prior to the integration of Banca Cívica into CaixaBank, the Cajas owned 55.32% of the share capital and voting rights of Banca Cívica.

On 18 April 2012, the boards of directors of the Issuer and Banca Cívica signed the merger plan, which was approved by their respective extraordinary general shareholders' meetings held on 26 June 2012. The merger was also approved at the ordinary general assembly of la Caixa held on 22 May 2012.

Further to completion of all applicable conditions precedent on 26 July 2012, the Issuer took control of Banca Cívica's assets and liabilities. On 3 August 2012, the public merger deed was registered at the Companies Register and the merger of Banca Cívica and CaixaBank was completed. From this date, Banca Cívica ceased to exist.

Pursuant to the merger, five CaixaBank shares were exchanged for eight Banca Cívica shares, the share capital of which at the date of approval of the merger consisted of 497,142,800 shares. CaixaBank completed the exchange of shares with a combination of 71,098,000 treasury shares and 233,000,000 newly issued shares, issued pursuant to a capital increase approved at the CaixaBank extraordinary general shareholders' meeting of 26 June 2012, registered with the Companies Register on 3 August 2012. The exchange did not take into account either the shares of Banca Cívica previously held by CaixaBank, or Banca Cívica's treasury shares which were cancelled.

Acquisition of Banco de Valencia in 2013

On 27 November 2012, the Issuer signed a share purchase agreement to acquire, for €1 per share, the shares of Banco de Valencia held by the *Fondo de Reestructuración Ordenada Bancaria* (**FROB**). Having obtained the required administrative approvals and authorisations, and under the terms and conditions agreed with the FROB and official approval and authorisation by Spanish and EU authorities, on 28 February 2013, the Issuer confirmed the purchase of these shares (98.9% of the outstanding share capital of Banco de Valencia).

In accordance with the share purchase agreement, prior to the acquisition, Banco de Valencia's distressed assets were transferred to the *Sociedad de Gestión de Activos Procedentes de la Reestructuración Bancaria, S.A.* (**Sareb**).

The acquisition was subject to a series of financial support measures structured through an asset protection scheme (*esquema de protección de activos*). Pursuant to this scheme, during a 10-year period the FROB will assume 72.5% of losses incurred in Banco de Valencia's small and medium sized enterprises (**SMEs**), self-employed professionals, and contingent risk portfolios (guarantees), following the application of any existing provisions recognised for these assets.

On 4 April 2013, the planned merger between CaixaBank and Banco de Valencia was approved by the boards of directors of each entity pursuant to which one CaixaBank share was to be exchanged for 479 shares of Banco de Valencia.

Following the approval of the Ministry of Economy and Competition (*Ministerio de Economía y Competitividad*), on 19 July 2013, CaixaBank registered its merger with Banco de Valencia on the Companies Register, rendering the merger fully effective as from that date.

Reorganisation of la Caixa Group in 2014

In accordance with Law 26/2013, of 27 December (the **Savings Banks and Banking Foundations Act**), la Caixa, as a savings bank that conducted its credit institution activities through an indirectly-owned subsidiary bank, was required to change its corporate form to a banking foundation prior to 29 December 2014. In order to comply with these new legal requirements, on 22 May 2014, a General Assembly of la Caixa resolved to transform la Caixa into a banking foundation. The public deed formalising this transformation was recorded in the Register of Foundations on 16 June 2014, completing the change of corporate form and thereby ending la Caixa's indirect conduct of its credit institution activities through CaixaBank.

The transformation of la Caixa into a banking foundation carried with it a dual-step reorganisation of the la Caixa group: firstly, the dissolution and liquidation of Fundación Caixa d'Estalvis i Pensions de Barcelona (**la Caixa Foundation**) by means of the transfer of 100% of the la Caixa Banking Foundation's assets and liabilities to Fundación Bancaria Caixa d'Estalvis i Pensions de Barcelona (**la Caixa Banking Foundation**), completed on 16 October 2014; and secondly, the segregation and transfer to Criteria Caixa, S.A.U. (**CriteriaCaixa**) (formerly known as Criteria CaixaHolding, S.A.U.) of any debt instruments issued by la Caixa and the shares held by la Caixa Banking Foundation in CaixaBank (58.91% of the total share capital of CaixaBank as of 14 October 2014), completed on 14 October 2014 with the registration of a public deed of spin-off (*segregación*) with the Commercial Registry of Barcelona.

As a result of this process of reorganisation, la Caixa Banking Foundation held its ownership interest in CaixaBank through CriteriaCaixa and la Caixa Banking Foundation is no longer classified as a credit institution (or savings bank).

Acquisition of Barclays Bank, S.A.U.

On 2 January 2015, CaixaBank acquired 100% of the share capital of Barclays Bank, S.A.U. and the entire retail banking, wealth management and corporate banking arms of Barclays Bank, S.A.U. in Spain, excluding the investment banking and card businesses. CaixaBank paid €820 million to Barclays Bank PLC as the final price for Barclays Bank, S.A.U. On 14 May 2015, the merger between CaixaBank and Barclays Bank, S.A.U. was registered with the Commercial Registry.

Sale of shareholding in Boursorama, S.A. and Self Trade Bank, S.A.

On 18 June 2015, CaixaBank announced the sale to Société Générale Group of its entire stake in Boursorama, S.A., which represented 20.5% of the share capital in the entity, as well as the related voting rights, for a price of €218.5 million. Similarly, CaixaBank announced the signing of the sale to Boursorama, S.A. of its stake in Self Trade Bank, S.A., the joint venture that it had with Boursorama,

S.A.in Spain, which represented 49% of the share capital. The agreed consideration was €33 million. With these transactions, the alliance that began in 2006 after the sale to Boursorama, S.A. of CaixaBank France ended.

Deconsolidation of CaixaBank from CriteriaCaixa Group

On 26 May 2016, CriteriaCaixa, which held 56.8% of CaixaBank's issued share capital at the time, disclosed its intention to deconsolidate CaixaBank from CriteriaCaixa and its subsidiaries (the **CriteriaCaixa Group**) as well as the response issued by the ECB to the enquiry made by CriteriaCaixa setting the following conditions precedent for the deconsolidation of CaixaBank from the CriteriaCaixa Group:

- The voting and dividend rights of CriteriaCaixa in CaixaBank must not exceed 40% of all voting and dividend rights. The reduction must allow new investors or new funds to enter the shareholding structure of CaixaBank, without factoring in the asset swap agreement involving the Bank of East Asia (**BEA**) and Grupo Financiero Inbursa which was disclosed by way of disclosure notification to the market on 3 December 2015;

- The proprietary directors of CriteriaCaixa at CaixaBank must not exceed 40% of all directors. This limit must also apply to the relevant Board of Directors committees. Any Board of Directors member proposed by a shareholder that has an agreement with CriteriaCaixa will be considered a proprietary director of CriteriaCaixa for these purposes. Accordingly, Board of Directors members proposed by the savings banks (now foundations) formerly comprising Banca Cívica (which was absorbed by CaixaBank) will therefore be considered as proprietary directors of CriteriaCaixa;

- In relation to appointments of directors elected by the Board of Directors itself (co-opted), the proprietary directors of CriteriaCaixa shall only vote for the directors proposed by CriteriaCaixa and shall abstain in all other cases. With regard to appointments of directors by shareholders at the general shareholders' meeting, CriteriaCaixa shall not object to any appointments proposed by the Board of Directors of CaixaBank;

- A coordinating director must be appointed from among the independent directors of CaixaBank with extensive powers, including relations with shareholders in corporate governance matters; and

- CaixaBank may not grant CriteriaCaixa and/or la Caixa Banking Foundation financing that exceeds 5% of the eligible capital at the sub-consolidated level of the CaixaBank Group in the 12 months following the deconsolidation, and the financing must be zero as of that date. In addition, indirect financing may not be provided by distributing debt instruments among CaixaBank's customers.

Once the conditions set by the ECB had been complied with, the ECB would evaluate the deconsolidation of CaixaBank from the CriteriaCaixa Group. If the ECB confirmed that the conditions had been met and that CriteriaCaixa was no longer the controlling entity over CaixaBank, then provided that CriteriaCaixa did not hold a controlling stake in any other bank, it would cease to be a mixed financial holding company for the purposes of CRR. This would result in the CriteriaCaixa Group no longer being required to comply with the capital requirements set out in CRR.

On 26 September 2017, the ECB resolved that having confirmed the loss of control of CriteriaCaixa over CaixaBank, CriteriaCaixa had ceased to be considered a mixed financial holding company for the purposes of CRR under its supervision. The parent company of the new group for the purposes of complying with the capital requirements set out in CRR is CaixaBank, as published in CaixaBank's relevant event announcement (*hecho relevante*) dated 26 September 2017.

Banco BPI acquisition process

On 18 April 2016, CaixaBank announced to the market that the Board of Directors had decided to launch a voluntary tender offer for the shares of Banco BPI. The offered price was €1.113 per share payable in cash and was subject to the elimination of the voting cap in Banco BPI, obtaining a number of acceptance declarations so that CaixaBank would become the owner of more than 50% of Banco BPI's share capital and to the regulatory approvals. The price was equivalent to the volume weighted average price of Banco BPI shares for the six months prior to such preliminary announcement of the tender offer.

At the extraordinary general shareholders' meeting of Banco BPI held on 21 September 2016, the shareholders of Banco BPI approved a resolution to eliminate the voting cap that had been established in the articles of association of Banco BPI. Due to such elimination and to the fact that CaixaBank held a stake in Banco BPI above 33.3%, the the CMVM revoked the waiver to launch a mandatory tender offer over Banco BPI originally granted to CaixaBank in 2012 and, therefore, CaixaBank became bound by duty to launch a mandatory tender offer over Banco BPI. Consequently, the legal nature of the tender offer (initially voluntary) was converted into a mandatory tender offer (the **Banco BPI Tender Offer**). Furthermore, CaixaBank increased the price of the Banco BPI Tender Offer up to €1.134 per share payable in cash, equivalent to the volume weighted average price of Banco BPI shares for the six months prior to 21 September 2016.

On 22 September 2016, 585 million treasury shares, representing 9.9% of CaixaBank's share capital with a book value of €2,013 million, were sold with the objective of reinforcing the regulatory capital ratio in view of the Banco BPI Tender Offer.

On 5 January 2017, Banco BPI lost control over BFA as a result of the execution of the sale of a 2% BFA stake to Unitel, S.A (**Unitel**) and the execution of a new shareholders' agreement between Banco BPI and Unitel in relation to BFA. Unitel currently holds 51.9% of the share capital of BFA and Banco BPI has reduced its stake in BFA down to 48.1%. This transaction was previously approved by an extraordinary general shareholders' meeting of Banco BPI held on 13 December 2016. This transaction allowed Banco BPI to solve the situation of non-compliance of the large exposure risks derived from its participation in BFA.

On 16 January 2017, after CaixaBank obtained all the applicable regulatory approvals, the CMVM registered Banco BPI Tender Offer prospectus. The acceptance period of the Banco BPI Tender Offer started on 17 January 2017 and ended on 7 February 2017, as result of which CaixaBank increased its stake in Banco BPI from 45.5% to 84.51% of the issued share capital. The payment for the 39.01% of share capital stood at €645 million.

On 6 May 2018 CaixaBank announced the acquisition of an 8.42% stake of the share capital of Banco BPI owned by Allianz group, for a total price of €178 million (€1.45 per share), becoming the holder of 92.93% of the share capital of Banco BPI. With a majority of 99.26% of the votes issued, on 29 June 2018 Banco BPI's general shareholders' meeting' approved the delisting and CaixaBank offered the purchase of Banco BPI shares at a price of €1.45 per share to the shareholders that did not vote in favour. Subsequently, on 12 July 2018, Banco BPI requested its delisting from the stock exchange to the CMVM.

On 23 August 2018, the CMVM determined that an independent consultant must set the price per share of CaixaBank's purchase offer. Between 5 May and 23 August 2018, CaixaBank purchased Banco BPI's shares in the market at a price equal to or lower than €1.45 per share, until reaching 94.9% of its share capital.

On 11 December 2018, the CMVM publicly announced that the independent expert had set the minimum price of CaixaBank's purchase offer at €1.47 euros per share. Subsequently, on 14 December 2018, the CMVM approved the delisting of Banco BPI.

Finally, on 27 December 2018, after the delisting and the combination of the offer intended for the shareholders who had not voted in favour of the delisting, and pursuant to Article 490 of the Portuguese Commercial Company Code, CaixaBank exercised its squeeze-out right over the Banco BPI's shares which it did not yet hold at a price of €1.47 per share, and thus, became the holder of 100% of the Banco BPI's share capital.

The squeeze-out right was settled at the beginning of January 2019. The disbursement in order to acquire 5.1% of the share capital after the delisting from the stock exchange and to reach 100% of the Banco BPI's share capital amounted to €108 million and has not affected the consolidated profit and loss account of the Group. The consolidated stake in Banco BPI appearing on CaixaBank's financial statements on 31 December 2018 was 100%.

Key events in 2017, 2018 and 2019

Dividends

On 23 October 2017, the Board of Directors of CaixaBank agreed to pay an interim dividend of €0.07 per share, with payment taking place on 2 November 2017.

On 6 April 2018, CaixaBank announced that at the Ordinary Annual General Meeting, shareholders had approved the distribution of a final cash dividend of €0.08 per share (gross) against 2017 profits.

After payment of this dividend, the total shareholder remuneration for 2017 amounted to €0.15 per share (gross), bringing the total cash amount paid to 53% of consolidated net profit, in line with the 2015-2018 strategic plan (the "**2015-2018 Strategic Plan**") targets.

On 25 October 2018, the Board of Directors of CaixaBank agreed to pay an interim dividend of €0.07 per share, with payment taking place on 5 November 2018.

On 31 January 2019, the Board of Directors of CaixaBank agreed to submit for approval at the upcoming Annual General Meeting the distribution of a €0.10 gross final cash dividend per share against 2018 fiscal year profits, payable during the month of April 2019. The Annual General Meeting held on 5 April 2019 approved the proposed dividend distribution. The dividend was finally paid on 15 April 2019.

Once this dividend was settled, total remuneration corresponding to the 2018 fiscal year amounted to €0.17 gross per share, equivalent to a pay-out of 51% of consolidated net income, which was in line with the 2015-2018 Strategic Plan. Thus, the remuneration corresponding to the 2018 fiscal year has been paid in two separate payments in cash amounting to 0.07 and 0.10 euros per share, in November 2018 and in April 2019, respectively, all in accordance with the dividend policy approved and published on 23 February 2017, in force at that time.

On 1 February 2019 the Board of Directors approved and published an amendment to the dividend policy whereby shareholder remuneration will take place through a single cash payment, which will be paid once the relevant fiscal year has been closed, around the month of April. This amendment to the dividend policy will start applying in relation to the 2019 fiscal year profits. In line with the 2019-2021 Strategic Plan, CaixaBank has reiterated its intention to remunerate shareholders by distributing an amount in cash greater than 50% of consolidated net attributable income, with a cap for 2019 fiscal year of 60% of consolidated net income.

Issuances

At 30 September 2019, the Bank had issued a total of €4,482 million of securities placed with institutional investors, a breakdown of which is set out in the table below. Among them was a €1 billion issue of senior non-preferred notes due 1 October 2024, with an objective to facilitate activities that contribute towards economic and social development.

Information on CaixaBank's issuances in 2019

€ million

Issue	Total amount	Amount	Date of Issuance	Maturity	Cost[1]
Ordinary Senior Notes	1,000	1,000	27 March 2019	7 years	1.195% (midswap +0.90%)
Senior non-preferred notes	3,382	1,000	18 January 2019	5 years	2.47% (midswap +2.25%)
		50	30 May 2019	10 years	2.00% (midswap +1.56%)
		1,250	19 June 2019	7 years	1.464% (midswap +1.45%)
		82	3 July 2019	15 years	1.231%
		1,000	26 September 2019	5 years	0.765% (midswap +1.13%)
Mortgage covered bonds[2]	500	500	n.a.[2]	15 years	1.40% (midswap +0.442%)

(1) Yield on the issuance and equivalent floating rate at the time of issuance

(2) The Mortgage Covered Bonds correspond to 6 private placements with an average weighted cost of 1.40%.

Early Redemption of Bonds

Early redemption of subordinated bonds

On 8 June 2018, CaixaBank redeemed early in full the nominal outstanding amount of the Subordinated Bonds Series I/2012 (*Emisión de Obligaciones Subordinadas Serie I/2012)*, with ISIN code ES0240609000, amounting to €2,072.3 million, after duly obtaining the relevant prior authorisation by the ECB and in accordance with the provisions contained in the prospectus (*Nota de Valores*) approved on 26 December 2011 by the CNMV. The redemption price was 100% of the nominal outstanding amount, notwithstanding any accrued and unpaid coupon.

On 14 November 2018, CaixaBank redeemed early in full the nominal outstanding amount of the Subordinated Notes Series I/2013 (*€750,000,000 Subordinated Fixed Reset Notes due November 2023*), with ISIN code XS0989061345, with a nominal amount of €750,000,000, final maturity date on 14 November 2023, after duly obtaining the relevant prior authorisation by the ECB and in accordance with the provisions set out in its terms and conditions. The redemption price was 100% of the outstanding principal amount of the Issue. Any accrued interest due, if applicable, was also paid on the same date.

Early redemption of self-retained covered bonds

On 21 December 2018, CaixaBank redeemed early in full (i) the nominal outstanding amount of the *2ª Emisión 2009 de Cédulas Hipotecarias de Barclays Bank, S.A. – Junio 2019"*, with ISIN code ES0413985021, amounting to €1,000,000,000; (ii) the *4ª Emisión de Cédulas Territoriales de CaixaBank, S.A.*, with ISIN code ES0440609065, amounting to €500,000,000; and (iii) the *7ª Emisión de Cédulas Territoriales de CaixaBank, S.A.*, with ISIN code ES0440609289, amounting to €1,500,000,000.

On 26 February 2019, CaixaBank redeemed early in full the nominal outstanding amount of the *Emisión 2014 de Cédulas Hipotecarias de Barclays Bank, S.A.U. Julio 2024*, with ISIN code ES0413985047, amounting to €1,000,000,000.

The redemption price was 100% of the nominal outstanding amount in all cases, plus any accrued and unpaid coupon.

Early retirement schemes

On 10 January 2017, a paid early retirement scheme was launched for employees of the Group born between 1 March 1953 and 31 December 1959, which has been accepted by 350 people, with an impact in the profit and loss statement of costs of €152 million.

On 12 May 2017, a paid early retirement scheme was launched for employees of the Group born before 1 January 1962. On 19 May 2017, the sign-up period for the scheme ended, with the acceptance of 610 employees and a one-off expense of €303 million gross.

On 8 May 2019, CaixaBank reached an agreement with the employee representatives regarding a plan to compensate 2,023 contract terminations, as well as other measures to provide further labour flexibility, with an impact on the profit and loss statement of costs of €978 million gross.

Agreement with Cecabank

On 28 June 2017, CaixaBank Asset Management SGICC, S.A.U. (**CaixaBank AM**) and VidaCaixa, two fully owned subsidiaries of CaixaBank, reached an agreement with Cecabank, S.A. (**Cecabank**) whereby the latter would continue to act, until 31 March 2027, as the exclusive depositary for 80% of the assets under management related to the mutual funds, SICAVs (*Sociedades de Inversión de Capital Variable*) and individual pension funds which are managed by CaixaBank AM and VidaCaixa.

Acquisition of 51% of the share capital of Servihabitat

On 8 June 2018, CaixaBank announced that it had reached an agreement with the company SH Findel, SARL (controlled by TPG Sixth Street Partners) to acquire 51% of the share capital of Servihabitat Servicios Inmobiliarios, S.L. (**Servihabitat**) at a price of €176.5 million. The deal was cleared by the relevant authorities and completed on 13 July 2018.

The repurchase of 51% of Servihabitat had a negative impact of minus 15 basis points on the fully-loaded CET1 ratio and of minus €204 million on the 2018 income statement.

Sale of 80% of the real estate business

On 28 June 2018, CaixaBank arranged to sell 80% of its real estate business to a company owned by Lone Star Fund X and Lone Star Real Estate Fund V.

The real estate business to be sold to Lone Star comprised mainly the portfolio of real estate assets available for sale at 31 October 2017, as well as 100% of the share capital of Servihabitat. The gross value of the real estate assets at 31 October 2017 was approximately €12,800 million (with a net book value of approximately €6,700 million).

CaixaBank transferred the aforementioned portfolio of real estate assets, together with 100% of Servihabitat, to a newly incorporated company, Coral Homes, S.L. (**Coral Homes**), 80% of which was subsequently sold to Lone Star, with the remaining 20% stake being retained by CaixaBank through Building Center, S.A.U..

On 20 December 2018, CaixaBank closed the transaction. The initial price for 80% of the share capital of Coral Homes was €3,974 million, which equated to a valuation of €4,967.5 million for 100% of the company, as of 20 December 2018. The initial price will be adjusted in accordance with a series of variables that are customary in these types of transactions.

The transaction does not signify the discontinuation of our Non-Core Real Estate business segment, given that we continue to hold, among other assets, the real estate activity linked to rentals and assets from foreclosures that occurred after 1 November 2017. However, due to the significant reduction of its assets and its lower contribution to our results, the Non-Core Real Estate business segment was eliminated as a reporting segment and has been integrated within the Banking and Insurance business segment from 1 January 2019.

CaixaBank and other Group companies signed on 20 December 2018 a five year servicing agreement with Servihabitat for existing and future real estate assets.

The final overall impact of the transaction (including all related expenses, taxes and other costs) on the profit and loss account turned out to be a loss of €48 million net of tax, while adding 15 basis points to the fully loaded CET1 ratio as at 31 December 2018.

Agreement to sell the stake in Repsol

On 20 September 2018, the Group agreed to dispose of its current shareholding in Repsol, S.A., in line with the guidelines set out in the 2015-2018 Strategic Plan. The process was undertaken in the following way:

- The two equity-swap contracts in place over 4.61% of the Repsol shares were settled early on 20 September 2018, through the delivery of shares.

- The proprietary directors of CaixaBank on the board of directors of Repsol offered their resignations from their corresponding positions.

- The remaining position in Repsol of approximately 4.75% of the share capital was reclassified as "Financial assets at fair value with changes in other comprehensive income".

- The sales programme for the shares classified under "Financial assets at fair value with changes in other comprehensive income" was subject to a daily cap of 15% of the trading volume during the day. The number of shares to be sold depended on the market conditions and a listing price that ensures the income obtained represented a fair value for the CaixaBank shareholders, among other conditions.

The impact derived from the significant loss of influence in the shareholding in Repsol, after the execution of the equity-swap contracts and the reclassification of the residual shareholding under the financial heading "Financial assets at fair value with changes in other comprehensive income" of the consolidated balance sheet stood at a gross loss of €453 million, registered under the heading "Gains/(losses) on derecognition of non-financial assets, net".

Repsol's divestment was completed in the second quarter of 2019.

Amendments to the shareholders agreements

On 29 October 2018, CaixaBank published a relevant event announcement (*hecho relevante*) reporting the amendments to the agreements subscribed by la Caixa Banking Foundation and Caja Navarra Banking Foundation, Cajasol Foundation, Caja Canarias Foundation and Caja de Burgos, Banking Foundation following the merger by absorption of Banca Cívica by CaixaBank, on 1 August 2012.

The main purpose of the amendment of the abovementioned agreements was to clarify their content regarding certain commitments assumed by la Caixa Banking Foundation to meet the conditions approved in March 2016 by the Supervisory Board of the ECB for the deconsolidation from

CriteriaCaixa of CaixaBank for prudential purposes, which meant a reduction in the participation of la Caixa Banking Foundation and the consequent loss of control of CaixaBank.

The amendments implied: (i) clarifying its content regarding the collaboration relationship between the parties with the aim of strengthening the full autonomy of the parties in relation to the management of their participations in CaixaBank's share capital, (ii) clarifying its content with respect to the regulation of the territorial advisory boards which were created within the framework of the integration into CaixaBank of the savings banks that founded Banca Cívica, describing their functions in more detail, (iii) eliminating the preferential right to acquire shares in CaixaBank initially agreed between the savings banks that founded Banca Cívica and Caja de Ahorros y Pensiones de Barcelona, "la Caixa", and (iv) that the Fundación Privada Monte de Piedad and Caja de Ahorros San Fernando de Huelva, Jerez y Sevilla (Fundación Cajasol), previously, Monte de Piedad and Caja de Ahorros San Fernando de Guadalajara, Huelva, Jerez y Sevilla (Cajasol), one of the savings banks that founded Banca Cívica, upon its request, no longer forms part of the integration agreement between CaixaBank and Banca Cívica and of the CaixaBank shareholders' agreement.

Results of the 2018 EU-wide stress test

The CaixaBank Group reported on 2 November 2018 that it took part in the EU-wide stress test, which was coordinated by the European Banking Authority (the **EBA**) and supervised by the ECB. The test used reference data from 31 December 2017 and comprised a three-year period (2018-2020) in two scenarios, baseline and adverse. The results obtained were as follows:

Under the adverse scenario, the fully loaded CET1 ratio at 31 December 2020 was depleted by 239 basis points, reaching a level of 9.11% from 11.50%, after the initial application of IFRS 9 on 31 December 2017. In this same scenario, the phase-in CET1 also reached 9.11% from an initial 12.54%, after the initial application of IFRS 9, implying a 343 basis point depletion.

Under the baseline scenario, the fully loaded CET1 ratio at 31 December 2020 increased by 210 basis points to a level of 13.60% and the phase-in CET1 ratio increased by 106 basis points.

Formal communication regarding minimum requirement for own funds and eligible liabilities (MREL requirement)

On 24 April 2019 CaixaBank received a formal communication from the Bank of Spain regarding its minimum requirement for own funds and eligible liabilities (**MREL requirement)**, as determined by the Single Resolution Board (the **SRB**).

In accordance with such communication, CaixaBank has been required to reach, by 1 January 2021, an amount of own funds and eligible liabilities on a consolidated basis equal to 10.6% of its consolidated total liabilities and own funds as of 31 December 2017. This MREL requirement would be equal to 22.5% in terms of consolidated RWAs, as of 31 December 2017.

According to the current eligibility criteria of the SRB, CaixaBank's best estimate of its MREL ratio stood at 21.4% on a consolidated basis as of 30 September 2019.

This decision, based on current legislation, is expected to be updated annually and could be subject to subsequent changes by the resolution authorities, also in light of the developments of the BRRD.

The MREL requirement is aligned with CaixaBank’s expectations and the funding plan as described in its 2019-2021 Strategic Plan. This plan considers the roll-over of c. €7,500 million of wholesale debt maturities, through the issuance of MREL eligible liabilities, primarily of a subordinated nature.

2019 Annual Transparency Test

On 29 November 2019, CaixaBank published on its corporate website (www.caixabank.com) information related to the 2019 annual Transparency Exercise carried out throughout the European Union, at the request of the EBA. The information published relates to data from September 2018, December 2018, March 2019 and June 2019.

Minimum prudential capital requirements for the CaixaBank Group for 2020

CaixaBank was notified of the decision of the ECB regarding minimum capital requirements for CaixaBank Group for 2020 following the outcome of the Supervisory Review and Evaluation Process (**SREP**). In addition, the Bank of Spain also informed CaixaBank about the capital buffer applicable to Other Systemically Important Institutions (**O-SII**).

Both decisions on SREP and O-SII remain unchanged for 2020 at 1.50% and 0.25% respectively, and require that the CaixaBank Group maintain a CET1 ratio of 8.78%[1] during 2020, which includes the minimum Pillar 1 requirement (4.50%), the ECB Pillar 2 requirement[2] (1.50%), the Capital Conservation buffer (2.5%), the O-SII buffer (0.25%)[3] and the countercyclical buffer (0.03%)[4]. Similarly, based on the minimum requirements of Pillar 1 applicable to Tier 1 (6%) and Total Capital (8%), the requirements would reach 10.28% fully loaded for Tier 1 and 12.28% for Total Capital.

The following table shows these solvency requirements compared to the capital position of CaixaBank Group as of 30 September 2019:

	Capital position Sep'19	Minimum requirements			
		Phase-in and fully loaded	*of which Pillar 1*	*of which Pillar 2R*	*of which Buffers*
CET1	11.7%	8.78%	*4.5%*	*1.5%*	*2.78%*
Tier 1	13.2%	10.28%	*6.0%*	*1.5%*	*2.78%*
Total Capital	15.3%	12.28%	*8.0%*	*1.5%*	*2.78%*

As a result of these decisions, the CET1 threshold below which CaixaBank Group[5] would be forced to limit 2020 distributions in the form of dividend payments, variable remuneration and interest to holders of Additional Tier 1 instruments, commonly referred to as the activation level of the maximum distributable amount (or MDA trigger), is set at 8.78%, to which the potential capital shortfalls of Additional Tier 1 or Tier 2 should be added with respect to the minimum implicit Pillar 1 levels of 1.5% and 2%, respectively[6].

Taking into account the current capital levels of the CaixaBank Group, these requirements do not imply any of the aforementioned limitations.

2019-2021 Strategic Plan. Financial targets

The CaixaBank Group unveiled its 2019-2021 Strategic Plan on 27 November 2018. The 2019-2021 Strategic Plan takes into account that the economy is moving towards a more mature phase of the

1 All percentages refer to the total amount of risk-weighted assets
2 Applies only at a consolidated level
3 Applies only at a consolidated level
4 As of 30 September 2019. It applies to both individual and consolidated basis. Updated quarterly. It may differ between individual and consolidated level. As of 30 September 2019 both levels coincide.
5 At an individual level, CaixaBank's CET1 ratio reached 13.2% as of 30 September 2019. This is in comparison with a minimum requirement of CET1 for 2020 of 7.03% (including 0.03% of countercyclical buffer to be updated quarterly). Thus, capital requirements are more restrictive at a consolidated level than at an individual level.
6 As of 30 September 2019, there was no shortfall at Additional Tier 1 and Tier 2 levels.

business cycle, with Spain and Portugal expected to achieve annual real GDP growth rates of approximately 2% in 2019E-2021E (*Source: CaixaBank Research*).

Financial projection in the 2019-2021 Strategic Plan is based on the expectation of a very gradual increase in the interest rates, as reflected in the interest rate forward rates used for those projections.

To enhance the customer experience, the 2019-2021 Strategic Plan aims to continue transforming the distribution network so as to provide added value to customers, strengthen the model of remote and digital customer relationship and continue adding new products and services.

The 2019-2021 Strategic Plan aims to generate sustainable value for all stakeholders (customers, shareholders, employees and society in general), in accordance with the Group's mission to contribute to the financial wellbeing of CaixaBank's customers and to the progress of society.

The 2019-2021 Strategic Plan has the following five strategic lines:

- To offer the best customer experience.
- To accelerate digital transformation to boost efficiency and flexibility.
- To foster a people-centric, agile and collaborative culture.
- To generate attractive shareholder returns and solid financials.
- To become a benchmark in responsible banking and social commitment.

For the three-year plan period CaixaBank aims to achieve, among other financial and operating targets: (i) a ROTE[7] higher than 12% by 2021; (ii) a core cost-to-income ratio of less than 55% by 2021[8]; (iii) a compound annual growth rate for core revenues[9] of 5%; (iv) reducing the non-performing loan ratio[10] to below 3% by 2021; (v) a cost of risk[11] of less than 30 bps (2019E-2021E); (vi) a fully loaded CET1 ratio of approximately 12% (plus an additional 1% prudential buffer throughout 2019-2021 as a temporary buffer to absorb potential future regulatory impacts in the coming years, including the end of the Basel III framework on 1 January 2022) (vii) distributing to shareholders a cash dividend payout ratio above 50% of its consolidated net profit; and (viii) maintaining the LCR ratio above 130% by 2021.

These are targets only and not forecasts. There can be no assurance that these targets can or will be met and they should not be seen as an indication of the Group's expected or actual results or returns. Accordingly, prospective investors should not place any reliance on these targets in deciding whether to invest in the Notes. In addition, as noted previously, prior to making any investment decision, prospective investors should carefully consider the risk factors described in this Information Memorandum.

---

7 ROTE: profit attributable to the Group, trailing 12 months (adjusted by the amount of the Additional Tier 1 coupon after tax reported in equity), divided by 12 months average tangible equity, defined as own funds (including valuation adjustments registered in Other Comprehensive Income) minus 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).

8 Core cost-to-income ratio: administrative expenses, depreciation and amortisation divided by core revenues (last 12 months).

9 Core revenues: there is a definition of this financial target in the APM section, as well as a discussion of its relevance and a reconciliation to figures in the financial statements.

10 Non-performing loan ratio, quotient between: non-performing loans and advances to customers and contingent liabilities, using management criteria; total gross loans to customers and contingent liabilities, using management criteria.

11 Cost of risk: total allowances for insolvency risk divided by average of gross loans plus contingent liabilities, using management criteria (trailing twelve months).

Business overview

This section shows financial information on the different business segments of the CaixaBank Group. Since the sale of 80% of the real estate business in December 2018, the non-core real estate business is no longer reported separately and the remaining property assets are integrated in the Banking and Insurance business, with the exception of the stake in Coral Homes, which is assigned to the equity investment business. For comparative purposes, the 2018 information is presented aggregating both segments (Banking and Insurance plus non-core real estate).

- **Banking and insurance:** includes all revenues from banking, insurance and asset management within the Group, mainly in Spain, as well as liquidity management, ALCO, income from financing the other businesses and the Group-wide corporate centre. It also includes the businesses that CaixaBank acquired from Banco BPI during 2018 (i.e. insurance, asset management and cards).

- **Equity investments:** essentially shows income from dividends and/or profit accounted for using the equity method, net of financing costs, from the Group's interests, as well as gains/(losses) on the financial assets and liabilities held at Erste Group Bank, Repsol, Telefónica, BFA and Banco Comercial de Investimentos (**BCI**). From 1 January 2019, the 20% stake in Coral Homes is added to this segment, after the sale of the real estate business on 20 December 2018. Similarly, it includes the significant impacts on income of other relevant stakes.

- The results contributed by Banco BPI to the consolidated income statement under the equity method are included through to the effective takeover in February 2017, whereupon a new business segment was created. Meanwhile, the stake in Repsol, following the agreement to sell, and the stake in BFA, after re-estimating the significant influence at 2018 year-end, are classified as financial assets designated at fair value through other comprehensive income.

- Banco BPI**:** this business shows the results following the takeover of Banco BPI in February 2017, from which time the Portuguese bank's assets and liabilities have been reported using the full consolidation method (considering the adjustments made to the business combination). The income statement shows the reversal of the fair value adjustments of the assets and liabilities resulting from the business combination and excludes the results and balance sheet figures associated with the assets of Banco BPI assigned to the equity investments business (essentially BFA, BCI and Viacer Sociedade Gestora de Participaçoes Socials, Lda until its sale).

The operating expenses of these business segments include both direct and indirect costs, which are assigned according to internal distribution methods.

In 2019, the allocation of capital to the investment business has been adapted to the Group's new capital corporate objective of maintaining a Common Equity Tier 1 (CET1) ratio of 12%, taking into account both the 12% consumption of capital for risk-weighted assets (11% in 2018 and 2017) and any applicable deductions.

Capital is assigned to Banco BPI on a sub-consolidated basis, meaning in view of the subsidiary's own funds. The capital consumed at Banco BPI by the investees assigned to the equity investments business is allocated consistently to this business.

The difference between the Group's total own funds and the capital assigned to the other businesses is attributed to the banking and insurance business, which includes the Group's corporate centre.

The capital gains generated by Banco BPI on selling its insurance, asset management and card businesses to CaixaBank have had no impact on the results of the different business segments since they qualify as intragroup operations and are eliminated from consolidated earnings.

Banking and Insurance business

This is the Group's core business and includes the entire banking business (retail banking, corporate and institutional banking, among others, cash management and market transactions) and insurance business, primarily carried out in Spain through its branch network and other distribution channels. The banking business also includes the liquidity management and the asset liability committee (ALCO) and income from financing other businesses.

The gross balance of customer loans amounted to €207,255 million as at 30 June 2019, as compared to €201,417 million as at 31 December 2018 and €199,990 million as at 31 December 2017). Total customer funds, using management criteria, amounted to €351,105 million as at 30 June 2019, as compared to €329,395 million as at 31 December 2018 and €320,501 million as at 31 December 2017).

Banking Business

The Banking Business relies on a universal banking model based on quality, innovation, accessibility and personalised service, with a wide range of products and services that are adapted to customers' various needs and an extensive multi-channel distribution network.

As of 30 June 2019, CaixaBank had over 13.7 million customers in Spain, including individuals, companies and institutions.

As of 30 June 2019, the Banking Business services were offered through a network of 4,430 branches in Spain, of which 4,219 are retail branches.

The Banking business has different divisions based on the type of customers its services are directed at:

Retail Banking

Retail Banking is directed at individuals with less than €60,000 in net worth, as well as businesses, including retail establishments, self-employed and freelance professionals, micro-companies and agribusiness, with a turnover of less than €2 million annually. This division represents the Group's most traditional business, and provides the basis for the development of other, more specialised, lines of business. As a result of CaixaBank's high-quality multi-channel approach it has strengthened customer loyalty through the launch of a wide range of new products and services. CaixaBank has expanded and consolidated itself as a benchmark entity with a penetration amongst retail clients aged 18 or above in Spain of 29.3% (26.3% of whom cite CaixaBank as their main bank) (Source: *FRS Insmark 2018*).

The market share for payroll deposits, which is a key indicator of customer engagement, has evolved from 26.8% as of 31 December 2018 to 27.3% as of 30 June 2019 (data prepared in-house based on Social Security data).

Premier Banking

This division is directed towards individual customers with a net worth of between €60,000 and €500,000, with advisory services provided by specialised managers that are focused on tailored solutions to customer needs.

Private Banking

The Private Banking division is aimed at customers with assets under management in excess of €500,000, with services offered by professionals through exclusive Private Banking Centres.

Business Banking

The Business Banking division provides services to business customers with annual turnover of between €2 million and €200 million. The purpose of this specialised business line is to establish a long-term relationship with companies, underpinning their growth and day-to-day management.

CaixaBank manages this business line through a network of specialised offices and specialist managers. Customers also receive support from the Group's branch network and advisory services from its professionals specialised in financing and services, treasury and foreign trade.

Corporate and Institutional Banking

The Corporate and Institutional division provides services to business customers with annual turnover in excess of €200 million.

Corporate Banking's value proposition offers a tailor-made service to corporate clients, seeking to become their main bank. This involves crafting personalised value propositions and working with clients in export markets.

Institutional Banking serves public and private-sector institutions, through specialist management of financial services and solutions.

International Business

The Group provides international banking services to its clients through operating branches, representative offices and correspondent banks, as described below (as of 31 December 2018):

- *Operating branches*: The Group has branches in Poland (Warsaw), the United Kingdom (London), Morocco (Casablanca, Tangier and Agadir), Germany (Frankfurt) and France (Paris).

- *Representative offices*: Within the EU, the Group maintains representative offices located in Italy (Milan) and France (Paris). Outside the EU, the Group maintains representative offices in China (Beijing, Shanghai and Hong Kong), Turkey (Istanbul), Singapore, the United Arab Emirates (Dubai), India (New Delhi), Egypt (Cairo), Chile (Santiago de Chile), Colombia (Bogotá), Perú (Lima), the United States (New York), South Africa (Johannesburg), Algeria (Algiers), Brazil (São Paulo) and Canada (Toronto).

Insurance

CaixaBank complements its banking services with a variety of life insurance, pension and general insurance products and services.

The Group offers these insurance and pension products and services through the following entities:

- VidaCaixa, a wholly-owned subsidiary through which the Group provides life insurance products and pension plans. At 2017 year-end, VidaCaixa completed its acquisition of BPI Vida e Pensoes.

- SegurCaixa Adeslas, S.A. (**SegurCaixa Adeslas**), a joint venture 49.9% of which is owned by VidaCaixa, 50% of which is owned by Mutua Madrileña and the remaining 0.1% of which is owned by minority shareholders, through which the Group provides non-life insurance products.

As of 30 June 2019 and 31 December 2018, VidaCaixa was the largest provider in the Spanish market, with 24.6% and 24.1% share of the pension market, respectively, according to INVERCO (*Asociación de Instituciones de Inversión Colectiva y Fondos de Pensiones*) and 28.8% and 28.9% share of the life insurance market, respectively, regarding technical provisions, according to ICEA (*Investigación Cooperativa entre Entidades Aseguradoras y Fondos de Pensiones*).

As of 30 June 2019 and 31 December 2018, SegurCaixa Adeslas was the market leader in health insurance in Spain, with a market share of 28.7% and 29.6%, respectively, and had a number two market position in the Spanish home insurance market (Source: ICEA (*Investigación Cooperativa entre Entidades Aseguradoras y Fondos de Pensiones*)).

The net profit of VidaCaixa for the six months period ended 30 June 2019 was €351 million (€663 million for the year ended 31 December 2018 and €634 million for the year ended 31 December 2017).

Equity Investments business

The Equity Investments business line includes the income of equity stakes in international financial entities, such as Erste Group Bank, as well as stakes in certain corporates mainly in the service sector, such as Telefónica.

Erste Group Bank

Erste Group Bank is one of the leading banking groups in Austria and the Central and Eastern Europe region in terms of total assets. Erste Group Bank is present in Austria, the Czech Republic, Romania, Slovakia, Hungary, Croatia and Serbia. The bank serves a total of around 16.7 million customers through a network of 2,385 branches. As of 30 September 2019, Erste Group Bank had total assets amounting to €252,101 million (€234,827 million as of 30 September 2018) (Source: *Erste Group Interim Report Third Quarter 2019*).

As of 30 June 2019, CaixaBank held 9.92% of the issued outstanding share capital of Erste Group Bank (9.92% as of 31 December 2018).

Telefónica

Telefónica is a digital telecommunications operator, present in 14 countries across Europe and Latin America. It generated 74% of its business outside Spain (source: Telefónica's Quarterly Results 2019 January – September) and has established itself as the leading operator in the Spanish-Portuguese speaking market. For the 9 month period ended 30 September 2019, Telefónica achieved consolidated revenues of €36.0 billion and, at 30 September 2019, its total accesses amounted to more than 345.8 million, of which, 262.4 million were mobile phones, 32.3 million fixed telephony, 21.6 million Internet and data, 8.6 million pay TV and 20.8 million wholesale accesses. As of 30 September 2019, total assets managed by Telefónica amounted to c. €124 billion (€113 billion as of 30 September 2018) (Source: *Telefónica's financial statements and company website*).

As of 30 June 2019, CaixaBank held 5.00% of the issued outstanding share capital of Telefónica (5.00% as of 31 December 2018).

Banco BPI Business

The Banco BPI business segment includes the profit and loss contributed by Banco BPI to the consolidated Group as from the acquisition of control in February 2017, at which time the Group began fully consolidating the interest held. The statement of profit and loss reflects the reversal of the adjustments derived from the fair value measurement of assets and liabilities assumed in the business combination. Equity in this business segment relates exclusively to Banco BPI's equity at the sub-consolidated level.

As of 30 June 2019, Banco BPI has solid market shares in Portugal, with over 1.9 million customers: 10.2% in lending activity and 11.3% in customer funds (data prepared in-house; for customers funds includes deposits, mutual funds, capitalisation insurance and insured pensions plans) (Source: *Banco de Portugal, APS, APFIPP*).

As of 30 June 2019, CaixaBank's stake in Banco BPI stood at 100% (100% as of 31 December 2018) (See *"History and development of the Issuer"* for additional information).

In accordance with applicable accounting law, 7 February 2017 was set as the effective assumption of control date and the total stake in Banco BPI (84.5%) has been reported under the full consolidation method since 1 February 2017, having been previously reported under the equity method.

Relevant figures by business segment

The table below shows the consolidated statement of profit or loss of the Group by business segments for the years ended 31 December 2018 (audited) and 31 December 2017 (not audited)[12]:

	Banking and Insurance[(1)]		**Non-Core Real Estate**		**Equity Investments**		**Banco BPI**		**Total CaixaBank Group**	
	For the Year Ended 31 December		**For the Year Ended 31 December**		**For the Year Ended 31 December**		**For the Year Ended 31 December**		**For the Year Ended 31 December**	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**
	(€ million)									
Net interest income	**4,682**	**4,603**	**(23)**	**(71)**	**(149)**	**(168)**	**397**	**382**	**4,907**	**4,746**
Dividend income and share of profit/(loss) of entities accounted for using the equity method	217	191	3	32	746	416	6	14	972	653
Net fee and commission income	2,310	2,222	(7)	1	—	—	280	276	2,583	2,499
Gain/(losses) on financial assets and liabilities and others	225	303	(6)	—	11	(44)	48	23	278	282
Income and expenses under insurance or reinsurance contracts	551	472	—	—	—	—	—	—	551	472
Other operating income and expenses	(351)	(212)	(147)	(200)	—	—	(26)	(18)	(524)	(430)
Gross income/(loss)	**7,634**	**7,579**	**(180)**	**(238)**	**608**	**204**	**705**	**677**	**8,767**	**8,222**
Administrative expenses	(3,762)	(3,602)	(51)	(42)	(4)	(4)	(436)	(502)	(4,253)	(4,150)
Depreciation and amortisation	(301)	(328)	(67)	(63)	—	—	(37)	(36)	(405)	(427)
Pre-impairment income	**3,571**	**3,649**	**(298)**	**(343)**	**604**	**200**	**232**	**139**	**4,109**	**3,645**
Impairment losses on financial assets and other provisions	(498)	(1,606)	(175)	(138)	—	4	106	29	(567)	(1,711)

[12] While the Group has kept the same structure of business segments in 2018, it has made certain changes to its presentation criteria, with 2017 restated for comparison purposes as follows: i) Impact of the allocation to the equity investments business of BFA, Banco BPI and Viacer, which were previously shown in the Banco BPI business; and ii) removal of analytical income in the banking business and insurance charged to the non-core real estate business, associated with the process of marketing assets.

	Banking and Insurance[(1)]		Non-Core Real Estate		Equity Investments		Banco BPI		Total CaixaBank Group	
	For the Year Ended 31 December		For the Year Ended 31 December		For the Year Ended 31 December		For the Year Ended 31 December		For the Year Ended 31 December	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	(€ million)									
Net operating income/ (loss)	**3,073**	**2,043**	**(473)**	**(481)**	**604**	**204**	**338**	**168**	**3,542**	**1,934**
Gains/(losses) on disposal of assets and other	(62)	154	(117)	6	(607)	5	51	(1)	(735)	164
Profit/(loss) before tax from continuing operations	**3,011**	**2,197**	**(590)**	**(475)**	**(3)**	**209**	**389**	**167**	**2,807**	**2,098**
Income tax	(810)	(536)	115	155	90	49	(107)	(46)	(712)	(378)
Profit/(loss) after tax from continuing operations	**2,201**	**1,661**	**(475)**	**(320)**	**87**	**258**	**282**	**121**	**2,095**	**1,720**
Profit/(loss) attributable to minority interests	2	6	55	—	33	13	20	17	110	36
Profit/(loss) attributable to the Group	**2,199**	**1,655**	**(530)**	**(320)**	**54**	**245**	**262**	**104**	**1,985**	**1,684**
Total assets	*345,122*	*335,945*	*5,737*	*11,530*	*4,685*	*6,894*	*31,078*	*28,817*	*386,622*	*383,186*

Notes:—

(1) This segment includes in 2017 the impact of the business combination resulting from the acquisition of Banco BPI as it derived from a corporate operation.

The table below shows the consolidated statement of profit or loss of the Group by business segments for the years ended 30 June 2019 (not audited) and 30 June 2018 (not audited)[13]:

	Banking and Insurance[(1)]		Equity Investments		Banco BPI		Total CaixaBank Group	
	30 June		30 June		30 June		30 June	
	2019	2018	2019	2018	2019	2018	2019	2018
	(€ million)							
Net interest income	**2,350**	**2,315**	**(72)**	**(80)**	**200**	**197**	**2,478**	**2,432**
Dividend income and share of profit/(loss) of entities accounted for using the equity method	107	117	252	500	11	7	370	624
Net fee and commission income	1,121	1,149	—	—	127	144	1,248	1,293
Gain/(losses) on financial assets and liabilities and others	205	245	50	17	6	31	261	293
Income and expenses under insurance or reinsurance contracts	264	282	—	—	—	—	264	282
Other operating income and expenses	(158)	(249)	—	—	(18)	(21)	(176)	(270)
Gross income/(loss)	**3,889**	**3,859**	**230**	**437**	**326**	**358**	**4,445**	**4,654**
Administrative expenses	(2,925)	(1,890)	(2)	(2)	(199)	(220)	(3,126)	(2,112)
Depreciation and amortisation	(227)	(182)	—	—	(33)	(18)	(260)	(200)
Pre-impairment income	**737**	**1,787**	**228**	**435**	**94**	**120**	**1,059**	**2,342**
Impairment losses on financial assets and other provisions	(334)	(534)	—	—	39	3	(295)	(531)

[13] After the sale of 80% of the real estate business in December 2018, starting from 2019 the non-core real estate business is no longer reported separately and the remaining property assets are integrated in the Banking and Insurance business, with the exception of the stake in Coral Homes which is assigned to the equity investment business. For comparative purposes, the 2018 information is presented aggregating both segments (Banking and Insurance plus non-core real estate)

Net operating income/ (loss)	**403**	**1,253**	**228**	**435**	**133**	**123**	**764**	**1,811**
Gains/(losses) on disposal of assets and other	(40)	(70)	0	0	2	0	(38)	(70)
Profit/(loss) before tax from continuing operations	**363**	**1,183**	**228**	**435**	**135**	**123**	**726**	**1,741**
Income tax	(68)	(375)	1	8	(37)	(34)	(104)	(401)
Profit/(loss) after tax from continuing operations	**295**	**808**	**229**	**443**	**98**	**89**	**622**	**1,340**
Profit/(loss) attributable to minority interests	0	1	0	28	0	13	0	42
Profit/(loss) attributable to the Group	**295**	**807**	**229**	**415**	**98**	**76**	**622**	**1,298**
Total assets	*369,906*	*357,745*	*4,919*	*6,612*	*31,182*	*31,760*	*406,007*	*396,117*

For the six month period ended 30 June 2019, the Group's core revenues amounted to €4,085 million, representing 92% of the gross income. For the year ended 31 December 2018, the Group's core revenues amounted to €8,217 million, representing 94% of the gross income and an increase of 4.2% in respect of the year ended 31 December 2017, for which year they amounted to €7,887 million and represented 96% of the gross income. For the six month period ended 30 June 2019, the Group's core operating income amounted to €4,091 million.

The following table shows amounts invested as at 30 June 2019, 31 December 2018 and 31 December 2017. The investments are accounted for using the equity method on the basis of the best available estimate of underlying carrying amount at the date of preparation of the consolidated financial statements. The latest public figures are shown:

(Thousands of euros)	As at 30 June 2019			As at 31 December 2018			As at 31 December 2017		
	Carrying amount	*Of which: Goodwill*	*Of which: Impairment allowances*	Carrying amount	*Of which: Goodwill*	*Of which: Impairment allowances*	Carrying amount	*Of which: Goodwill*	*Of which: Impairment allowances*
Investments in associates and in joint ventures	**3,962,018**	***362,358***	***(16,850)***	**3,878,906**	***362,327***	***(19,016)***	**6,224,425**	***362,499***	***(12,769)***

The following table presents the main listed companies classified as associates (ASSOC) or financial assets at fair value with changes in other comprehensive income (FVOCI) as at 30 June 2019, 31 December 2018 and 31 December 2017, detailing the percentage of ownership held by CaixaBank:

Company		As at 30 June 2019 % holding	As at 31 December 2018 % holding	As at 31 December 2017 % holding
Telefónica	(AVOCI)	5.00	5.00	5.00
Repsol	(FVOCI)	—	3.66	9.64
Erste Group Bank	(ASSOC)	9.92	9.92	9.92

Business by Geographical Area

The Group's ordinary income for the years ended 31 December 2018 and 31 December 2017 by geographical area is as follows:

	Distribution of ordinary income[1]					
	Ordinary income from customers		Ordinary income between segments		Total ordinary income	
	2018	2017	2018	2017	2018	2017
Banking and Insurance	**10,854,312**	**10,704,888**	**229,277**	**319,917**	**11,083,589**	**11,024,805**
Spain	10,764,062	10,681,560	229,277	319,917	10,993,339	11,001,477
Other countries	90,250	23,328	—	—	90,250	23,328
Non-Core Real Estate	**215,929**	**259,333**	—	—	**215,929**	**259,333**
Spain	215,929	259,333	—	—	215,929	259,333
Other countries	—	—	—	—	—	—
Equity Investments	**758,372**	**372,015**	—	—	**758,372**	**372,015**
Spain	347,709	239,446	—	—	347,709	239,446
Other countries	410,663	132,569	—	—	410,663	132,569
BPI	**821,777**	**775,680**	**47,108**	**6,955**	**868,885**	**782,635**
Portugal/Spain	813,315	734,287	47,108	6,955	860,423	741,242
Other countries	8,462	41,393	—	—	8,462	41,393
Adjustments and eliminations of ordinary income between segments			**(276,385)**	**(326,872)**	**(276,385)**	**(326,872)**
Total	**12,650,390**	**12,111,916**	—	—	**12,650,390**	**12,111,916**

Notes:—
(1) Corresponds to the following line items of the CaixaBank Group's public statement of profit and loss: (1) Interest income; (2) Dividend income; (3) Share of profit/(loss) of entities accounted for using the equity method; (4) Fee and commission income; (5) Gains/(losses) on derecognition of financial assets and liabilities not measured at fair value through profit or loss, net; (6) Gains/(losses) on financial assets and liabilities held for trading, net; (7) Gains/(losses) on assets not designated for trading compulsorily measured at fair value through profit or loss, net; (8) Gains/(losses) on financial assets and liabilities designated at fair value through profit or loss, net; (9) Gains/(losses) from hedge accounting, net; (10) Other operating income and (11) Income from assets under insurance and reinsurance contracts.

The Group's ordinary income for the six month periods ended 30 June 2019, and 30 June 2018 by geographical area is as follows:

(Thousands of euros)	Distribution of ordinary income[1]

	Ordinary income from customers		Ordinary income between segments		Total ordinary income	
	2019	2018	2019	2018	2019	2018
Banking and Insurance	5,811,900	5,785,966	140,346	163,506	5,952,246	5,949,472
Spain	5,733,996	5,752,543	140,346	163,506	5,874,342	5,916,049
Other countries	77,904	33,423			77,904	33,423
Equity Investments	299,709	516,914	0	0	299,709	516,914
Spain	103,700	270,840			103,700	270,840
Other countries	196,009	246,074			196,009	246,074
BPI	370,402	414,249	30,149	26,607	400,551	440,856
Portugal/Spain	368,541	409,983	30,149	26,607	398,690	436,590
Other countries	1,861	4,266			1,861	4,266
Adjustments and eliminations of ordinary income between segments			**(170,495)**	**(190,113)**	**(170,495)**	**(190,113)**
Total	**6,482,011**	**6,717,129**	—	—	**6,482,011**	**6,717,129**

Organisational Structure

As of 31 December 2018, the Group comprised 56 fully consolidated subsidiaries (entities over which CaixaBank has control, due to direct or indirect ownership of more than 50% of the relevant entity's voting rights or, if the percentage of ownership is lower than 50%, because it is party to agreements with other shareholders of the relevant entity that gives CaixaBank the majority of voting power); 8 joint ventures; and 34 associates (entities over which it exercises significant influence but which are neither subsidiaries nor jointly controlled entities).

The following table sets out the main subsidiaries of CaixaBank as at 30 June 2019 (the main investment portfolio). The companies which form part of the Group are principally domiciled in Spain.

The main investment portfolio as at 30 June 2019

Company	% holding
Banco BPI[1]	100.00
BFA	48.10
Banco Comercial e de Investimentos (BCI)	35.67
Erste Group Bank	9.92
Telefónica	5.00
BuildingCenter	100.00
Coral Homes[1]	20.00
Sareb	12.24
VidaCaixa	100.00
SegurCaixa Adeslas	49.92
Comercia Global Payments	49.00
CaixaBank Payments & Consumer	100.00
CaixaBank Asset Management	100.00
Nuevo MicroBank	100.00

CaixaBank Titulización	100.00
SILK Aplicaciones.....	100.00
CaixaBank Digital Business	100.00
GDS-Cusa	100.00

Notes:—
(1) Please see "*History and development of the Issuer*" for additional information.

Capital structure

As at the date of this Information Memorandum, CaixaBank's share capital is €5,981,438,031 divided into 5,981,438,031 fully subscribed and paid ordinary shares with a par value of €1 each. All shares are of the same class with the same rights attached.

CaixaBank's shares are admitted to trading on the Spanish stock exchanges and on the continuous market, and have been included in the IBEX 35 since 4 February 2008. CaixaBank is subject to the oversight of the CNMV, the ECB and the Bank of Spain.

Major Shareholders [14]

The following table sets forth information as of 10 December 2019 concerning the significant ownership interests of CaixaBank's shares (as defined by Spanish regulations, those who hold a stake in the Issuer's share capital representing 3% or more of the total voting rights, or 1% or more if the relevant significant shareholder is established in a tax haven), based on filings with the CNMV, excluding the members of the Board of Directors:

Name of Shareholder	**Ownership (voting rights in shares)**		
	Direct	**Indirect**	**% Total**
la Caixa Banking Foundation[(1)]	3,493	2,392,575,212	40.00
Invesco Limited[(2)].....	0	121,096,341	2.025
Blackrock INC[(3)].....	0	179,436,229	3.00

Notes:
(1) la Caixa Banking Foundation's indirect stake is held through its wholly subsidiary CriteriaCaixa.
(2) Invesco Limited holds its stake through Invesco Asset Management Limited (1.955%) and other entities (0.07%), as reported to the CNMV on 6 February 2019
(3) In addition to the 3% voting rights in shares, Blackrock INC has reported on 10 December 2019 entitlement to 0.054% voting rights through financial instruments and 0.022% voting rights through CFDs, that represents a total position of 3.076% of voting rights of CaixaBank.

The Savings Banks and Banking Foundations Act requires banking foundations to enter into a protocol for managing their stakes in financial institutions. This protocol must establish, at least, the strategic criteria for managing the interest, the relations between the board of trustees and the governing bodies of the bank, specifying the criteria for proposing appointments of directors and the general criteria for carrying out transactions between the banking foundation and the investee credit institution, and the mechanisms to avoid potential conflicts of interest. Accordingly, la Caixa Banking Foundation signed the relevant protocol for managing its ownership interest in CaixaBank on 24 July 2014 (the **Management Protocol**). The Management Protocol regulates, among others, the following aspects:

- The basic strategic lines governing the management by la Caixa Banking Foundation of its ownership interest in CaixaBank;
- The relationships between the board of trustees of la Caixa Banking Foundation and CaixaBank's governing bodies;

[14] Note: to be considered whether section is to be updated closer to date of Information Memorandum

- The general criteria governing transactions between la Caixa Banking Foundation and CaixaBank and the mechanisms to avoid conflicts of interest;

- The basic criteria relating to the assignment and use of distinctive signs and domain names owned by la Caixa Banking Foundation by CaixaBank and its Group;

- The granting to la Caixa Banking Foundation of a right of first refusal in respect of the interest of CaixaBank in Monte de Piedad;

- The basic principles for a possible collaboration so that (a) CaixaBank may implement corporate social responsibility policies through la Caixa Banking Foundation, and, at the same time (b) la Caixa Banking Foundation may disseminate its welfare projects through the CaixaBank branch network, and where appropriate, through other material means; and

- The flow of adequate information to allow la Caixa Banking Foundation and CaixaBank to prepare their financial statements and to comply with periodic reporting and supervisory duties with the Bank of Spain and other regulatory bodies.

In accordance with Article 43 of the Savings Banks and Banking Foundations Act, Article 3 of Circular 6/2015, of 17 November, of the Bank of Spain (**Circular 6/2015**) and the By-laws of la Caixa Banking Foundation, on 18 February 2016, the members of the board of trustees of la Caixa Banking Foundation signed a new adapted Management Protocol in order to align it to the content of Circular 6/2015. In May 2017, the board of trustees approved a new protocol to regulate the internal relationship between la Caixa Banking Foundation and CaixaBank that would replace the previous one executed on 1 July 2011, as subsequently amended to reflect the changes in the Group's structure (the **Internal Relations Protocol**) in order to adapt its content to the commitments undertaken by la Caixa Banking Foundation in order to comply with the conditions approved and notified by the ECB for the prudential deconsolidation of CaixaBank. In September 2017 the ECB issued the decision of considering that la Caixa Banking Foundation no longer exercised control or had a dominant influence on CaixaBank. In February 2018, la Caixa Banking Foundation as parent company of the "la Caixa" group, CriteriaCaixa, as direct shareholder of CaixaBank, and CaixaBank, as a listed company, signed a new Internal Relations Protocol which replaced the previous protocol and whose main objectives are:

- To manage the related-party transactions deriving from transactions or services rendered;

- To establish mechanisms that attempt to avoid the emergence of conflicts of interest;

- To make provision for la Caixa Banking Foundation to have a pre-emptive right in the event of a transfer by CaixaBank of Monte de Piedad;

- To establish the basic principles for a possible collaboration between CaixaBank and la Caixa Banking Foundation; and

- Regulate the proper flow of information so that la Caixa Banking Foundation, CriteriaCaixa and CaixaBank can elaborate their financial statements and comply with periodical information and supervision obligations.

Another essential objective of the protocol is the acceptance and firm commitment of the parties to comply with the condicions established by the ECB for the prudential deconsolidation of Criteria in CaixaBank.

CaixaBank is not aware of the existence of any agreement which could lead to a change of control at a subsequent date.

Agreement Among Shareholders

In accordance with Article 531 of the Spanish Companies Law, the Issuer is required to be notified of shareholders' agreements affecting our shares. On the basis of information provided to the Issuer by shareholders, the Issuer has knowledge of the agreement described below.

Following the merger by absorption of Banca Cívica by CaixaBank, on 1 August 2012, la Caixa Banking Foundation and Caja Navarra Banking Foundation, Cajasol Foundation, Caja Canarias Foundation and Caja de Burgos, Banking Foundation (the **Foundations**) entered into an agreement which regulates the relationships between the Foundations and la Caixa Banking Foundation as shareholders of CaixaBank, and their cooperation, with the aim of strengthening their respective positions at CaixaBank and supporting the control of la Caixa Banking Foundation.

The shareholders agreement foresees that la Caixa Banking Foundation would vote in favour of the appointment of two members of the Board of Directors of CaixaBank proposed by the Foundations and, in order to give stability to their shareholding in CaixaBank, the Foundations agreed to a four-year lock-up period, and to grant a pre-emptive acquisition right in favour of the other Foundations in the first place and then to la Caixa Banking Foundation, in the case any of the Foundations intended to transfer all or part of their stake, during two years once the lock-up period expires.

On 17 October 2016, CaixaBank published a relevant event announcement (*hecho relevante*) reporting the amendments to the mentioned agreement that determine: (i) the savings banks that constituted Banca Cívica will appoint one director at CaixaBank and one director at VidaCaixa, a subsidiary of CaixaBank, instead of two directors at CaixaBank and (ii) the extension of the agreements, which in August 2016 was set automatically for three years, will now last for four years instead of the afore-mentioned three (i.e., until 2020).

Finally, on 29 October 2018, CaixaBank published a significant event (*hecho relevante*) informing of the amendments to the mentioned agreement. For information on these amendments, please refer to *"Description of the Issuer—Key events in 2017, 2018 and 2019 – Interim dividend 2018"*

Management of the Issuer

Board of Directors

The table below sets out the names of the members of the Board of Directors, the respective dates of their first appointment, their positions within CaixaBank and the nature of their membership:

Name / Title	Nature	Date of first appointment	Report / Proposal of the Appointments Committee	Shareholder represented
Jordi Gual *Chairman*	Proprietary	30/06/2016[6]	√	"la Caixa" Banking Foundation
Tomás Muniesa *Deputy Chairman*	Proprietary	01/01/2018[7][8]	√	"la Caixa" Banking Foundation
Gonzalo Gortázar *CEO*	Executive	30/06/2014[1][2][4]	√	-
Xavier Vives *Lead Independent Director*	Independent	05/06/2008[3]	√	-
Marcelino Armenter *Director*	Proprietary	05/04/2019	√	"la Caixa" Banking Foundation
Fundación CajaCanarias represented by: Natalia Aznárez *Director*	Proprietary	23/02/2017[6]	√	Fundación Bancaria Caja Navarra, Fundación CajaCanarias and Fundación Caja de Burgos, Fundación Bancaria[9]
Maria Teresa Bassons *Director*	Proprietary	26/06/2012[1]	√	"la Caixa" Banking Foundation
María Verónica Fisa	Independent	25/02/2016[5]	√	-

Director				
Alejandro García-Bragado *Director*	Proprietary	01/01/2017[6]	√	"la Caixa" Banking Foundation
Cristina Garmendia *Director*	Independent	05/04/2019	√	-
Ignacio Garralda *Director*	Proprietary	06/04/2017	√	Mutua Madrileña Automovilista, Sociedad de Seguros a Prima Fija
María Amparo Moraleda *Director*	Independent	24/04/2014[1]	√	-
John S. Reed *Director*	Independent	03/11/2011[1]	√	-
Eduardo Javier Sanchiz *Director*	Independent	21/09/2017[7]	√	-
José Serna *Director*	Proprietary	30/06/2016[6]	√	Fundación Bancaria "la Caixa"
Koro Usarraga *Director*	Independent	30/06/2016[6]	√	-

Notes:—

(1) Reelected on 5 April 2019.
(2) Ratified and appointed Director on 23 April 2015.
(3) Re-elected Director on 23 April 2015. Appointed as Lead Independent Director by the Board on 22 June 2017, with effect since 18 July 2017, after authorization by the ECB.
(4) Reelected CEO on 23 April 2015 and 5 April 2019.
(5) Ratified and appointed as Director on 28 April 2016.
(6) Ratified and appointed Board of Director member on 6 April 2017.
(7) Ratified and appointed Board of Director member on 6 April 2018.
(8) Qualified as Proprietary Director on 22 November 2018.
(9) In October 2018, Fundación Cajasol ceased its participation in the Shareholders' Agreement.

The Shareholders' Ordinary General Meeting last held on 5 April 2019 agreed to set the number of members of the Board of Directors at sixteen (16), within the established limits in the By-laws. Furthermore, the Meeting approved the re-election as members of the Board of Directors of Mr. Gonzalo Gortázar Rotaeche (executive director), Ms. María Amparo Moraleda Martínez (independent director), Mr. John S. Reed (independent director) and Ms. María Teresa Bassons Boncompte (proprietary director) as well as the appointment of Mr Marcelino Armenter Vidal (proprietary director) and Ms Cristina Garmendia Mendizábal (independent director) as new members of the Board of Directors.

The table below sets out all entities in which the members of the Board of Directors are members of administrative, management or supervisory bodies or in which they hold partnership positions as of the date of this Information Memorandum, notified to the Register of Senior Officers at the Bank of Spain, except (i) purely familiar or patrimonial companies, (ii) subsidiaries of an issuer in which they are also a member of the administrative, management or supervisory bodies and (iii) CaixaBank Group companies.

Name	Company	Title
Jordi Gual Solé	Erste Bank	Member of the Supervisory Board
	Telefonica, S.A.	Member of the Board
Tomás Muniesa Arantegui	SegurCaixa Adeslas, S.A. de Seguros y Reaseguras (multigrupo)	Deputy Chairman
		Director
	Companhia de Seguros Allianz Portugal, S.A	
Marcelino Armenter Vidal	Criteria Caixa, SAU	CEO
	Naturgy Energy Group, S.A.	Director
María Teresa Bassons Boncompte	Laboratorios Ordesa, S.A.	Director
María Verónica Fisas Vergés	Natura Bissé Int. S.A. (España)	CEO
Alejandro García-Bragado Dalmau	Criteria Caixa, S.A.	1st Deputy Chairman and Board Member
Cristina Garmendia Mendizábal	Mediaset España Comunicación, S.A.	Director
	Compañía de Distribución Integral Logista Holding, S.A.	Director
	Ysios Asset Management, S.L.	Director
	Satlantis Microsats, S.L.	Chairwoman
Ignacio Garralda Ruiz de Velasco	Mutua Madrileña Automovilista, Sociedad de Seguros a prima fija	Executive Chairman
		Director
	Endesa, S.A.	1st Deputy Chairman
	BME Holding, S.A.	

Name	Company	Title
María Amparo Moraleda Martínez	Vodafone Group, PLC	Director
	Solvay, S.A.	Director
	Airbus Group, N.V.	Director
John.S. Reed	American Cash Exchange	Chairman
Eduardo Javier Sanchiz Irazu	Pierre Fabre, S.A.	Director
Koro Usarraga Unsain	2005 KP Inversiones, S.L.	Director
	Vehicle Testing Equipment, S.L.	Director
	Vocento S.A.	Director

Since 1 January 2019 and up to 31 October 2019, the Issuer has not been informed of any conflicts of interest between any duties toward CaixaBank of any members of its Board of Directors, in light of their respective private interests and/or any other duties to which they are subject in accordance with Spanish Companies Law, except from the following circumstances which have been communicated to CaixaBank by the members of the Board of Directors in accordance with Article 229.3 of the Spanish Companies Law:

Director	Conflict of Interest
Jordi Gual Soler	Abstention to discuss and vote on the sale of real estate to the Fundacion Bancaria Caixa d'Estalvis i Pensions de Barcelona, "la Caixa".
Tomas Muniesa Arantegui	Abstention to discuss and vote on the sale of real estate to the Fundacion Bancaria Caixa d'Estalvis i Pensions de Barcelona, "la Caixa". Abstention to discuss and vote on credit transactions with a related party.
Gonzalo Gortázar Rotaeche	Abstention to discuss and vote on the terms of his remuneration corresponding to 2019. Abstention to discuss and vote on the targets for the 2018 bonus corresponding to the CEO. Abstention to discuss and vote on the individual targets for the 2019 bonus corresponding to the CEO. Abstention to discuss and vote on his re-election as CEO of the company. Abstention to discuss and vote on his re-election as member of the Executive Committee of the Board of Directors. Abstention to discuss and vote on a credit transaction with a related party.
Maria Amparo Moraleda Martinez	Abstention to discuss and vote on her re-election as member of the Executive Committee of the Board of Directors. Abstention to discuss and vote on her re-election as member of the Remunerations Committee. Abstention to discuss and vote on credit transactions with a related party.
Maria Teresa Bassons Boncompte	Abstention to discuss and vote on her re-election as member of the Appointments Committee. Abstention to discuss and vote on the sale of real estate to the Fundacion Bancaria Caixa d'Estalvis i Pensions de Barcelona, "la Caixa".
John S. Reed	Abstention to discuss and vote on his re-election as member of the Appointments Committee.
Jose Serna Masia	Abstention to discuss and vote on the sale of real estate to the Fundacion Bancaria Caixa d'Estalvis i Pensions de Barcelona, "la Caixa".
Xavier Vives Torrents	Abstention to discuss and vote on his re-election as member of the Appointments Committee.
Maria Veronica Fisas	Abstention to discuss and vote on her re-election as member of the Remunerations Committee. Abstention to discuss and vote on the resolution regarding events between CaixaBank (private banking) and a company related to Ms. Fisas. Abstention to discuss and vote on credit transactions with a related party.
Alejandro Garcia-Bragado Dalmau	Abstention to discuss and vote on the sale of real estate to the Fundacion Bancaria Caixa d'Estalvis i Pensions de Barcelona, "la Caixa".
Koro Usarraga Usain	Abstention to discuss and vote on credit transactions with a related party.
Fundacion Caja Canarias (represented by Natalia Narvaez)	Abstention to discuss and vote on credit transactions with a related party.
Ignacio Garralda Ruiz de Velasco	Abstention to discuss and vote on credit transactions with a related party.

Article 26 of the Regulations of the Board of Directors regulates the duty of diligence of the Board members, which mainly requires the directors to have adequate dedication to adopt the necessary measures for the good management and control of CaixaBank, to demand adequate and necessary information to prepare the Board of Directors meetings and internal Committees and to take an active part in the deliberations and decision-making process. Article 27 regulates the duty of loyalty, mainly

stating that directors must abstain from attending and intervening in deliberations and voting which affect matters in which they are personally interested. Article 29 of the Regulations of the Board of Directors regulates the duty to not compete of CaixaBank's directors. Article 30 of the Board Regulations regulates the duty to avoid situations of conflict of interest applicable to all directors, referring to (among other duties) not using CaixaBank's assets or availing themselves of their position in CaixaBank to obtain an economic advantage or for private aims, and to avoid developing activities on their own account or for third parties that position them in permanent conflict of interests with the CaixaBank.

It should be noted that the statutory amendments adopted in the general shareholders' meeting of CaixaBank held on 6 April 2017, notwithstanding their connection with the deconsolidation conditions established by the ECB, are within the framework of the recommendations and best practices of good corporate governance, considering that, in essence, they are measures designed to favour the role of independent directors in the Board of Directors and prevent any significant shareholder from exerting a decisive influence on the performance and decisions of the Board of Directors. Regarding the good governance measures introduced in connection with the deconsolidation conditions, the Issuer complemented those measures developing the duties attributed by the Spanish Companies Law and the good governance recommendations to the Chairman of the Board of Directors ("responsible for the effective functioning of the Board"), expressly contemplating the impetus for the Board of Directors to develop its powers and coordination with its committees for a better performance of the Board of Directors' duties. Additionally, the regime in which the Board of Directors appoints the members of the internal committees at the proposal of the Appointments Committee was maintained, but introducing the specialty that, when it comes to appointing the members of the Appointments Committee itself, the proposal shall be made by the Audit and Control Committee in order to give greater autonomy and independence to the process of selection and preparation of proposals, also in accordance with the powers granted to the Audit and Control Committee by the current Regulations of the Board of Directors in relation to corporate governance rules.

Finally, it must be mentioned that the Issuer amended the internal regulations of the Board of Directors in order to develop the rules regarding the composition, powers and functioning of the Audit and Control Committee as set forth in the Bank's By-laws, including the criteria and basic principles of the CNMV Technical Guide published on 27 June 2017 – and, in this regard, to expressly include certain Recommendations of the Code of Good Governance (**CGG**) which the Bank declared to be complying with in its 2017 Annual Corporate Governance Report - and also to implement the regulations in the Bank's By-laws concerning the powers of the Appointments Committee, attributing it with the function of ensuring compliance with the diversity policy applied to the Board of Directors, as established in Royal Decree-Law 18/2017. In this regard, the Bank's Board of Directors approved on 22 February 2018 the amendment of Articles 14 (*The Audit and Control Committee and the Risk Committee*), 15 (*The Appointments Committee and the Remuneration Committee*) and 37 (*Auditor relationships*) of the internal regulations of the Board of Directors. Such amendments will be described in the sections related to the relevant committee. Additionally, the Bank's Board of Directors approved on 21 February 2019 the amendment to Article 15 of the Regulations of the Board of Directors. The sole purpose of this amendment is to expressly establish that the minutes of the Appointment Committee and the Remuneration Committee are to be forwarded or delivered to all the members of the Board of Directors rather than being made available at the Company's Secretary Office, using the same system as for minutes of the Audit and Control Committee and the Risk Committee.

The business address of each member of the Board of Directors is Calle Pintor Sorolla, 2-4, 46002 Valencia, Spain.

Executive Committee

The Board of Directors has delegated all of its powers in favour of the Executive Committee, except for those which cannot be delegated pursuant to the provisions of the Spanish Companies Law, the Board Regulations and CaixaBank's By-laws.

The Chairman and Secretary of the Board of Directors will also be the Chairman and Secretary of the Executive Committee.

The Executive Committee will meet when it deems appropriate and when called by its Chairman, and its meetings are considered to be validly constituted when the majority of its members are present or represented. Its resolutions are adopted by the majority of the directors present or represented at the relevant meeting.

The resolutions adopted by the Executive Committee are valid and binding without any need for subsequent ratification by the Board of Directors, although the Board of Directors must be informed of the matters discussed and the resolutions adopted at its meetings. Without prejudice to the terms of Article 4.5 of the Regulations of the Board of Directors.

As of the date of this Information Memorandum, the Executive Committee is composed of the following members:

Name	Title	Category	Date of first appointment
Jordi Gual	Chairman	Proprietary	30 June 2016[(1)]
Tomás Muniesa	Member	Proprietary	1 January 2018[(2)]
Gonzalo Gortázar	Member	Executive	30 June 2014[(3)]
María Verónica Fisas	Member	Independent	27 July 2017
María Amparo Moraleda	Member	Independent	24 April 2014
Xavier Vives	Member	Independent	27 October 2016

Notes:—

(1) Reelected on 6 April 2017.

(2) Reelected on 6 April 2018.

(3) Reelected on 23 April 2015.

Audit and Control Committee

The Audit and Control Committee must comprise a minimum of three and a maximum of seven members, with the number to be set by the Board of Directors. The Audit and Control Committee must be comprised of non-executive directors and the majority of which must be independent directors. At least one of the independent directors must be appointed based on their background in accounting and/or audit. The Board of Directors will endeavour to ensure that the Audit and Control Committee members, and particularly its Chairman, have the necessary accounting, auditing or risk management knowledge as well as knowledge in any other fields that may be relevant for the Audit and Control Committee's performance. As a whole, without prejudice to endeavouring to encourage diversity, the Committee members must have the relevant technical knowledge in relation to the Issuer's business.

The Audit and Control Committee typically meets on a quarterly basis, to review the regular financial information to be submitted to the authorities as well as the information which the Board of Directors must approve and include within its annual public documentation, with the presence of the internal auditor and, as the case may be, the financial auditor. At least some of these meetings must be held without the presence of the management team, so that the specific matters can be discussed. The Audit and Control Committee will meet whenever convened by its Chairman at his own initiative or at the request of the Chairman of the Board of Directors or two or more members of the Audit and Control Committee.

CaixaBank's management team or personnel are obliged to attend the meetings of the Audit and Control Committee and to collaborate and provide with any information, if so requested by the Audit and Control Committee.

Among others, the functions of the Audit and Control Committee are:

- Reporting to the Annual General Meeting on matters raised by shareholders that fall within the committee's remit and, in particular, on the result of the audit, explaining how this has contributed to the integrity of the financial information and the committee's role in this process.

- Monitoring the process of preparing and ensuring the integrity of the financial information on the Bank and, as the case may be, the Group, by reviewing the Bank's accounts, checking for compliance with legal provisions and ensuring an accurate demarcation of the consolidation perimeter and the correct application of generally accepted accounting principles.

- Striving to ensure that the Board of Directors is able to present the Bank's annual financial statements at the Annual General Meeting without limitations or qualifications in the auditor's report. In the exceptional case that qualifications exist, both the Chairman of the Audit and Control Committee and the auditors should give a clear account to shareholders of their scope and content.

- Reporting in advance to the Board of Directors on the financial and related non-financial information that the Bank must periodically release to the markets and its supervisory bodies.

- Supervising the effectiveness of the internal control systems and discussing with the auditor any significant weaknesses in the internal control system that may have been detected during the audit, all this without compromising the auditor's independence. For such purposes, and if appropriate, it may submit recommendations or proposals to the Board of Directors and the corresponding deadline for their follow-up.

- Supervising the effectiveness of the internal audit function and establishing and overseeing a mechanism whereby Bank or Group employees may confidentially and, if deemed appropriate, anonymously report any irregularities of potential significance – especially financial and accounting irregularities – they may observe within the Bank. It shall likewise receive periodic information on how the system is operating and may propose suitable courses of action to improve and reduce the risk of any such irregularities arising in future.

As of the date of this Information Memorandum, the Audit and Control Committee is composed of the following members:

Members:

Name	Title	Category	Date of appointment
Koro Usarraga	Chairwoman	Independent	27 October 2016[(1)]
Eduardo Javier Sanchiz	Member	Independent	1 February 2018[(2)]
José Serna	Member	Proprietary	23 March 2017

Notes:—

(1) Appointed Chairwoman on 5 April 2019.

(2) Reelected on 6 April 2018.

Appointments Committee

The Appointments Committee will comprise a number of non-executive directors determined by the Board of Directors, subject to a minimum of three and a maximum of five members. A majority of its members must be independent. Members of the Appointments Committee will be appointed by the Board of Directors on a proposal received from the Audit and Control Committee. Meanwhile, the Appointments Committee's Chairman will be appointed from among the independent directors sitting on the committee.

The Appointments Committee shall meet as often as needed to ensure the full and timely performance of its duties and meetings will be called by its Chairman, either on their own initiative or when requested by two Appointments Committee members. The Chairman of the Appointments Committee must call a meeting whenever the Board of Directors or its Chairman requests that a report be issued or a resolution carried.

Its duties include, among others, the following:

- Evaluating and proposing to the Board of Directors the assessment of skills, knowledge and experience required of Board of Directors members and key personnel at the Bank.

- Submitting to the Board of Directors suggested candidates for the position of independent directors to be appointed by co-option or for submission to the decision of the Annual General Meeting, as well as proposals relating to the reappointment or removal of such directors at the Annual General Meeting.

- Reporting on the appointment and, as the case may be, dismissal of the Lead Director, the Secretary and the Deputy Secretaries for approval by the Board of Directors.

- Examining and organising, in collaboration with the Chairman of the Board of Directors and with the support of the Lead Director, the succession of the Chairman and of the Bank's chief executive and, as the case may be, sending proposals to the Board of Directors so as to ensure that the succession process is suitably planned and takes place in orderly fashion.

- Reporting to the Board of Directors on matters relating to gender diversity, ensuring that the procedures for selecting its members favour a diversity of experience and knowledge and facilitate the selection of women directors, and establishing a representation target for the less represented sex on the Board of Directors as well as preparing guidelines on how this should be achieved. It shall likewise ensure that the diversity policy applied at the Board of Directors is duly observed and will report on the matter in the Annual Corporate Governance Report.

- Periodically evaluating, at least once a year, the structure, size, composition and actions of the Board of Directors and of its committees, its Chairman, CEO and Secretary, while making recommendations regarding possible changes to these. Here, the committee shall act under the direction of the Lead Director when assessing the performance of the Chairman. The committee shall also evaluate the composition of the Management Committee as well as its replacement lists to ensure proper coverage as members come and go.

- Supervise the activities of the organisation in relation to corporate social responsibility issues and submit to the Board of Directors those proposals it deems appropriate in this matter.

As of the date of this Information Memorandum, the Appointments Committee is composed of the following members:

Name	Post	Nature	Date of appointment
John S. Reed	Chairman	Independent	1 February 2018[1]
María Teresa Bassons	Member	Proprietary	12 December 2013
Xavier Vives	Member	Independent	5 April 2019

Notes:—
(1) Appointed Chairman on 1 February 2018

Remuneration Committee

The Remuneration Committee will comprise a number of non-executive directors determined by the Board of Directors, subject to a minimum of three and a maximum of five members. A majority of its members must be independent. The Chairman of the committee will be appointed from among the independent directors sitting on the Remuneration Committee.

The Remuneration Committee shall meet as often as needed to ensure the full and timely performance of its duties and meetings will be called by its Chairman, either on their own initiative or when requested by two members of the committee. The Chairman must call a meeting whenever the Board of Directors or its Chairman requests that a report be issued or a resolution carried.

Its duties include, among others, the following:

- Drafting resolutions relating to remuneration and, in particular, reporting and proposing to the Board of Directors the remuneration policy, the system and amount of annual remuneration payable to directors and senior managers, as well as the individual remuneration payable to executive directors and senior managers and the other terms and conditions of their contracts, particularly the financial conditions, and without prejudice to the competences of the Appointments Committee in relation to any conditions it may have proposed that are unconnected with the remuneration side.

- Ensuring compliance with the remuneration policy for directors and senior managers and reporting on the basic conditions set out in their contracts and on compliance with those contracts.

- Reporting and preparing the Bank's general remuneration policy and in particular the policies relating to categories of staff whose professional activities have a significant impact on the Bank's risk profile and those policies that are intended to prevent or manage conflicts of interest with the Bank's customers.

- Analysing, formulating and periodically reviewing the remuneration programmes, weighing their adequacy and performance and ensuring compliance.

As of the date of this Information Memorandum, the Remuneration Committee is composed of the following members:

Name	Title	Category	Date of appointment
María Amparo Moraleda	Chairwoman	Independent	25 September 2014
María Verónica Fisas Vergés	Member	Independent	5 April 2019
Alejandro García Bragado	Member	Proprietary	1 February 2018

Risks Committee

The Risks Committee shall comprise exclusively non-executive directors who possess the appropriate knowledge, skills and experience to fully understand and manage the Bank's risk strategy and risk

propensity, in the number determined by the Board of Directors, subject to a minimum of three and a maximum of six (6), with a majority of members to be independent directors.

The Risks Committee will meet as often as necessary to fulfil its duties and will be convened by its Chairman, either on their own initiative or at the request of the Chairman of the Board of Directors or of two members of the Risks Committee itself.

Its duties include, among others, the following:

- Advising the Board of Directors on the overall susceptibility to risk, current and future, of the Bank and its strategy in this regard, reporting on the risk appetite framework, helping to monitor implementation of this strategy, ensuring that the Group's actions are consistent with the level of risk tolerance previously decided and monitoring the appropriateness of the risks assumed and the profile put in place.

- Proposing to the Board of Directors the Group's risk policy.

- Determining with the Board of Directors the nature, quantity, format and frequency of the information concerning risks that the Board of Directors should receive and establishing what the committee should receive.

- Regularly reviewing exposures with main customers, business sectors and by geographic region and type of risk.

- Examining the information and control processes of the Group's risk as well as the information systems and indicators.

- Evaluating regulatory compliance risk within its scope of its remit and decision-making authority, this being understood as the risk management of legal or regulatory sanctions, financial or material loss or any reputational damage the Bank may suffer as a result of non-compliance with laws, rules, regulations, standards and codes of conduct, while also detecting any risk of non-compliance and carrying out monitoring and examining possible deficiencies in the principles of professional conduct.

Reporting on new products and services or significant changes to existing ones.

As of the date of this Information Memorandum, the Risks Committee is composed of the following members:

Name	Title	Category	Date of appointment
Eduardo Javier Sanchiz	Chairman	Independent	1 February 2018[(1)]
Koro Usarraga	Member	Independent	1 February 2018
Fundación CajaCanarias, represented by Natalia Aznárez Gómez	Member	Proprietary	1 February 2018

Notes:—
(1) Reelected on 6 April 2018. Appointed Chairman on 5 April 2019.

Head of Risk Management:

Name	Title	Date of appointment
Jordi Mondéjar López	Chief Risks Officer	22 November 2016[(1)]

Notes:—
Member of the Management Committee since 10 July 2014.

Innovation, Technology and Digital Transformation Committee

On 23 May 2019 CaixaBank approved the creation of the Innovation, Technology and Digital Transformation Committee, an advisory committee that will advise the Board of Directors on issues related to technology innovation and digital transformation.

The Innovation, Technology and Digital Transformation Committee will comprise a minimum of three and a maximum of five members.

The Chairman of the Board of Directors and the Chief Executive Officer will always sit on the committee. The other members will be appointed by the Board of Directors, on the proposal of the Appointments Committee, paying close attention to the knowledge and experience of candidates on those subjects that fall within the Innovation, Technology and Digital Transformation Committee's remit, such as technology and innovation, information systems and cybersecurity.

The Chairman of the Board of Directors shall also chair the Innovation, Technology and Digital Transformation Committee.

Similarly, the Secretary to the Board of Directors shall serve as Secretary of the Innovation, Technology and Digital Transformation Committee.

The Innovation, Technology and Digital Transformation Committee will meet as often as required to discharge its functions and will be called by the Innovation, Technology and Digital Transformation Committee 's Chairman, either on his or her own initiative or when a meeting is requested by two or more Innovation, Technology and Digital Transformation Committee members. The Chairman must always call a meeting when the Board of Directors asks it to issue a report or adopt a resolution.

The Innovation, Technology and Digital Transformation Committee will be validly convened when a majority of members is in attendance. Resolutions will be carried by a majority of members physically in attendance or represented by proxy, and minutes will be taken of the resolutions carried at each meeting. The minutes will be heard by the Board of Directors and a copy will be sent or delivered to all of the members Board of Directors.

Without prejudice to any other functions entrusted to it by the Board of Directors, the Innovation, Technology and Digital Transformation Committee will exercise the main following functions:

- Assisting the Board of Directors in identifying, monitoring and analysing new competitors, new business models, technological advances and main trends and initiatives relating to technological innovation, while studying those factors that make certain innovations more likely to succeed and increase their transformation capacity.

- Advising the Board of Directors on the implementation of the strategic plan in aspects relating to digital transformation and technological innovation (the digital strategy) and, in particular, reporting on plans and projects designed by CaixaBank in this field, as well as any new business models, products, customer relationships, and so on, that may be developed.

- Fostering a climate of debate and reflection to allow the Board of Directors to identify new business opportunities emerging from technological developments, as well as possible threats.

- Supporting the Board of Directors in analysing the impact of technological innovation on market structure, the provision of financial services and customer habits. Among others aspects, the Innovation, Technology and Digital Transformation Committee shall analyse the potential disruption of new technologies, the possible regulatory implications of their

development, the impact in terms of cybersecurity and matters relating to protection of privacy and data usage.

- Stimulating discussion and debate on the ethical and social implications deriving from the use of new technologies within the banking and insurance business.

- Supporting the Risks Committee, on the latter's request, in monitoring technological risks and matters relating to cybersecurity.

As of the date of this Information Memorandum, the Innovation, Technology and Digital Transformation Committee is composed of the following members:

Name	Title	Category	Date of appointment
Jordi Gual	Chairman	Proprietary	23 May 2019
Gonzalo Gortázar	Member	Executive	23 May 2019
María Amparo Moraleda	Member	Independent	23 May 2019
Marcelino Armenter	Member	Proprietary	23 May 2019
Cristina Garmendia	Member	Independent	23 May 2019

Management Committee

The following table identifies the members of the senior management (*Comité de Dirección*) of CaixaBank, which is composed of CaixaBank's CEO and the persons responsible for the different areas as of the date of this Information Memorandum:

First Appointment	Name	Title
30 June 2011	Gonzalo Gartázar Rotaeche	CEO
30 June 2011	Juan Antonio Alcaraz García	Chief Business Officer
30 June 2011	Francesc Xavier Coll Escursell	Chief Human Resources and Organisation Officer
10 July 2014[(1)]	Jordi Mondéjar López	Chief Risks Officer
22 November 2018[(2)]	Ignacio Badiola Gómez	Head of CIB and International Banking
28 November 2016	Matthias Bulach	Head of Financial Accounting, Control and Capital
10 July 2014	Jorge Fontanals Curiel	Head of Resources
27 May 2016	María Luisa Martínez Gistau	Head of Communication, Institutional Relations, Brand and CSR
22 November 2018[(2)]	María Luisa Retamosa Fernández	Head of Internal Audit
22 November 2018[(2)]	Javier Valle T-Figueras	Head of Insurance
24 October 2013	Javier Pano Riera	Head of Finance
29 May 2014	Oscar Calderón de Oya	General Secretary and Secretary to the Board of Directors

Notes:—
(1) Date of first appointment as a member of the Management Committee. He has been the Chief Risk Officer since November 2016.
(2) With effect from 1 January 2019.

The table below sets out all entities in which the members of senior management are members of administrative, management or supervisory bodies or in which they hold partnership positions as of the date of this Information Memorandum, except (i) purely familiar or patrimonial companies, (ii) subsidiaries of an issuer in which they are also a member of the administrative, management or supervisory bodies and (iii) CaixaBank Group companies.

Director	Company	Title
Juan Antonio Alcaraz García	SegurCaixa Adeslas, S.A. de Seguros y Reaseguras	Member of the Board
Matthias Bulach	Erste Group Bank AG	Member of the Supervisory Board
Jordi Mondéjar López	SAREB	Director
Javier Pano Riera	CecaBank	Director
Javier Valle T-Figueras	Consorcio de Compensación de Seguros	Director

Litigation

The Group is party to certain legal proceedings arising from the normal course of its business, including claims in connection with lending activities, relationships with employees and other

commercial or tax matters. The outcome of court proceedings is inherently uncertain. Based on available information, the Group considers that it has reliably estimated the obligations arising from each proceeding and had recognised, where appropriate, sufficient provisions to reasonably cover the liabilities that may arise as a result of these ongoing lawsuits. The Group maintains provisions reasonably covering the obligations that may arise from ongoing lawsuits based on available information, which amounted to €504 million as of 31 December 2017, €429 million as of 31 December 2018 and €408 million as of 30 June 2019. Given the nature of these obligations, the expected timing of these economic outflows, if any, is uncertain.

However, in view of the inherent difficulty of predicting the outcome of legal matters, particularly where the claimants seek very large or indeterminate damages, or where the cases present novel legal theories, involve a large number of parties or are in the early stages of investigation or discovery, the Group cannot state with confidence what the eventual outcome of these pending matters will be or what the eventual loss, fines or penalties related to each pending matter may be, the provisions made by the Group or the estimate for maximum risk could prove to be inadequate, and may have to be increased to cover the impact of the different proceedings or to cover additional liabilities, which could lead to higher costs for the Group. This could have a material adverse effect on the Group's results and financial situation.

In relation to the disbursements that could derive from the class action in which claimants are seeking to disapply the use of floor causes (*cláusulas suelo)* in certain mortgage loans during the years 2015 and 2016, the Group provisioned a total of €625 million under the heading "Provisions - Other provisions" to cover the reasonable estimate of such disbursements, the estimate of which took into account the status of the process and the uncertainty surrounding the matter, and was verified by an independent expert.

On 20 January 2017, the Spanish Government approved Royal Decree-law 1/2017, which encourages out-of-court settlements between financial institutions and those borrowers affected by such floor clauses, with the aim of avoiding overloading the Spanish courts with these claims.

In accordance with the provisions of Royal Decree-law 1/2017, CaixaBank implemented a code of best practices in 2017, creating a specialised department to swiftly handle claims filed in relation to this Royal Decree-law, and thereby respond to its customers within the established period. The amounts paid include, among others, €241 million of disbursements related to claims of Royal Decree-Law 1/2017 in 2017 and €107 million of the initial provision used in settlement of these claims in 2018. Claims are still being reviewed and customers are being informed of the decisions made and disbursements are made when applicable. Current provisions are in line with our estimates to reasonably cover the liabilities that may arise from pending claims based on available information.

In relation to the reference rate for mortgages in Spain, a preliminary ruling has been filed before the Court of Justice of the European Union (the **CJEU**) which challenges the legitimacy, due to the alleged lack of transparency, of mortgage loan contracts subject to the official benchmark rate denominated IRPH (Índice de Referencia de Préstamos Hipotecarios).

The legal matter under debate is the transparency test based on article 4.2 of Directive 93/13/EEC of 5 April 1993, when the borrower is a consumer. Since the IRPH is the price of the contract and it falls within the definition of the main subject matter of the contract, it must be drafted in plain, intelligible language, so that the consumer is in a position to evaluate, on the basis of clear, intelligible criteria, what the economic consequences derived from such contract are for him or her.

While the European Commission believes that transparency requires a full explanation of the index features and functioning to show available or official index comparisons and to disclose historical evolutions and forecasts of the future performance of mortgage indexes, the Kingdom of Spain, the United Kingdom and CaixaBank which is a party to the proceedings, believe that an official index is

public and transparent, monitored by the competent authorities, and that the main and compulsory legal tool for comparing prices is the APR indicator (annual percentage rate or "TAE" in Spain), which encompasses the full price and financial burden of the loan, comprised of costs, fees, index and the spread applied.

This preliminary ruling was formulated by a First Instance Court several months after the Spanish Supreme Court, on 14 December 2017, established the accordance with the law of these contracts.

On 10 September 2019, the Advocate General issued an opinion, in opposition to the pretensions of the European Commission, confirming the transparency of the index and that is needless to provide with future scenarios of possible performance of such and with comparatives among different indexes, emphasizing the fact that the relevant precontractual information should have been provided according to the applicable legislation in force at such time.

The recent opinion of the Advocate General, the existence of the previous decision of the Spanish Supreme Court, the fact that IRPH is an official benchmark rate, published and managed by the Bank of Spain, the existence of jurisprudence (*jurisprudencia*) of the CJEU which confirms transparency of contracts referenced to other official benchmark rates, and the existence of an APR indicator, which must be mandatorily informed to consumers, and which allows for the comprehension of the economic burden and the comparison of different mortgage offers, whatever the benchmark rate index applied is, are facts that, according to the currently available information, determine that the probability of an unfavourable ruling may be considered to be low.

On the other hand, it is difficult to quantify in advance the impact of an eventually unfavourable ruling issued by the CJEU dissenting from the opinion of the Advocate General and following the view of the European Commission, as it would depend on a set of factors that are highly uncertain, among which: i) the rule for substitution of such index to be applied (i.e., how should the interest of the loan be calculated), ii) whether such an index will have to be applied retroactively and if so, from what date and iii) the number of well-grounded claims on the lack of transparency there would be. In such an adverse scenario, the impact would be material.

As of 30 September 2019, the total amount of performing mortgage loans indexed to IRPH with individuals was €6,261 million (most of them, but not all, with consumers).
In April 2018 the anti-corruption prosecutor (*Fiscalía Anti-Corrupción*) initiated a claim against CaixaBank, its compliance officer and 11 employees. It is contended these persons have negligently permitted customers to use CaixaBank to wire money to Hong Kong and China in breach of applicable anti-money laundering regulations. Such claim is currently in a pre-trial evidentiary phase. While CaixaBank and its legal advisors believe the claims to be groundless, CaixaBank is exposed to reputational risk if the legal proceeding continues.

Credit ratings

As at the date of this Information Memorandum, the Issuer has been assigned the following debt ratings by the following credit rating agencies:

Agency	Review date	Short-term rating	Long-term rating[(1)]	Outlook
Fitch	27 September 2019	F2	BBB+	Stable
S&P	31 May 2019	A-2	BBB+	Stable
DBRS	29 March 2019	R-1 (low)	A	Stable
Moody's	17 May 2019	P-2	Baa1	Stable

Notes:
(1) Relates to the rating assigned to the preferred senior debt of CaixaBank.

Additional Alternative Performance Measures

This Information Memorandum (and the documents incorporated by reference in this Information Memorandum) contains certain management measures of performance or alternative performance measures (**APMs**), which are used by management to evaluate the Group's overall performance or liquidity. These APMs are not audited, reviewed or subject to review by CaixaBank's auditors and are not measures required by, or presented in accordance with, International Financial Reporting Standards as adopted by the EU (**IFRS-EU**). Accordingly, these APMs should not be considered as alternatives to any performance or liquidity measures prepared in accordance with IFRS-EU. Many of these APMs are based on CaixaBank's internal estimates, assumptions, calculations and expectations of future results and there can be no guarantee that these results will actually be achieved. Accordingly, investors are cautioned not to place undue reliance on these APMs.

Furthermore, these APMs, as used by CaixaBank, may not be comparable to other similarly titled measures used by other companies. Investors should not consider such APMs in isolation, as alternatives to the information calculated in accordance with IFRS-EU, as indications of operating performance or as measures of the Group's profitability or liquidity. Such APMs must be considered only in addition to, and not as a substitute for or superior to, financial information prepared in accordance with IFRS-EU and investors are advised to review these APMs in conjunction with the audited Consolidated Financial Statements incorporated by reference in this Information Memorandum.

CaixaBank believes that the description of these APMs in this Information Memorandum follows and complies with the "ESMA Guidelines on Alternative Performance Measures" dated 5 October 2015.

These measures are used in the Issuer's planning, operational and financial decision-making. These measures are commonly used in the finance sector as indicators to monitor institutions' assets, liabilities and economic/financial positions.

In addition to the APMs contained in CaixaBank's management report in respect of the 2018 Audited Consolidated Financial Statements, which is included by reference to this Information Memorandum, the following APMs are used in this Information Memorandum.

Definitions

Core revenues: the addition of net interest income; net fee and commission income; income and expense arising from insurance or reinsurance contracts; and equity accounted income from SegurCaixa Adeslas.

Relevance

This metric is used in the banking sector to monitor the evolution of the revenues generated by the main or principal business.

Reconciliation

Core revenues (CaixaBank Group)

(€ million**)**	**1H2019**	**FY2018**	**FY2017**
Net interest income	2,478	4,907	4,746

Net fee and commission income	1,248	2,583	2,499
Income and expense arising from insurance or reinsurance companies	264	551	472
Equity accounted income from SegurCaixa Adeslas and income from BPI insurance investees	95	177	170
Core revenues	**4,085**	**8,217**	**7,887**

CAPITAL AND FUNDING REQUIREMENTS

CaixaBank Group is subject to capital requirements according to Regulation (EU) 575/2013, of 26 June, of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (**CRR**), Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms amending Directive 2002/87/EC of the European Parliament and of the Council of 16 December 2002, on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate and amending Council Directives 73/239/EEC, 79/267/EEC, 92/49/EEC, 92/96/EEC, 93/6/EEC and 93/22/EEC, and Directives 98/78/EC and 2000/12/EC of the European Parliament and of the Council (the **Directive 2002/87/EC**) and repealing Directives 2006/48/EC and 2006/49/EC (the **CRD 4 Directive**), any regulatory capital rules implementing the CRD 4 Directive or the CRR which may from time to time be introduced and which are applicable to CaixaBank or to the Group (including, without limitation, Law 10/2014, of 26 June, on organisation, supervision and solvency of credit entities (**Law 10/2014**), Royal Decree 84/2015, of 13 February, implementing Law 10/2014, Directive 2002/87/EC of the European Parliament and of the Council of 16 December 2002, on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate and amending Council Directives 73/239/EEC, 79/267/EEC, 92/49/EEC, 92/96/EEC, 93/6/EEC and 93/22/EEC, and Directives 98/78/EC and 2000/12/EC of the European Parliament and of the Council (the Directive 2002/87/EC), as amended from time to time (all of them together, **CRD 4**), and any other regulations, regulatory technical standards, circulars or guidelines implementing CRD 4 through which the EU is implementing the Basel III capital reforms.

In addition to the minimum capital requirements under CRD 4, the regime under BRRD, that has been implemented in Spain through Law 11/2015 and Royal Decree 1012/2015, prescribes that banks shall hold a minimum level of capital and eligible liabilities in relation to total liabilities and own funds (**MREL**).

On 23 November 2016, the European Commission presented a comprehensive package of reforms amending CRR, the CRD 4 Directive and the BRRD and the SRM Regulation. On 14 May 2019 the text was formally approved by the Council of the European Union. On 7 June 2019 the following regulations were published in the Official Journal: (i) Directive (EU) 2019/878 of the European Parliament and of the Council, of 20 May 2019 (as amended, replaced or supplemented from time to time, the **CRD 5 Directive**) amending the CRD 4 Directive, (ii) Directive (EU) 2019/879 of the European Parliament and of the European Council of 20 May 2019 (as amended, replaced or supplemented from time to time, **BRRD 2**) amending, among other things, the BRRD as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms, (iii) Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 (**CRR 2**) amending, among other things, the CRR as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, and reporting and disclosure requirements, and (iv) Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 (as amended, replaced or supplemented from time to time, the **SRM Regulation 2**) amending the SRM Regulation as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms (the CRD 5 Directive, BRRD 2, CRR 2 and the SRM Regulation 2 together, the **EU Banking Reforms**). The EU Banking Reforms entered into force on 27 June 2019 and are scheduled to apply beginning on 29 December 2020, other than in the case of CRR 2, where a two-year period from the date of its entry into force is provided for, subject to certain exceptions. Until the CRD 5 Directive and the BRRD 2 are transposed into Spanish law, it is uncertain how they will affect the Group. In addition, there is also uncertainty as to how the CRD 5 Directive, the BRRD 2, CRR 2 and the SRM Regulation 2 will be implemented by the relevant authorities.

Capital requirements

Capital requirements are applied to CaixaBank, on both an individual and consolidated basis, and also to Banco BPI on both an individual and sub-consolidated basis.

Under CRD 4, the Bank is required, on an individual and consolidated basis, to hold a minimum amount of regulatory capital of 8% of RWA of which at least 4.5% must be CET1 capital and at least 6% must be Tier 1 capital (together, the **Minimum "Pillar 1" Capital Requirements**).

Moreover, Article 104 of CRD 4 Directive, as implemented by Article 68 of Law 10/2014, also contemplates that in addition to the Minimum "Pillar 1" Capital Requirements, the supervisory authorities may require further capital to cover other risks. This may result in the imposition of further CET1, Tier 1 and Total Capital requirements on the Issuer and/or the Group pursuant to this "Pillar 2" framework. Following the introduction of the single supervisory mechanism (the **SSM**), the ECB is in charge of assessing additional "Pillar 2" capital requirements (**P2R**) through the supervisory review and evaluation processes (SREP) to be carried out at least on an annual basis (accordingly requirements may change from year to year).

In addition to the Minimum "Pillar 1" Capital Requirements and the P2R, credit institutions must comply with the "combined buffer requirement" set out in the CRD 4 Directive as implemented in Spain. The "combined buffer requirement" has introduced up to five new capital buffers to be satisfied with additional CET1 capital: (i) the capital conservation buffer of 2.5% of RWAs; (ii) the global systemically important institutions (G-SIIs) buffer, of between 1% and 3.5% of RWAs; (iii) the institution-specific counter-cyclical capital buffer (consisting of the weighted average of the counter-cyclical capital buffer rates that apply in the jurisdictions where the relevant credit exposures are located), which may be as much as 2.5% of RWAs (or higher pursuant to the competent authority); (iv) the other systemically important institutions (**O-SIIs**) buffer, which may be as much as 2% of RWAs; and (v) the systemic risk buffer to prevent systemic or macro prudential risks, of at least 1% of RWAs (to be set by the Bank of Spain).

Neither the Bank nor the Group has been classified as G-SII by the Financial Stability Board (**FSB**) nor by any competent authority so, unless otherwise indicated by the FSB or by the Bank of Spain in the future, it is not required to maintain the G-SII buffer. According to the note published by the Bank of Spain on 25 November 2019, the Bank is considered an O-SII and accordingly, during 2020 it will be required to maintain a full O-SII buffer of 0.25%. In addition, the Bank of Spain agreed on 30 September 2019 to maintain the countercyclical capital buffer applicable to credit exposures in Spain at 0% for the fourth quarter of 2019 (percentages will be revised each quarter) and also on 30 September 2019, the Bank of Portugal published that the countercyclical buffer for credit exposures in Portugal was to be maintained at 0% for the fourth quarter of 2019. However, a 0.03% countercyclical capital buffer applied in September 2019, based on the geographical composition of the portfolio other than Spain and Portugal (updated quarterly). This countercyclical buffer is applicable immediately to the Bank both on a consolidated and an individual basis, however it may be that different buffers are applied to the Bank on a consolidated and individual basis going forwards in each case.

As set out in the "Opinion of the European Banking Authority on the interaction of "Pillar 1", "Pillar 2" and combined buffer requirements and restrictions on distributions" published on 16 December 2015, competent authorities should ensure that the CET1 capital to be taken into account in determining the CET1 capital available to meet the "combined buffer requirement" for the purposes of the Maximum Distributable Amount (as defined below) calculation is limited to the amount not used to meet the Minimum "Pillar 1" Capital Requirements and the P2R of the institution and, accordingly, the "combined buffer requirement" is in addition to the Minimum "Pillar 1" Capital Requirements and to the P2R, and therefore it would be the first layer of capital to be eroded pursuant to the applicable stacking order. CRD 5 clarifies that P2R should be positioned in the relevant stacking order of own funds requirements above the Minimum "Pillar 1" Capital Requirements and

below the combined buffer requirement or the leverage ratio buffer requirement, as relevant. In addition, CRD 5 also clarifies that P2R should be set in relation to the specific situation of an institution excluding macroprudential or systemic risks, but including the risks incurred by individual institutions due to their activities (including those reflecting the impact of certain economic and market developments on the risk profile of an individual institution) and it also allos the relevant supervisor to require the P2R to be partially covered with Tier 1 instruments.

According to Article 48 of Law 10/2014, Article 73 of Royal Decree 84/2015 and Rule 24 of Bank of Spain Circular 2/2016, those entities failing to meet the "combined buffer requirement" or making a distribution in connection with CET1 capital to an extent that would decrease its CET1 capital to a level where the "combined buffer requirement" is no longer met will be subject to restrictions on (i) distributions relating to CET1 capital, (ii) payments in respect of variable remuneration or discretionary pension revenues and (iii) distributions relating to Additional Tier 1 instruments, until the maximum distributable amount calculated according to CRD 4 (i.e., the firm's "distributable items", calculated in accordance with CRD 4, multiplied by a factor dependent on the extent of the shortfall in CET1 capital) (the **Maximum Distributable Amount**) has been calculated and communicated to the competent supervisor. Thereafter, any such distributions or payments will be subject to such Maximum Distributable Amount for entities (a) not meeting the "combined buffer requirement" or (b) in relation to which the Bank of Spain has adopted any of the measures set forth in Article 68.2 of Law 10/2014 aimed at strengthening own funds or limiting or prohibiting the distribution of dividends.

In addition, a new Article 16.a) of the BRRD, as recently amended by BRRD 2, better clarifies the stacking order between the "combined buffer requirement" and the MREL requirement. Pursuant to this new provision, a resolution authority will have the power to prohibit an entity from distributing more than the "maximum distributable amount" for own funds and eligible liabilities (calculated in accordance with the new Article 16.a)(4) of the BRRD) (the **MREL-Maximum Distributable Amount Provision**) through distribution of dividends, variable remuneration and payments to holders of Additional Tier 1 instruments, where it meets the "combined buffer requirement" but fails to meet that "combined buffer requirement" when considered in addition to the MREL requirements. The referred Article 16.a) of the BRRD includes a potential nine-month grace period whereby the resolution authority will assess on a monthly basis whether to exercise its powers under the MREL-Maximum Distributable Amount Provision before such resolution authority is compelled to exercise its power under the provisions (subject to certain limited exceptions).

As communicated by the EBA on 1 July 2016 and included in the CRD 5, in addition to the Minimum "Pillar 1" Capital Requirements, the P2R and the "combined buffer requirements", the supervisor can also set a "Pillar 2" capital guidance (**P2G**). Thus, SREP decisions from 2016 onwards differentiate between P2R and P2G. While P2R are binding requirements and breaches can have direct legal consequences for the banks, P2G is not directly binding and a failure to meet it does not automatically trigger legal action, even though the ECB expects banks to meet P2G. Under the EU Banking Reforms, the P2G is not relevant for the purposes of triggering the automatic restriction of the distribution and calculation of the Maximum Distributable Amount. CRD 5 provides that when an institution repeatedly fails to meet the P2G, the competent authority should be entitled to take supervisory measures and, where appropriate, to impose additional own funds requirements. The ECB recommends not to disclose the P2G and the CRD 5 Directive also does not require its disclosure.

ECB SREP communication

In December 2019, the Bank was notified of the decision of the ECB regarding minimum capital requirements for 2020 for the Group following the outcome of the most recent SREP. These decisions require the Group to maintain a CET1 ratio of 8.78% over the total amount of RWAs, which includes

the Minimum "Pillar 1" Capital Requirement (4.50% of RWAs), the P2R[15] (1.50% of RWAs to be covered 100% by CET1), the capital conservation buffer (2.5% of RWAs), the O-SII buffer (0.25% of RWAs)[16] and the countercyclical capital buffer[17] (0.03% of RWAs based on the geographical composition of the portfolio at 30 September 2019 (updated quarterly)). The minimum Tier 1 and Total Capital ratios would consequently reach 10.28% of RWAs and 12.28% of RWAs, respectively, based on the 6% of RWAs and 8% of RWAs Minimum "Pillar 1" Capital Requirements at a Tier 1 and Total Capital level, respectively.

The following tables show the solvency requirements compared to the capital position of the Group on a consolidated basis as of 30 September 2019:

	Capital position				
	30 September, 2019	**Requirements**	**Of which Pillar 1**	**Of which Pillar 2R**	**Of which buffers**
CET1	11.7%	8.78%	4.5%	1.5%	2.78%
Tier 1	13.2%	10.28%	6.0%	1.5%	2.78%
Total Capital	15.3%	12.28%	8.0%	1.5%	2.78%

As a result of the ECB's decision, the CET1 threshold below which the Group[18] would be forced to limit 2020 distributions in the form of dividend payments, variable remuneration and interest to holders of Additional Tier 1 instruments, commonly referred to as the activation level of the maximum distributable amount (or Maximum Distributable Amount Trigger), is set at 8.78% of RWAs, to which potential shortfalls of Additional Tier 1 or Tier 2 should be added with respect to the minimum implicit Pillar 1 levels of 1.5% and 2% of RWAs, respectively[19]. As of 30 September 2019, the Group had a Tier 2 capital level above 2% of RWAs and an Additional Tier 1 capital level above 1.5%.

At an individual level, as of 30 September 2019 CaixaBank's CET1 reached 13.2% compared to a minimum requirement of 7.03% for 2019 and 2020. The capital requirements are more restrictive at a consolidated level compared to an individual level.

According to the ECB's requirements regarding minimum capital requirements for Banco BPI in 2020, the CET1 ratio will be of 9.38% over the total amount of RWAs at sub-consolidated level, which includes the Minimum "Pillar 1" Capital Requirement (4.50% of RWAs), the P2R (2% of RWAs, unchanged relative to 2019), the capital conservation buffer (2.5% of RWAs) and the O-SII buffer (0,375% of RWAs, this increases linearly over four years starting in 2018 to reach 0.5% by 2021). The minimum Tier 1 and Total Capital ratios would consequently reach 10.88% of RWAs and 12.88% of RWAs, respectively, based on the 6% of RWAs and 8% of RWAs Minimum "Pillar 1" Capital Requirements at a Tier 1 and Total Capital level, respectively.

See the Risk Factor "*Increasingly onerous capital requirements constitute one of the Group's main regulatory challenges*" for the risks associated to the failure by the Group to comply with its regulatory capital requirements.

---

15 Applies only at a consolidated level

16 Applies only at a consolidated level

17 As of 30 September 2019. It applies to both individual and consolidated basis. Updated quarterly. It may differ between individual and consolidated level. As of 30 September 2019 both levels coincide.

18 At an individual level, CaixaBank's CET1 ratio reached 13.2% as of 30 September 2019. This is in comparison with a minimum requirement of CET1 for 2020 of 7.03% (including 0.03% of countercyclical buffer to be updated quarterly). Thus, capital requirements are more restrictive at a consolidated level than at an individual level.

19 As of 30 September 2019, there was no shortfall at Additional Tier 1 and Tier 2 levels.

Deductions related to Deferred Tax Assets

CRD 4 Directive provides that deferred tax assets that rely on the future profitability of a financial institution (**DTAs**) must be deducted from its regulatory capital (specifically from its core capital or CET1 capital) for prudential reasons, as there is generally no guarantee that DTAs will retain their value in the event of the financial institution facing difficulties.

This new deduction introduced by CRD 4 had a significant impact on Spanish banks due to the particularly restrictive nature of certain aspects of Spanish tax law. For example, in some EU countries when a bank reports a loss, the tax authorities refund a portion of taxes paid in previous years, but in Spain the bank must earn profits in subsequent years in order for this set-off to take place. Additionally, Spanish tax law does not recognise as tax-deductible certain amounts recorded as costs in the accounts of a bank, unlike the tax legislation of other EU countries.

Due to these differences and the impact of the requirements of CRD 4 on DTAs, the Spanish regulator implemented certain amendments to Law 27/2014, of 27 November, on Corporate Income Tax (the **CIT Law**) through Royal Decree Law 14/2013, of 29 November, on urgent measures to adapt the Spanish law to EU regulations on supervision and solvency of financial institutions which also provided for a transitional regime for DTAs generated before 1 January 2014. These amendments enabled certain DTAs to be treated as a direct claim against the Spanish tax authorities if a Spanish bank was unable to reverse the relevant differences within 18 years or if it is liquidated, becomes insolvent or incurs accounting losses. This, therefore, allowed a Spanish bank not to deduct such DTAs from its regulatory capital. The transitional regime provided for a period in which only a percentage (which increases yearly) of the applicable DTAs would have to be deducted. This transitional regime was also included in CIT Law.

However, the European Commission initiated a preliminary state aid investigation in relation to the Spanish DTAs regime. Such investigation is now resolved to the extent that the European Commission, the Bank of Spain and the Spanish Ministries of Treasury and Economy agreed a commitment to amend the applicable law in order to reinforce the compatibility of the regime with European Law. In general terms, the amendment passed requires payment of a special tax charge in order for the conversion of the DTAs into a current asset to be enforceable. Royal Decree-Law 3/2016, of 2 December (**RD-L 3/2016**) implemented a number of amendments to the CIT Law including the limitation on the use of the DTAs treated as a direct claim and carried forward tax losses up to 25%.

Prudential treatment of NPLs

Prior to the publication of CRR 2, an amendment of CRR entered into force on 26 April 2019, by which a minimum loss coverage requirement for non-performing exposures (also known as **NPLs Prudential Backstop**) was introduced. According to this amendment of the capital regulation, any shortfall of the stock of accounting provisions or other adjustments as compared to the prudential backstop shall be deducted from own funds. This backstop is only applicable to loans originated from 26 April 2019 onwards that turn non-performing. The coverage requirements are different depending if the loan is "secured" or "unsecured" and also on whether the collateral is movable or immovable.

Prior to the above referred capital requirements legislation, on 15 March 2018, the ECB had already published its supervisory expectations on prudent levels of provisions for NPLs. This was published as an addendum (the **Addendum**) to the ECB's guidance to banks on non-performing loans published on 20 March 2017, which clarified the ECB's supervisory expectations regarding the identification, management, measurement and write-off of NPLs. The ECB stated that the Addendum set out what it deems to be a prudent treatment of NPLs with the aim of avoiding an excessive build-up of non-covered aged NPLs on banks' balance sheets in the future, which would require supervisory measures. The ECB clarified that the Addendum is applicable only to loans originated prior to the entry into force of the NPLs Prudential Backstop (26 April 2019) that have turned non-performing on

or after 1 April 2018. In order to make the Addendum and the NPLs Prudential Backstop more consistent and, thereby, simplify banks' reporting, the calibration of both initiatives have been fully aligned. However, the main differences between the NPLs Prudential Backstop and the Addendum is that (i) the latter is not legally binding, (ii) it only sets a starting point for the supervisory dialogue (Pillar 2 approach) and (iii) is subject to a case-by-case assessment. Further to the Addendum, the ECB has also disclosed that supervisory expectations will also set on a case-by-case basis for NPLs already existing as of 31 March 2018.

The Basel III post-crisis regulatory reform agenda

On 7 December 2017, the Group of Governors and Heads of Supervision (**GHOS**) published the finalisation of the Basel III post-crisis regulatory reform agenda (also known as **Basel IV**). This review of the regulatory framework covers credit, operational and credit valuation adjustment (**CVA**) risks and introduces a floor to the consumption of capital by internal ratings-based methods (**IRB**) and the revision of the calculation of the leverage ratio. The main features of the reform are: (i) a revised standard method for credit risk, which will improve the soundness and sensitivity to risk of the current method; (ii) modifications to the IRB methods for credit risk, including input floors to ensure a minimum level of conservatism in model parameters and limitations to its use for portfolios with low levels of non-compliance; (iii) regarding the CVA risk, and in connection with the above, the removal of any internally modelled method and the inclusion of a standardised and basic method; (iv) regarding the operations risk, the revision of the standard method, which will replace the current standard methods and the advanced measurement approaches (**AMA**); (v) the introduction of a leverage ratio buffer for global systemically important institutions (**G-SIIs**); and (vi) regarding capital consumption, a minimum limit on the aggregate results (output floor), which prevents the RWA of the banks generated by internal models from being lower than the 72.5% of the RWA that are calculated with the standard methods of the Basel III framework. The GHOS have extended the implementation of the revised minimum capital requirements for market risk until January 2022, to coincide with the implementation of the reviews of credit, operational and CVA risks. There is uncertainty with regard to how and when the foregoing will be implemented in the EU.

Leverage ratio

In addition to the above, Article 429 of the CRR requires institutions to calculate their leverage ratio (**LR**) in accordance with the methodology laid down in that article. The EU Banking Reforms contain a binding 3% Tier 1 LR requirement that has been added to the own funds requirements in Article 92 of the CRR, and which institutions must meet in addition to their risk-based requirements. A new Article 141b of the CRD IV Directive, included by the CRD V Directive, will restrict distributions by G-SIIs in the form of dividends, variable remuneration and payments to holders of Additional Tier 1 instruments above the LR related maximum distributable amount in case of a failure to meet the LR.

This LR requirement is a parallel requirement to the risk-based own funds requirements described above. Thus, any additional own funds requirements imposed by competent authorities to address the risk of excessive leverage should be added to the minimum leverage ratio requirement and not to the minimum risk-based own funds requirement. Furthermore, institutions should also be able to use any CET 1 instruments that they use to meet their leverage-related requirements to meet their risk-based own funds requirements, including the combined buffer requirement.

Eligible liabilities requirement

In addition to the minimum capital requirements under CRD 4, the BRRD regime prescribes that banks shall hold a minimum level of capital and eligible liabilities. The MREL shall be calculated as the amount of own funds and eligible liabilities and expressed as a percentage of the total liabilities and own funds of the institution (pursuant to BRRD 2, it shall be expressed as a percentage of the total risk exposure amount or the total exposure measure of the institution, calculated in each case in

accordance with CRR). The level of capital and eligible liabilities required under MREL is set by the resolution authority for each bank (and/or group) based on the resolution plan and other criteria. The resolution authority for the Bank is the SRB. Eligible liabilities may be senior or subordinated liabilities, provided, among other requirements, that they have a remaining maturity of at least one year and, if governed by a non-EU law, they must be able to be written down or converted under that law (including through contractual provisions).

The EU Banking Reforms further include, as part of MREL, a new subordination requirement of eligible instruments for G-SIIs and "top tier" banks (such as the Bank) involving a minimum "Pillar 1" subordination requirement and an institution specific "Pillar 2" subordination requirement. This "Pillar 1" subordination requirement shall be satisfied with own funds and other eligible MREL instruments (which MREL instruments may not for these purposes be senior debt instruments and only MREL instruments constituting "non-preferred" senior debt under the new insolvency hierarchy introduced into Spain will be eligible for compliance with the subordination requirement). Resolution authorities may also impose "Pillar 2" subordination requirements to institutions not constituting G-SIIs or "top tier" banks, which would be determined on a case-by-case basis but subject to a minimum level equal to the lower of 8% of a bank's total liabilities and own funds and 27% of its RWAs.

On 24 April 2019, CaixaBank received the formal communication from the Bank of Spain regarding the MREL requirement, as determined by the SRB according to its 2018 policy for the "second wave" of resolution plans (January 2019), based on December 2017 data. In accordance with such communication, the Bank has been required to reach, by 1 January 2021, an amount of own funds and eligible liabilities on a consolidated basis equal to 22.5% of its RWAs as of 31 December 2017. The subordinated MREL ratio of CaixaBank stood at 19.1% as of 30 September 2019. According to the current eligibility criteria of the SRB, CaixaBank's best estimate of its total MREL ratio stood at 21.4% on a consolidated basis as of 30 September 2019. This amount includes Senior Non-Preferred Debt (including €3,382 million issued in 2019), Senior Preferred Debt (including €1,000 million issued in March 2019) and other *pari passu senior* liabilities. The MREL requirement is aligned with CaixaBank's expectations and its funding plan as described in its 2019-2021 Strategic Plan; this plan considers the roll-over of approximatelly €7,500 million of wholesale debt maturities, through the issuance of MREL eligible liabilities, primarily of a subordinated nature.

See the risk factor "*Increasingly onerous capital requirements constitute one of the Group's main regulatory challenges*" for the risks associated to the failure by the Group to comply with its MREL minimum requirement.

LOSS ABSORBING POWERS

The BRRD (which has been implemented in Spain through Law 11/2015 and Royal Decree 1012/2015) is designed to provide authorities with a credible set of tools to intervene sufficiently early and quickly in unsound or failing credit institutions or investment firms (each an **institution**) so as to ensure the continuity of the institution's critical financial and economic functions, while minimising the impact of an institution's failure on the economy and financial system.

In accordance with Article 20 of Law 11/2015, an institution will be considered as failing in any of the following circumstances: (i) it is, or is likely in the near future to be, in significant breach of its solvency or any other requirements necessary for maintaining its authorisation; (ii) its assets are, or are likely in the near future to be, less than its liabilities; (iii) it is, or is likely in the near future to be, unable to pay its debts as they fall due; or (iv) it requires extraordinary public financial support (except in limited circumstances). The determination that an institution is no longer viable may depend on a number of factors which may be outside of that institution's control.

As provided in the BRRD, Law 11/2015 contains four resolution tools and powers which may be used alone or in combination where the FROB, the SRB, as the case may be and according to Law 11/2015, or any other entity with the authority to exercise any such tools and powers from time to time (each, a **Relevant Resolution Authority**) as appropriate, considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest.

The four resolution tools are: (i) sale of business (which enables the Relevant Resolution Authority to direct the sale of the institution or the whole or part of its business on commercial terms); (ii) bridge institution (which enables the Relevant Resolution Authority to transfer all or part of the business of the institution to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control)); (iii) asset separation (which enables the Relevant Resolution Authority to transfer certain categories of assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only)); and (iv) the bail-in, which gives the Relevant Resolution Authority the right to exercise certain elements of the Spanish Bail-in Power (as defined below). This includes the ability of the Relevant Resolution Authority to write down (including to zero) and/or to convert into equity or other securities or obligations (which equity, securities and obligations could also be subject to any future application of the Spanish Bail-in Power) certain unsecured debt claims (including the Notes).

The **Spanish Bail-in Power** is any write-down, conversion, transfer, modification, or suspension power existing from time to time under, and exercised in compliance with any laws, regulations, rules or requirements in effect in Spain, relating to the transposition of the BRRD, as amended from time to time, including, but not limited to (i) Law 11/2015, as amended from time to time, (ii) Royal Decree 1012/2015, as amended from time to time, (iii) the SRM Regulation, as amended from time to time, and (iv) any other instruments, rules or standards made in connection with either (i), (ii) or (iii), pursuant to which any obligation of an institution can be reduced, cancelled, modified, or converted into shares, other securities, or other obligations of such institution or any other person (or suspended for a temporary period).

In accordance with Article 48 of Law 11/2015 (and subject to any exclusions that may be applied by the Relevant Resolution Authority under Article 43 of Law 11/2015), in the case of any application of the Spanish Bail-in Power to absorb losses and cover the amount of the recapitalisation, the sequence of any resulting write-down or conversion shall be as follows: (i) CET1 items; (ii) the principal amount of Additional Tier 1 instruments; (iii) the principal amount of Tier 2 instruments; (iv) the principal amount of other subordinated claims that do not qualify as Additional Tier 1 capital or Tier 2

capital and (v) the principal or outstanding amount of eligible liabilities in accordance with the hierarchy of claims in normal insolvency proceedings (with "non-preferred" senior claims subject to the Spanish Bail-in Power after any subordinated claims against the Bank but before the other senior claims against the Bank) (following the entry into force of BRRD 2, Article 48 of BRRD now refers to "bail-inable liabilities", defined as the liabilities and capital instruments that do not qualify as CET1, Additional Tier 1 instruments or Tier 2 instruments of an institution and that are not excluded from the scope of the bail-in tool). The order of this sequence is consistent with the hierarchy of claims in normal insolvency proceedings prescribed by Law 22/2003, of 9 July, on Insolvency (the **Insolvency Law**) read in conjunction with Additional Provision 14.3º of Law 11/2015. Accordingly, the impact of such application on Noteholders will depend on the ranking of the relevant Notes in accordance with such hierarchy, including any priority given to other creditors such as depositors.

In accordance with Article 64.1(i) of Law 11/2015, the FROB has also the power to alter the amount of interest payable under debt instruments and other eligible liabilities of institutions subject to resolution proceedings and the date on which the interest becomes payable under the debt instrument (including the power to suspend payment for a temporary period).

In addition, the EBA has published certain regulatory technical standards and implementing technical standards to be adopted by the European Commission, and certain other guidelines are pending. These acts could be potentially relevant to determining when or how a Relevant Resolution Authority may exercise the Spanish Bail-in Power. No assurance can be given that, once adopted, these standards will not be detrimental to the rights of a holder of Notes under, and the value of a holder's investment in, the Notes.

CONTRIBUTIONS TO THE RESOLUTION FUND

The project of achieving a European banking union was launched in the summer of 2012. Its main goal is to resume progress towards the European single market for financial services by restoring confidence in the European banking sector and ensuring the proper functioning of monetary policy in the Eurozone. Banking union is expected to be achieved through new harmonised banking rules (the single rulebook) and a new institutional framework with stronger systems for both banking supervision and resolution that will be managed at the European level. Its two main pillars are the SSM and the new single resolution mechanism (the **SRM**).

The SSM (comprising both the ECB and the national competent authorities) is intended to help make the banking sector more transparent, unified and safe. The SSM has represented a significant change in the approach to bank supervision at a European and global level, even if it has not resulted nor is it expected to result in any radical change in bank supervisory practices in the short term, and has resulted in the direct supervision by the ECB of the largest financial institutions, among them the Bank.

The other main pillar of the EU banking union is the SRM, the main purpose of which is to ensure a prompt and coherent resolution of failing banks in Europe at minimum cost. The SRM Regulation establishes uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the SRM and a Single Resolution Fund (as defined below). The SRM Regulation complements the SSM which established a centralised power of resolution entrusted to the SRB and to the national resolution authorities as an integral part of the process of harmonisation of the resolution regime provided for by the BRRD. The SRB began operation on 1 January 2015 and fully assumed its resolution powers on 1 January 2016. From that date a single resolution fund (the **Single Resolution Fund**) has also been in place, funded by contributions from European banks. The Single Resolution Fund is intended to reach a total amount of €55 billion by 2024 and to be used as a separate backstop only after an 8% total liabilities and own funds (or 20% RWA in certain cases) have already been bailed-in (in line with the BRRD).

Law 11/2015 and RD 1012/2015 established a requirement for banks to make at least an annual contribution to the National Resolution Fund (*Fondo de Resolución Nacional*) in addition to the annual contribution to be made to the Deposit Guarantee Fund (*Fondo de Garantía de Depósitos*) by member institutions. The total amount of contributions to be made to the National Resolution Fund by all Spanish banking entities must equal 1% of the aggregate amount of all deposits guaranteed by the Deposit Guarantee Fund by 31 December 2024. The contribution is adjusted to the risk profile of each institution in accordance with the criteria set out in Royal Decree 1012/2015 and in the Commission Delegated Regulation (EU) 2015/63 of 21 October 2014 supplementing Directive 2014/59/EU of the European Parliament and of the Council with regard to *ex ante* contributions to resolution financing arrangements. The National Resolution Fund was combined with the rest of the EU Member State's national funds into the Single Resolution Fund on 1 January 2016. The SRM Regulation was enacted whereby the SRB replaces the national resolution authorities and assumes administration of the Single Resolution Fund and calculation of the bank contributions, applying the calculation methodology set out in Commission Delegated Regulation 2015/63, of 21 October 2014.

In addition to the above, the FROB may request extraordinary contributions. Law 11/2015 has also established an additional charge (*tasa*) which will be used to further fund the activities of the FROB as resolution authority and which equals to 2.5% of the annual contribution to be made to the National Resolution Fund.

FORM OF FINAL TERMS

MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.

[**Notification under Section 309B(1)(c) of the Securities and Futures Act (Chapter 289) of Singapore (the SFA)** - [*To insert notice if classification of the Notes is not "[prescribed capital markets products]", pursuant to Section 309B of the SFA*].][20]

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the **EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Final Terms dated [●]

CaixaBank, S.A.

€3,000,000,000 Euro-Commercial Paper Programme (the Programme)

Issue of [*Aggregate nominal amount of Notes*][*Title of Notes*]

PART A – CONTRACTUAL TERMS

This document constitutes the Final Terms (as referred to in the Information Memorandum dated 18 December 2019 (as amended, updated or supplemented from time to time, the **Information Memorandum**) in relation to the Programme) in relation to the issue of Notes referred to above (the **Notes**). Terms defined in the Information Memorandum, unless indicated to the contrary, have the same meanings where used in this Final Terms. Reference is made to the Information Memorandum for a description of the Issuer, the Programme and certain other matters. This Final Terms is supplemental to and must be read in conjunction with the full terms and conditions of the Notes. This Final Terms is also a summary of the terms and conditions of the Notes for the purpose of listing.

Full information on the Issuer and the offer of the Notes described herein is only available on the basis of the combination of this Final Terms and the Information Memorandum [as so supplemented]. The Information Memorandum [and the supplemental Information Memorandum dated [●]] [is][are] available for viewing during normal business hours at the registered office of the Issuer at Calle Pintor Sorolla, 2-4, 46002 Valencia, Spain and at the offices of the Issuing and Paying Agent at One Canada Square, Canary Wharf, London E14 5AL, United Kingdom.

[20] Relevant Dealer(s) to consider whether it/they have received the necessary product classification from the Issuer prior to the launch of the offer, pursuant to Section 309B of the SFA for any Notes being sold into Singapore.

The particulars to be specified in relation to the issue of the Notes are as follows:

[*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote guidance for completing the Final Terms*.]

1.	Issuer:	CaixaBank, S.A. LEI: 7CUNS533WID6K7DGFI87
2.	Type of Note:	Euro-commercial paper
3.	Series number:	[●]
4.	Tranche number:	[●]
5.	Dealer(s):	[●]
6.	Specified Currency:	[●]
7.	Nominal Amount:	[●]
8.	Issue Date:	[●]
9.	Maturity Date:	[●] *[May not be less than 1 day nor more than 364 days]*
10.	Issue Price (for interest bearing Notes) or discount rate (for discount Notes):	[●]
11.	Initial Minimum Denomination:	[●] [and integral multiples of [●] in excess thereof]
12.	Redemption Amount:	[Redemption at par][[●] per Note of [●] Denomination][other]
13.	Delivery:	[Free of][against] payment

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14.	Fixed Rate Note Provisions		[Applicable/Not Applicable] *[If not applicable, delete the remaining subparagraphs of this paragraph]*
	(i)	Interest Rate[(s)]:	[●] per cent. per annum
	(ii)	Interest Payment Date(s):	[●]

	(iii)	Day Count Convention (if different from that specified in the terms and conditions of the Notes):	[Not Applicable][*other*] [The above-mentioned Day Count Convention shall have the meaning given to it in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended, updated or replaced at the Issue Date.][21]
	(iv)	Other terms relating to the method of calculating interest for Fixed Rate Notes (if different from those specified in the terms and conditions of the Notes:	[Not Applicable][*give details*]
15.	**Floating Rate Note Provisions**		[Applicable/Not Applicable] *[If not applicable, delete the remaining subparagraphs of this paragraph]*
	(i)	Interest Payment Date(s):	[●]
	(ii)	Calculation Agent (party responsible for calculating the Interest Rate(s) and Interest Amount(s):	[the Issuing and Paying Agent]/[*Name*] shall be the Calculation Agent]
	(iii)	Reference Rate:	[●] month [LIBOR]/[EURIBOR]/[EONIA]
	(iv)	Margin(s):	[+/-][●] per cent. per annum
	(v)	Minimum Interest Rate:	[[●] per cent. per annum]/[Not Applicable]
	(vi)	Maximum Interest Rate:	[[●] per cent. per annum]/[Not Applicable]
	(vii)	Day Count Convention (if different from that specified in the terms and conditions of the Notes):	[Not Applicable][*other*] [The above-mentioned Day Count Convention shall have the meaning given to it in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended, updated or replaced at the Issue Date.][22]

[21] Delete text in square brackets unless a Day Count Convention which is different from that specified in the terms and conditions of the Notes is used.

[22] Delete text in square brackets unless a Day Count Convention which is different from that specified in the terms and conditions of the Notes is used.

(viii)	Other terms relating to the method of calculating interest for Floating Rate Notes (where "EONIA" is specified as the Reference Rate and/or if terms are different from those specified in the terms and conditions of the Notes):	[Not Applicable][*give details*] [To be calculated by the Calculation Agent as follows: [Calculation time and date: [●]] [*Insert particulars of calculation*]]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

16.	Listing and admission to trading:	[Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market for trading on Euronext Dublin with effect from [●]]/ [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [specify relevant regulated market] with effect from [●].]
17.	Rating:	[[The Issuer has not applied for ratings to be assigned to the Notes. However, ratings allocated to the Programme are as follows: Moody's Investors Service España, S.A.: [●] S&P Global Ratings Europe Limited: [●]] / [The Notes have been rated: [S&P Global Ratings Europe Limited: [●]] [Moody's Investors Service España, S.A.: [●]] [*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.*]]
18.	Clearing System(s):	Euroclear Bank SA/NV [, and] Clearstream Banking S.A.
19.	Issuing and Paying Agent:	The Bank of New York Mellon, London Branch
20.	Listing Agent:	Maples and Calder
21.	ISIN:	[●]
22.	Common code:	[●]
23.	Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification	[Not Applicable/*give name(s) and number(s)*]

	number(s):	
24.	New Global Note:	[Yes]/[No]
25.	Intended to be held in a manner which would permit Eurosystem eligibility	[Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the Euroclear Bank SA/NV or Clearstream Banking S.A. (the **ICSDs**) as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.] [*Include this text if "yes" selected in which case the Notes must be issued in NGN form*] [No. Whilst the designation is specified as "no" at the date of this Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.][*Include this text if "yes" selected in which case the Notes must be issued in CGN form*]
26.	Relevant Benchmark[s]:	[[*Specify benchmark*] is provided by [*administrator legal name*]. As at the date hereof, [[*administrator legal name*][appears]/[does not appear]] in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 (*Register of administrators and benchmarks*) of Regulation (EU) 2016/1011]/[Not Applicable]]

LISTING AND ADMISSION TO TRADING APPLICATION

This Final Terms comprises the contractual terms required to list and have admitted to trading the issue of Notes described herein pursuant to the €3,000,000,000 euro-commercial paper programme of CaixaBank, S.A.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Final Terms.

Signed on behalf of **CAIXABANK, S.A.**

By: _____

Duly authorised

Dated:

PART B – OTHER INFORMATION

1. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

["Save as described in "*Subscription and Sale"*, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."].

2. ESTIMATED TOTAL EXPENSES RELATED TO THE ADMISSION TO TRADING

Estimate of total expenses related to listing and admission to trading: [●]

3. YIELD

Indication of yield: [[●] per cent. [on an annual/semi-annual] basis]/[Not Applicable] (*Fixed Rate Notes only*)

FORMS OF THE NOTES

Form of Multicurrency Global Note

THE SECURITIES REPRESENTED BY THIS GLOBAL NOTE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**) OR ANY SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES.

CAIXABANK, S.A.

(incorporated as a limited liability company (sociedad anónima) in Spain)

€3,000,000,000 Euro-Commercial Paper Programme

1. For value received, CaixaBank, S.A. (the **Issuer**) promises to pay to the bearer of this Global Note on the Maturity Date set out in the Final Terms attached to or endorsed on this Global Note, or, on such earlier date as the same may become payable in accordance with paragraph 4 below (the **Relevant Date**), the Nominal Amount or, as the case may be, the Redemption Amount set out in the Final Terms, together with interest thereon, if this is an interest bearing Global Note, at the rate and at the times (if any) specified herein and in the Final Terms. Terms defined in the Final Terms attached hereto or endorsed on this Global Note but not otherwise defined in this Global Note shall have the same meanings where used in this Global Note unless the context otherwise requires or unless otherwise stated.

   All such payments shall be made in accordance with an amended and restated issue and paying agency agreement dated 18 December 2019 (as further amended, restated or supplemented from time to time, the **Agency Agreement**) between the Issuer and The Bank of New York Mellon, London Branch as the issuing and paying agent (the **Issuing and Paying Agent**), a copy of which is available for inspection at the offices of The Bank of New York Mellon, London Branch at One Canada Square, Canary Wharf, London E14 5AL, United Kingdom, and subject to and in accordance with the terms and conditions set forth below.

   All such payments shall be made upon presentation and surrender of this Global Note at the offices of the Issuing and Paying Agent by transfer to an account denominated in the Specified Currency set out in the Final Terms maintained by the bearer (i) in the principal financial centre in the country of that currency or, (ii) in the case of a Global Note denominated in euro, by transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with a bank in the principal financial centre of any member state of the European Union.

   Notwithstanding the foregoing, presentation and surrender of this Global Note shall be made outside the United States and no amount shall be paid by transfer to an account in the United States, or mailed to an address in the United States. In the case of a Global Note denominated in U.S. dollars, payments shall be made by transfer to an account denominated in U.S. Dollars in the principal financial centre of any country outside of the United States that the Issuer or Issuing and Paying Agent so chooses.

2. If the Final Terms specify that the New Global Note form is applicable, this Global Note shall be a **New Global Note** or **NGN** and the Nominal Amount of Notes represented by this Global Note shall be the aggregate amount from time to time entered in the records of both Euroclear SA/NV (**Euroclear**) and Clearstream Banking S.A. (**Clearstream, Luxembourg**, and together with Euroclear, the **Clearing Systems**). The records of the Clearing Systems (which expression in this Global Note means the records that each Clearing System holds for its customers which reflect the amount of such customers' interests in the Notes (but excluding any interest in any Notes of one Clearing System shown in the records of another Clearing System)) shall be conclusive evidence of the Nominal Amount of Notes represented by this Global Note and, for these purposes, a statement issued by an Clearing System (which statement shall be made available to the bearer upon request) stating the Nominal Amount of Notes represented by this Global Note at any time shall be conclusive evidence of the records of the Clearing System at that time.

   If the Final Terms specify that the New Global Note form is not applicable, this Global Note shall be a **Classic Global Note** or **CGN** and the Nominal Amount of Notes represented by this Global Note shall be the Nominal Amount stated in the Final Terms or, if lower, the Nominal Amount most recently entered by or on behalf of the Issuer in the relevant column in the Schedule hereto.

3. All payments in respect of this Global Note by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of Spain or any political subdivision or any authority thereof or therein having power to tax (**a Tax Jurisdiction**) unless such withholding or deduction is required by law. In such event, the Issuer will pay, to the extent permitted by applicable law or regulation, such additional amounts as shall be necessary in order that the net amounts received by the Noteholders after such withholding or deduction, shall equal the amount which would otherwise have been receivable in respect of the Notes in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note:

   (a) presented for payment in Spain; or

   (b) to, or to a third party on behalf of, a holder who is liable for such taxes or duties in respect of such Note by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note; or

   (c) presented for payment more than 30 days after the date on which such payment first becomes due, except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Business Day; or

   (d) to, or to a third party on behalf of, a Spanish-resident legal entity subject to Spanish Corporate Income Tax if the Spanish Tax Authorities determine that the Notes do not comply with applicable exemption requirements including those specified in the Reply to a Non-Binding Consultation of the Directorate General for Taxation (*Dirección General de Tributos*) dated 27 July 2004 and require a withholding to be made; or

   (e) to, or to a third party on behalf of, a holder in respect of whom the Issuer does not receive such information concerning such Noteholder's identity and tax residence as may be required in order to comply with the procedures that may be implemented to comply with the interpretation of Royal Decree 1065/2007 eventually made by the Spanish tax authorities.

4. The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 14 days' notice to the holders (which notice shall be irrevocable), at the Redemption Amount specified in the Final Terms, together with (if this Note is an interest bearing Note) interest accrued to the date fixed for redemption, if:

   (a) the Issuer has or will become obliged to pay additional amounts as provided or referred to in paragraph 3 above as a result of any change in, or amendment to, the laws or regulations of any Tax Jurisdiction or any authority or agency thereof or therein having power to tax or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the Issue Date specified in the Final Terms; and

   (b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

   provided, however, that no such notice of redemption shall be given earlier than 14 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

   Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver (or, in the case of (b) below, use its best efforts to deliver) to the Issuing and Paying Agent:

   (a) a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and

   (b) an opinion of independent legal advisers of recognised standing at the cost of the Issuer to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

   Upon the expiry of any such notice as is referred to in this paragraph, the Issuer shall be bound to redeem the Notes in accordance with this paragraph.

5. The Issuer may at any time purchase Notes in the open market or otherwise and at any price, *provided that* all unmatured interest coupons (if this Global Note is an interest bearing Global Note) are purchased therewith.

   All Notes so purchased by the Issuer otherwise than in the ordinary course of business of dealings in securities or as a nominee shall be cancelled and shall not be reissued or resold.

6. On each occasion on which:

   (a) Notes in definitive form are delivered; or

   (b) Notes represented by this Global Note are to be cancelled in accordance with paragraph 5,

   the Issuer shall procure that:

   (i) if the Final Terms specify that the New Global Note form is not applicable, (1) the aggregate principal amount of such Notes; and (2) the remaining Nominal Amount of Notes represented by this Global Note (which shall be the previous Nominal Amount

hereof less the aggregate of the amount referred to in (1) above) are entered in the Schedule hereto, whereupon the Nominal Amount of Notes represented by this Global Note shall for all purposes be as most recently so entered; and

(ii) if the Final Terms specify that the New Global Note form is applicable, details of the exchange or cancellation shall be entered pro rata in the records of the Clearing Systems and the Nominal Amount of the Notes entered in the records of the Clearing Systems and represented by this Global Note shall be reduced by the principal amount so exchanged or cancelled.

7. The payment obligations of the Issuer under the Notes constitute and at all times shall constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer. In accordance with the Law 22/2003 (*Ley Concursal*) dated 9 July 2003 (the **Insolvency Law**) and Additional Provision 14.2 of Law 11/2015, but subject to any applicable legal and statutory exceptions and subject to any other ranking that may apply as a result of any mandatory provision of law (or otherwise), upon insolvency (*concurso de acreedores*) of the Issuer the payment obligations of the Issuer under the Notes in respect of principal (unless they qualify as subordinated claims (*créditos subordinados*) under article 92 of the Insolvency Law or equivalent legal provision which replaces it in the future) will rank (a) pari passu among themselves and with any Senior Preferred Obligations and (b) senior to (i) Senior Non Preferred Obligations and (ii) any claims against the Issuer qualifying as subordinated claims (*créditos subordinados*) under article 92 of the Insolvency Law.

Law 11/2015 means Law 11/2015 of 18 June on recovery and resolution of credit institutions and investment firms, as amended from time to time;

Senior Preferred Obligations means any obligations of the Issuer with respect to any ordinary claims (*créditos ordinarios*) against the Issuer, other than the Senior Non Preferred Obligations; and

Senior Non Preferred Obligations means any obligation of the Issuer with respect to any non preferred ordinary claims (*créditos ordinarios no preferentes*) against the Issuer referred to under Additional Provision 14.2 of Law 11/2015 and any other obligations which, by law and/or by their terms, and to the extent permitted by Spanish law, rank *pari passu* with the Senior Non Preferred Obligations.

Pursuant to article 59 of the Insolvency Law, the further accrual of interest shall be suspended from the date of declaration of the insolvency of the Issuer. Claims in respect of interest on the Notes expressly or implicitly accrued but unpaid as of the commencement of any insolvency procedure in respect of the Issuer shall constitute subordinated claims against the Issuer ranking in accordance with the provisions of article 92 of the Insolvency Law (including, without limitation, junior to claims on account of principal in respect of contractually subordinated obligations of the Issuer, unless otherwise provided by the Insolvency Law and other applicable laws relating to or affecting the enforcement of creditors' rights in the Kingdom of Spain).

8. If the Maturity Date (or, as the case may be, the Relevant Date) or, if applicable, the relevant Interest Payment Date is not a Payment Business Day (as defined herein) payment in respect hereof will not be made and credit or transfer instructions shall not be given until the next following Payment Business Day (unless that date falls more than 364 days after the Issue Date, in which case payment shall be made on the immediately preceding Payment Business Day) and neither the bearer of this Global Note nor the holder or beneficial owner of any interest herein or rights in respect hereof shall be entitled to any interest or other sums in respect of such postponed payment

As used in this Global Note:

Payment Business Day means any day other than a Saturday or Sunday which is either (i) if the Specified Currency set out in the Final Terms is any currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency set out in the Final Terms (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland respectively) or (ii) if the Specified Currency set out in the Final Terms is euro, a day which is a TARGET Business Day; and

TARGET2 means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007; and

TARGET Business Day means any day on which TARGET2 is open for the settlement of payments in Euro.

9. This Global Note is negotiable and, accordingly, title hereto shall pass by delivery and the bearer shall be treated as being absolutely entitled to receive payment upon due presentation (notwithstanding any notation of ownership or other writing thereon or notice of any previous loss or theft thereof).

10. This Global Note is issued in respect of an issue of Notes of the Issuer and is exchangeable in whole (but not in part only) for duly executed and authenticated bearer Notes in definitive form (whether before, on or, subject as provided below, after the Maturity Date (or, as the case may be, the Relevant Date)):

    (a) if one or both of Euroclear and Clearstream, Luxembourg or any other relevant clearing system(s) in which this Global Note is held at the relevant time is closed for business for a continuous period of 14 days or more (other than by reason of weekends or public holidays, statutory or otherwise) or if any such clearing system announces an intention to, or does in fact, permanently cease to do business; or

    (b) if default is made in the payment of any amount payable in respect of this Global Note; or

    (c) if the Notes are required to be removed from Euroclear, Clearstream, Luxembourg or any other clearing system and no suitable (in the determination of the Issuer) alternative clearing system is available.

    Upon presentation and surrender of this Global Note during normal business hours to the Issuer at the offices of the Issuing and Paying Agent (or to any other person or at any other office outside the United States as may be designated in writing by the Issuer to the bearer), the Issuing and Paying Agent shall authenticate and deliver, in exchange for this Global Note,

bearer definitive notes denominated in the Specified Currency set out in the Final Terms in an aggregate nominal amount equal to the Nominal Amount of this Global Note.

11. If, upon any such default and following such surrender, definitive Notes are not issued in full exchange for this Global Note before 5.00 p.m. (London time) on the thirtieth day after surrender, this Global Note (including the obligation hereunder to issue definitive notes) will become void and the bearer will have no further rights under this Global Note (but without prejudice to the rights which the bearer or any other person may have under the Deed of Covenant dated 18 December 2019 entered into by the Issuer).

12. If this is an interest bearing Global Note, then:

    (a) notwithstanding the provisions of paragraph 1 above, if any payment of interest in respect of this Global Note falling due for payment prior to the Maturity Date (or, as the case may be, the Relevant Date) remains unpaid on the fifteenth day after falling so due, the amount referred to in paragraph 1 shall be payable on such fifteenth day; and

    (b) upon each payment of interest (if any) prior to the Maturity Date (or, as the case may be, the Relevant Date) in respect of this Global Note, the Issuer shall procure that:

        (i) if the Final Terms specify that the New Global Note form is not applicable, the Schedule hereto shall be duly completed by the Issuing and Paying Agent to reflect such payment; or

        (ii) if the Final Terms specify that the New Global Note form is applicable, details of such payment shall be entered pro rata in the records of the Clearing Systems; and

        (iii) unless otherwise specified in the applicable Final Terms, the final Interest Payment Date shall be the Maturity Date (or, as the case may be, the Relevant Date).

13. If this is a fixed rate interest bearing Global Note, interest shall be calculated on the Nominal Amount as follows:

    (a) interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, to the Relevant Date), in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention specified in the Final Terms or, if none is specified, on the basis of the actual number of days in such Interest Period and a year of 360 days or, if this Global Note is denominated in Sterling, 365 days at the Rate of Interest specified in the Final Terms with the resulting figure being rounded to the nearest amount of the Specified Currency which is available as legal tender in the country or countries (in the case of the Euro) of the Specified Currency (with halves being rounded upwards); and

    (b) the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is an **Interest Period** for the purposes of this paragraph.

14. If this is a floating rate interest bearing Global Note, interest shall be calculated on the Nominal Amount as follows:

(a) in the case of a Global Note which specifies LIBOR as the Reference Rate in the Final Terms, the Rate of Interest will be the aggregate of LIBOR and the Margin specified in the Final Terms (if any) above or below LIBOR. The Rate of Interest determined for any Interest Period by reference to LIBOR shall be subject to a floor of zero to ensure that the Rate of Interest on any Interest Period (as defined below) is not negative. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period from the Issue Date to the Maturity Date (or, as the case may be, to the Relevant Date), in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention specified in the Final Terms or, if none is specified, on the basis of the actual number of days in such Interest Period and a year of 360 days or, if this Global Note is denominated in Sterling, 365 days.

As used in this Global Note (and unless otherwise specified in the Final Terms):

LIBOR shall be equal to the rate defined as "LIBOR-BBA" in respect of the above-mentioned Specified Currency (as defined in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended, updated or replaced as at the date of this Global Note, (the **ISDA Definitions**)) as at 11.00 a.m. (London time) or as near thereto as practicable on the second London Banking Day before the first day of the relevant Interest Period or, if this Global Note is denominated in Sterling, on the first day thereof (a **LIBOR Interest Determination Date**), as if the Reset Date (as defined in the ISDA Definitions) were the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) were the number of months specified in the Final Terms in relation to the Reference Rate; and

London Banking Day shall mean a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London.

If the LIBOR rate is no longer being calculated or administered as at the relevant LIBOR Interest Determination Date, LIBOR shall mean any alternative rate which has replaced LIBOR in customary market usage for the purposes of determining floating rates of interest in respect of securities denominated in the Specified Currency, as determined by the Issuer and notified to the Calculation Agent and the holders of the Notes, provided however that if the Issuer determines, and following consultation with the Calculation Agent, that there is no clear market consensus as to whether any rate has replaced LIBOR in customary market usage, the Issuer will appoint in its sole discretion an independent financial advisor (the **IFA**), which shall in good faith and in a commercially reasonable manner determine an appropriate alternative rate, and the decision of the IFA will be binding on the Issuer, the Calculation Agent and the holders of the Notes. If the IFA is unable to determine an appropriate alternative rate, the Rate of Interest shall be determined as at the last preceding LIBOR Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period);

(b) in the case of a Global Note which specifies EURIBOR as the Reference Rate in the Final Terms, the Rate of Interest will be the aggregate of EURIBOR and the Margin specified in the Final Terms (if any) above or below EURIBOR. The Rate of Interest

determined for any Interest Period by reference to EURIBOR shall be subject to a floor of zero to ensure that the Rate of Interest (as defined below) on any Interest Period is not negative. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period from the Issue Date to the Maturity Date (or, as the case may be, to the Relevant Date), in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention specified in the Final Terms or, if none is specified, on the basis of the actual number of days in such Interest Period and a year of 360 days.

As used in this Global Note (and unless otherwise specified in the Final Terms), **EURIBOR** shall be equal to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions) as at 11.00 a.m. (Brussels time) or as near thereto as practicable on the second TARGET Business Day before the first day of the relevant Interest Period (a **EURIBOR Interest Determination Date**), as if the Reset Date (as defined in the ISDA Definitions) were the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) were the number of months specified in the Final Terms in relation to the Reference Rate.

If the EURIBOR rate is no longer being calculated or administered as at the relevant EURIBOR Interest Determination Date, EURIBOR shall mean any alternative rate which has replaced EURIBOR in customary market usage for the purposes of determining floating rates of interest in respect of securities denominated in the Specified Currency, as determined by the Issuer and notified to the Calculation Agent and the holders of the Notes, provided however that if the Issuer determines, and following consultation with the Calculation Agent, that there is no clear market consensus as to whether any rate has replaced EURIBOR in customary market usage, the Issuer will appoint in its sole discretion an independent financial advisor (the **IFA**), which shall in good faith and in a commercially reasonable manner determine an appropriate alternative rate, and the decision of the IFA will be binding on the Issuer, the Calculation Agent and the holders of the Notes. If the IFA is unable to determine an appropriate alternative rate, the Rate of Interest shall be determined as at the last preceding EURIBOR Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period);

(c) in the case of a Global Note which specifies EONIA as the Reference Rate in the Final Terms, the Rate of Interest will be the aggregate of EONIA and the Margin specified in the Final Terms (if any) for the relevant Interest Period. The Rate of Interest determined for any Interest Period by reference to EONIA shall be subject to a floor of zero to ensure that the Rate of Interest on any Interest Period is not negative. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, to the Relevant Date), in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention specified in the Final Terms or, if none is specified on the actual number of days in such Interest Period and a year of 360 days.

As used in this Global Note (unless otherwise specified in the Final Terms), **EONIA**, for each day in an Interest Period beginning on, and including, the first day of such Interest Period and ending on, but excluding, the last day of such Interest Period, shall be calculated in the manner set out in the Final Terms.

If the EONIA rate is no longer being calculated or administered as at the relevant date of calculation, EONIA shall mean any alternative rate which has replaced EONIA in customary market usage for the purposes of determining floating rates of interest in respect of securities denominated in the Specified Currency, as determined by the Issuer and notified to the Calculation Agent and the holders of the Notes, provided however that if the Issuer determines, and following consultation with the Calculation Agent, that there is no clear market consensus as to whether any rate has replaced EONIA in customary market usage, the Issuer will appoint in its sole discretion an independent financial advisor (the **IFA**), which shall in good faith and in a commercially reasonable manner determine an appropriate alternative rate, and the decision of the IFA will be binding on the Issuer, the Calculation Agent and the holders of the Notes. If the IFA is unable to determine an appropriate alternative rate, the Rate of Interest for an Interest Period shall be equal to the Rate of Interest for the immediately previous Interest Period (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period);

(d) the Calculation Agent specified in the Final Terms will, as soon as practicable after (i) 11.00 a.m. (London time) on each LIBOR Interest Determination Date; (ii) 11.00 a.m. (Brussels time) on each EURIBOR Interest Determination Date; or (iii) the time and date specified in the Final Terms, determine the Rate of Interest and calculate the amount of interest payable (the **Amount of Interest**) for the relevant Interest Period. **Rate of Interest** means (A) if the Reference Rate is LIBOR, the rate which is determined in accordance with the provisions of paragraph 14(a) above; (B) if the Reference Rate is EURIBOR, the rate which is determined in accordance with the provisions of paragraph 14(b) above and (c) if the Reference Rate is EONIA, the rate which is determined in accordance with the provisions of paragraph 14(c) above. The Amount of Interest shall be calculated by applying the Rate of Interest to the nominal amount of one Note of each Denomination, multiplying such product by the Day Count Convention specified in the Final Terms or, if none is specified, by the actual number of days in the Interest Period concerned divided by 360 or, if this Global Note is denominated in Sterling, by 365 and rounding the resulting figure to the nearest amount of the above-mentioned Specified Currency which is available as legal tender in the country or countries (in the case of the Euro) of the Specified Currency (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties;

(e) the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is called an **Interest Period** for the purposes of this paragraph; and

(f) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be published as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to the clearing system(s) in which this Global Note is held at the relevant time or, if this Global Note has been exchanged for bearer definitive Notes pursuant to paragraph 10, will be published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*).

15. Instructions for payment must be received at the offices of the Issuing and Paying Agent referred to above together with this Global Note as follows:

(a) if this Global Note is denominated in United States dollars or Sterling on or prior to the relevant payment date; and

(b) in all other cases, at least one Business Day prior to the relevant payment date.

As used in this paragraph, **Business Day** means:

(i) a day other than a Saturday or Sunday on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London; and

(ii) in in the case of payments in Euro, a TARGET Business Day; and

(iii) in all other cases, a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre in the country of the Specified Currency set out in the Final Terms.

16. Upon any payment being made in respect of the Notes represented by this Global Note, the Issuer shall procure that:

(a) if the Final Terms specify that the New Global Note form is not applicable, details of such payment shall be entered in the Schedule hereto and, in the case of any payment of principal, the Nominal Amount of the Notes represented by this Global Note shall be reduced by the principal amount so paid; and

(b) if the Final Terms specify that the New Global Note form is applicable, details of such payment shall be entered pro rata in the records of the Clearing Systems and, in the case of any payment of principal, the Nominal Amount of the Notes entered in the records of the Clearing Systems and represented by this Global Note shall be reduced by the principal amount so paid.

17. This Global Note shall not be validly issued unless manually authenticated by the Bank of New York Mellon as Issuing and Paying Agent.

18. If the Final Terms specify that the New Global Note form is applicable, details of such payment shall be entered pro rata in the records of the Clearing Systems and, in the case of any payment of principal, the Nominal Amount of the Notes entered in the records of the Clearing Systems and represented by this Global Note shall be reduced by the principal amount so paid. If the Final Terms specify that the New Global Note form is applicable, this Global Note shall not be valid for any purpose until it has been effectuated for and on behalf of the entity appointed as common safekeeper by the Clearing Systems.

19. Paragraphs 7 and 24 of this Global Note, the capacity of the Issuer and the relevant corporate resolutions shall be governed by Spanish law. Subject to the foregoing, this Global Note and any non-contractual obligations arising from or connected with it are governed by, and shall be construed in accordance with, English law.

20. *English courts*

(a) The courts of England have exclusive jurisdiction to settle any dispute arising from or in connection with this Global Note (including a dispute relating to any non-contractual obligations arising out or in connection with this Global Note, or a dispute regarding the existence, validity or termination of this Global Note or the consequences of its nullity), except a Bail-in Dispute (as defined below) (a **Dispute**).

(b) The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

(c) Paragraph 20(a) above is for the benefit of the bearer only. As a result, nothing in this paragraph 20 prevents the bearer from taking proceedings relating to a Dispute (**Proceedings**) in any other courts with jurisdiction. To the extent allowed by law, the bearer may take concurrent Proceedings in any number of jurisdictions.

(d) The Issuer irrevocably appoints CaixaBank S.A., United Kingdom Branch at 8th floor, 63 St Mary Axe, EC3A 8AA, London as its agent for service of process in any proceedings before the English courts in connection with this Global Note. If any person appointed as process agent is unable for any reason to act as agent for service of process, the Issuer will appoint another agent, and failing such appointment within 15 days, the bearer shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the specified office of the Issuing and Paying Agent. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate the relevant proceedings. This paragraph 20(d) does not affect any other method of service allowed by law.

(e) Notwithstanding the above, each of the Issuer and any bearer submits to the exclusive jurisdiction of the Spanish courts, in particular, to the venue of the city of Valencia, in relation to any dispute arising out of or in connection with the application of any Bail-in Powers by the Relevant Resolution Authority (a **Bail-in Dispute**). Each of the Issuer and any bearer in relation to a Bail-in Dispute further waives any objection to the Spanish courts on the grounds that they are an inconvenient or inappropriate forum to settle any Bail-in Dispute.

21. If the Notes represented by this Global Note have been admitted to listing on the Official List of Euronext Dublin and to trading on the regulated market of Euronext Dublin (and/or have been admitted to listing, trading and/or quotation on any other listing authority, stock

exchange and/or quotation system), all notices required to be published concerning the Notes shall be published in accordance with the requirements of Euronext Dublin (and/or of the relevant listing authority, stock exchange and/or quotation system). So long as the Notes are represented by this Global Note, and this Global Note has been deposited with a depositary or common depositary for the Clearing Systems or any other relevant clearing system or a Common Safekeeper (which expression has the meaning given in the Agency Agreement), the Issuer may, in lieu of such publication and if so permitted by the rules of Euronext Dublin (and/or of the relevant listing authority, stock exchange and/or quotation system), deliver the relevant notice to the clearing system(s) in which this Global Note is held.

22. Claims for payment of principal and interest in respect of this Global Note shall become prescribed and void unless made, in the case of principal, within ten years after the Maturity Date (or, as the case may be, the Relevant Date) or, in the case of interest, five years after the relevant Interest Payment Date.

23. No person shall have any right to enforce any provision of this Note under the Contracts (Rights of Third Parties) Act 1999.

24. Notwithstanding any other term of this Global Note or any other agreements, arrangements, or understanding between the Issuer and the Noteholders, by its subscription and/or purchase and holding of the Notes, each Noteholder acknowledges and accepts that a BRRD Liability arising under this Global Note may be subject to the exercise of Bail-in Powers by the Relevant Resolution Authority, and acknowledges, accepts, and agrees to be bound by:

    (a) the effect of the exercise of Bail-in Powers by the Relevant Resolution Authority in relation to any BRRD Liability of the Issuer to the bearer, that (without limitation) may include and result in any of the following, or some combination thereof:

        (i) the reduction of all, or a portion, of the BRRD Liability or outstanding amounts due thereon;

        (ii) the conversion of all, or a portion, of the BRRD Liability into shares, other securities or other obligations of the Issuer or another person, and the issue to or conferral on the bearer of such shares, securities or obligations;

        (iii) the cancellation of the BRRD Liability;

        (iv) the amendment or alteration of any interest, if applicable, thereon, the maturity or the dates on which any payments are due, including by suspending payment for a temporary period; and

    (b) the variation of the terms of this Global Note, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of Bail-in Powers by the Relevant Resolution Authority.

    In this Global Note:

    Bail-in Legislation means in relation to a member state of the European Economic Area which has implemented, or which at any time implements, the BRRD, the relevant implementing law, regulation, rule or requirement as described in the EU Bail-in Legislation Schedule from time to time.

    Bail-in Powers means any Write-down and Conversion Powers as defined in the EU Bail-in Legislation Schedule, in relation to the relevant Bail-in Legislation.

BRRD means Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

BRRD Liability means a liability in respect of which the relevant Write-down and Conversion Powers in the applicable Bail-in Legislation may be exercised.

EU Bail-in Legislation Schedule means the document described as such, then in effect, and published by the Loan Market Association (or any successor person) from time to time at http://www.lma.eu.com/pages.aspx?p=499.

Relevant Resolution Authority means the resolution authority with the ability to exercise any Bail-in Powers in relation to the Issuer.

AUTHENTICATED by
THE BANK OF NEW YORK MELLON, LONDON BRANCH without recourse, warranty or liability and for authentication purposes only
By: .....
(Authorised Signatory)

SIGNED on behalf of:
CAIXABANK, S.A.

By: .....
(Authorised Signatory)

EFFECTUATED without recourse, warranty or liability by
.....
as common safekeeper
By:

Schedule 1[23]

Payments of Interest, Delivery of Definitive Notes and Cancellation of Notes

Date of payment, delivery or cancellation	Amount of interest then paid	Amount of interest withheld	Amount of interest then paid	Aggregate principal amount of definitive Notes then delivered	Aggregate principal amount of Notes then cancelled	New Nominal Amount of this Global Note	Authorised signature

[23] This Schedule should only be completed where the Final Terms specify that the New Global Note form is not applicable.

Schedule 2

Final Terms

[Completed Final Terms to be attached]

Form of Multicurrency Definitive Note

THE SECURITIES REPRESENTED BY THIS DEFINITIVE NOTE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**) OR ANY SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES.

CAIXABANK, S.A.

(incorporated as a limited liability company (sociedad anónima) in Spain)

€3,000,000,000 Euro-Commercial Paper Programme

Nominal Amount of this Note:

1. For value received, CaixaBank, S.A. (the **Issuer**) promises to pay to the bearer of this Note on the Maturity Date set out in the Final Terms attached to or endorsed on this Note, or, on such earlier date as the same may become payable in accordance with paragraph 3 below (the **Relevant Date**), the Nominal Amount or, as the case may be, the Redemption Amount set out in the Final Terms, together with interest thereon, if this is an interest bearing Note, at the rate and at the times (if any) specified herein and in the Final Terms. Terms defined in the Final Terms attached hereto or endorsed on this Note but not otherwise defined in this Note shall have the same meanings where used in this Note unless the context otherwise requires or unless otherwise stated.

   All such payments shall be made in accordance with an amended and restated issue and paying agency agreement dated 18 December 2019 (as further amended, restated or supplemented from time to time, the **Agency Agreement**) between the Issuer and The Bank of New York Mellon, London Branch as the issuing and paying agent (the **Issuing and Paying Agent**), a copy of which is available for inspection at the offices of The Bank of New York Mellon, London Branch at One Canada Square, Canary Wharf, London E14 5AL, United Kingdom, and subject to and in accordance with the terms and conditions set forth below.

   All such payments shall be made upon presentation and surrender of this Note at the offices of the Issuing and Paying Agent by transfer to an account denominated in the Specified Currency set out in the Final Terms maintained by the bearer (i) in the principal financial centre in the country of that currency or, (ii) in the case of a Note denominated in euro, by transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with a bank in the principal financial centre of any member state of the European Union.

2. All payments in respect of this Note by or on behalf of the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of Spain or any political subdivision or any authority thereof or therein having power to tax (**a Tax Jurisdiction**) unless such withholding or deduction is required by law. In such event, the Issuer will pay, to the extent permitted by applicable law, such additional amounts as shall be necessary in order that the net amounts

received by the Noteholders after such withholding or deduction, shall equal the amount which would otherwise have been receivable in respect of the Notes in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note:

(a) presented for payment in Spain; or

(b) to, or to a third party on behalf of, a holder who is liable for such taxes or duties in respect of such Note by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note; or

(c) presented for payment more than 30 days after the date on which such payment first becomes due, except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Business Day; or

(d) to, or to a third party on behalf of, a Spanish-resident legal entity subject to Spanish Corporate Income Tax if the Spanish Tax Authorities determine that the Notes do not comply with applicable exemption requirements including those specified in the Reply to a Non-Binding Consultation of the Directorate General for Taxation (*Dirección General de Tributos*) dated 27 July 2004 and require a withholding to be made; or

(e) to, or to a third party on behalf of, a holder in respect of whom the Issuer does not receive such information concerning such Noteholder's identity and tax residence as may be required in order to comply with the procedures that may be implemented to comply with the interpretation of Royal Decree 1065/2007 eventually made by the Spanish tax authorities.

3. The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 14 days' notice to the holders (which notice shall be irrevocable), at the Redemption Amount specified in the Final Terms, together with (if this Note is an interest bearing Note) interest accrued to the date fixed for redemption, if:

(a) the Issuer has or will become obliged to pay additional amounts as provided or referred to in paragraph 3 above as a result of any change in, or amendment to, the laws or regulations of any Tax Jurisdiction or any authority or agency thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the Issue Date specified in the Final Terms; and

(b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided, however, that no such notice of redemption shall be given earlier than 14 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver (or, in the case of (b) below, use its best efforts to deliver) to the Issuing and Paying Agent:

(a) a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and

(b) an opinion of independent legal advisers of recognised standing at the cost of the Issuer to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

Upon the expiry of any such notice as is referred to in this paragraph, the Issuer shall be bound to redeem the Notes in accordance with this paragraph.

4. The Issuer may at any time purchase Notes in the open market or otherwise and at any price, *provided that* all unmatured interest coupons (if this Note is an interest bearing Note) are purchased therewith.

All Notes so purchased by the Issuer otherwise than in the ordinary course of business of dealings in securities or as a nominee shall be cancelled and shall not be reissued or resold.

5. The payment obligations of the Issuer under the Notes constitute and at all times shall constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer. In accordance with the Law 22/2003 (*Ley Concursal*) dated 9 July 2003 (the **Insolvency Law**) and Additional Provision 14.2 of Law 11/2015, but subject to any applicable legal and statutory exceptions and subject to any other ranking that may apply as a result of any mandatory provision of law (or otherwise), upon insolvency (*concurso de acreedores*) of the Issuer the payment obligations of the Issuer under the Notes in respect of principal (unless they qualify as subordinated claims (*créditos subordinados*) under article 92 of the Insolvency Law or equivalent legal provision which replaces it in the future) will rank (a) *pari passu* among themselves and with any Senior Preferred Obligations and (b) senior to (i) Senior Non Preferred Obligations and (ii) any claims against the Issuer qualifying as subordinated claims (*créditos subordinados*) under article 92 of the Insolvency Law.

Law 11/2015 means Law 11/2015 of 18 June on recovery and resolution of credit institutions and investment firms, as amended from time to time;

Senior Preferred Obligations means any obligations of the Issuer with respect to any ordinary claims (*créditos ordinarios*) against the Issuer, other than the Senior Non Preferred Obligations; and

Senior Non Preferred Obligations means any obligation of the Issuer with respect to any non preferred ordinary claims (*créditos ordinarios no preferentes*) against the Issuer referred to under Additional Provision 14.2 of Law 11/2015 and any other obligations which, by law and/or by their terms, and to the extent permitted by Spanish law, rank *pari passu* with the Senior Non Preferred Obligations.

Pursuant to article 59 of the Insolvency Law, the further accrual of interest shall be suspended from the date of declaration of the insolvency of the Issuer. Claims in respect of interest on the Notes expressly or implicitly accrued but unpaid as of the commencement of any insolvency procedure in respect of the Issuer shall constitute subordinated claims against the Issuer ranking in accordance with the provisions of article 92 of the Insolvency Law (including, without limitation, junior to claims on account of principal in respect of contractually subordinated obligations of the Issuer, unless otherwise provided by the Insolvency Law and other applicable laws relating to or affecting the enforcement of creditors' rights in the Kingdom of Spain).

6. If the Maturity Date (or, as the case may be, the Relevant Date) or, if applicable, the relevant Interest Payment Date is not a Payment Business Day (as defined herein) payment in respect hereof will not be made and credit or transfer instructions shall not be given until the next following Payment Business Day (unless that date falls more than 364 days after the Issue Date, in which case payment shall be made on the immediately preceding Payment Business Day) and neither the bearer of this Note nor the holder or beneficial owner of any interest herein or rights in respect hereof shall be entitled to any interest or other sums in respect of such postponed payment

   As used in this Note:

   Payment Business Day means any day other than a Saturday or Sunday which is either (i) if the Specified Currency set out in the Final Terms is any currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency set out in the Final Terms (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland respectively or (ii) if the Specified Currency set out in the Final Terms is euro, a day which is a TARGET Business Day; and

   TARGET2 means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007; and

   TARGET Business Day means any day on which TARGET2 is open for the settlement of payments in Euro.

7. This Note is negotiable and, accordingly, title hereto shall pass by delivery and the bearer shall be treated as being absolutely entitled to receive payment upon due presentation (notwithstanding any notation of ownership or other writing thereon or notice of any previous loss or theft thereof).

8. If this is an interest bearing Note, then:

   (a) notwithstanding the provisions of paragraph 1 above, if any payment of interest in respect of this Note falling due for payment prior to the Maturity Date (or, as the case may be, the Relevant Date) remains unpaid on the fifteenth day after falling so due, the amount referred to in paragraph 1 shall be payable on such fifteenth day;

   (b) upon each payment of interest (if any) prior to the Maturity Date (or, as the case may be, the Relevant Date) in respect of this Note, the Issuer shall procure that the Schedule hereto shall be duly completed by the Issuing and Paying Agent to reflect such payment; and

   (c) unless otherwise specified in the applicable Final Terms, the final Interest Payment Date shall be the Maturity Date (or, as the case may be, the Relevant Date).

9. If this is a fixed rate interest bearing Note, interest shall be calculated on the Nominal Amount as follows:

   (a) interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, to the Relevant Date), in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention

specified in the Final Terms or, if none is specified, on the basis of the actual number of days in such Interest Period and a year of 360 days or, if this Note is denominated in Sterling, 365 days at the Rate of Interest specified in the Final Terms with the resulting figure being rounded to the nearest amount of the Specified Currency which is available as legal tender in the country or countries (in the case of the Euro) of the Specified Currency (with halves being rounded upwards); and

(b) the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is an **Interest Period** for the purposes of this paragraph.

10. If this is a floating rate interest bearing Note, interest shall be calculated on the Nominal Amount as follows:

(a) in the case of a Note which specifies LIBOR as the Reference Rate in the Final Terms, the Rate of Interest will be the aggregate of LIBOR and the Margin specified in the Final Terms (if any) above or below LIBOR. The Rate of Interest determined for any Interest Period by reference to LIBOR shall be subject to a floor of zero to ensure that the Rate of Interest on any Interest Period (as defined below) is not negative. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period from the Issue Date to the Maturity Date (or, as the case may be, to the Relevant Date), in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention specified in the Final Terms or, if none is specified, on the basis of the actual number of days in such Interest Period and a year of 360 days or, if this Note is denominated in Sterling, 365 days.

As used in this Note (and unless otherwise specified in the Final Terms):

LIBOR shall be equal to the rate defined as "LIBOR-BBA" in respect of the above-mentioned Specified Currency (as defined in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended, updated or replaced as at the date of this Note, (the **ISDA Definitions**)) as at 11.00 a.m. (London time) or as near thereto as practicable on the second London Banking Day before the first day of the relevant Interest Period or, if this Global Note is denominated in Sterling, on the first day thereof (a **LIBOR Interest Determination Date**), as if the Reset Date (as defined in the ISDA Definitions) were the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) were the number of months specified in the Final Terms in relation to the Reference Rate; and

London Banking Day shall mean a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London.

If the LIBOR rate is no longer being calculated or administered as at the relevant LIBOR Interest Determination Date, LIBOR shall mean any alternative rate which has replaced LIBOR in customary market usage for the purposes of determining floating rates of interest in respect of securities denominated in the Specified Currency, as determined by the Issuer and notified to the Calculation Agent and the holders of the Notes, provided however that if the Issuer determines, and following consultation with the Calculation Agent, that there is no clear market consensus as to whether any rate has replaced LIBOR in customary market usage, the Issuer will appoint in its sole discretion an independent financial advisor (the **IFA**), which shall

in good faith and in a commercially reasonable manner determine an appropriate alternative rate, and the decision of the IFA will be binding on the Issuer, the Calculation Agent and the holders of the Notes. If the IFA is unable to determine an appropriate alternative rate, the Rate of Interest shall be determined as at the last preceding LIBOR Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period);

(b) in the case of a Note which specifies EURIBOR as the Reference Rate in the Final Terms, the Rate of Interest will be the aggregate of EURIBOR and the Margin specified in the Final Terms (if any) above or below EURIBOR. The Rate of Interest determined for any Interest Period by reference to EURIBOR shall be subject to a floor of zero to ensure that the Rate of Interest (as defined below) on any Interest Period is not negative. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period from the Issue Date to the Maturity Date (or, as the case may be, to the Relevant Date), in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention specified in the Final Terms or, if none is specified, on the basis of the actual number of days in such Interest Period and a year of 360 days.

As used in this Note (and unless otherwise specified in the Final Terms), **EURIBOR** shall be equal to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions) as at 11.00 a.m. (Brussels time) or as near thereto as practicable on the second TARGET Business Day before the first day of the relevant Interest Period (a **EURIBOR Interest Determination Date**), as if the Reset Date (as defined in the ISDA Definitions) were the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) were the number of months specified in the Final Terms in relation to the Reference Rate.

If the EURIBOR rate is no longer being calculated or administered as at the relevant EURIBOR Interest Determination Date, EURIBOR shall mean any alternative rate which has replaced EURIBOR in customary market usage for the purposes of determining floating rates of interest in respect of securities denominated in the Specified Currency, as determined by the Issuer and notified to the Calculation Agent and the holders of the Notes, provided however that if the Issuer determines, and following consultation with the Calculation Agent, that there is no clear market consensus as to whether any rate has replaced EURIBOR in customary market usage, the Issuer will appoint in its sole discretion an independent financial advisor (the **IFA**) which shall in good faith and in a commercially reasonable manner determine an appropriate alternative rate, and the decision of the IFA will be binding on the Issuer, the Calculation Agent and the holders of the Notes. If the IFA is unable to determine an appropriate alternative rate, the Rate of Interest shall be determined as at the last preceding EURIBOR Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period);

(c) in the case of a Note which specifies EONIA as the Reference Rate in the Final Terms, the Rate of Interest will be the aggregate of EONIA and the Margin specified in the Final Terms (if any) for the relevant Interest Period. The Rate of Interest determined for any Interest Period by reference to EONIA shall be subject to a floor of zero to ensure that the Rate of Interest on any Interest Period is not negative.

Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from (and including) the Issue Date to (but excluding) the Maturity Date (or, as the case may be, to the Relevant Date), in arrear on the relevant Interest Payment Date, on the basis of the Day Count Convention specified in the Final Terms or, if none is specified on the actual number of days in such Interest Period and a year of 360 days.

As used in this Note (unless otherwise specified in the Final Terms), **EONIA**, for each day in an Interest Period beginning on, and including, the first day of such Interest Period and ending on, but excluding, the last day of such Interest Period, shall be calculated in the manner set out in the Final Terms;

(d) If the EONIA rate is no longer being calculated or administered as at the relevant date of calculation, EONIA shall mean any alternative rate which has replaced EONIA in customary market usage for the purposes of determining floating rates of interest in respect of securities denominated in the Specified Currency, as determined by the Issuer and notified to the Calculation Agent and the holders of the Notes, provided however that if the Issuer determines, and following consultation with the Calculation Agent, that there is no clear market consensus as to whether any rate has replaced EONIA in customary market usage, the Issuer will appoint in its sole discretion an independent financial advisor (the **IFA**), which shall in good faith and in a commercially reasonable manner determine an appropriate alternative rate, and the decision of the IFA will be binding on the Issuer, the Calculation Agent and the holders of the Notes. If the IFA is unable to determine an appropriate alternative rate, the Rate of Interest for an Interest Period shall be equal to the Rate of Interest for the immediately previous Interest Period (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period);

(e) the Calculation Agent specified in the Final Terms will, as soon as practicable after (i) 11.00 a.m. (London time) on each LIBOR Interest Determination Date; (ii) 11.00 a.m. (Brussels time) on each EURIBOR Interest Determination Date; or (iii) the time and date specified in the Final Terms, determine the Rate of Interest and calculate the amount of interest payable (the **Amount of Interest**) for the relevant Interest Period. **Rate of Interest** means (A) if the Reference Rate is LIBOR, the rate which is determined in accordance with the provisions of paragraph 10(a) above; (B) if the Reference Rate is EURIBOR, the rate which is determined in accordance with the provisions of paragraph 10(b) above and (c) if the Reference Rate is EONIA, the rate which is determined in accordance with the provisions of paragraph 10(c) above. The Amount of Interest shall be calculated by applying the Rate of Interest to the nominal amount of one Note of each Denomination, multiplying such product by the Day Count Convention specified in the Final Terms or, if none is specified, by the actual number of days in the Interest Period concerned divided by 360 or, if this Global Note is denominated in Sterling, by 365 and rounding the resulting figure to the nearest amount of the above-mentioned Specified Currency which is available as legal tender in the country or countries (in the case of the Euro) of the Specified Currency (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties;

(f) the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and

including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is called an **Interest Period** for the purposes of this paragraph; and

(g) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be published as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to the bearer of this Note is held at the relevant time or, if that is not practicable, will be published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*).

11. Instructions for payment must be received at the offices of the Issuing and Paying Agent referred to above together with this Note as follows:

(a) if this Note is denominated in United States dollars or Sterling on or prior to the relevant payment date; and

(b) in all other cases, at least one Business Day prior to the relevant payment date.

As used in this paragraph, **Business Day** means:

(i) a day other than a Saturday or Sunday on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London; and

(ii) in in the case of payments in Euro, a TARGET Business Day; and

(iii) in all other cases, a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre in the country of the Specified Currency set out in the Final Terms.

12. This Note shall not be validly issued unless manually authenticated by the Bank of New York Mellon as Issuing and Paying Agent.

13. Paragraphs 5 and 18 of this Note, the capacity of the Issuer and the relevant corporate resolutions shall be governed by Spanish law. Subject to the foregoing, this Note and any non-contractual obligations arising from or connected with it are governed by, and shall be construed in accordance with, English law.

14. *English courts*

(a) The courts of England have exclusive jurisdiction to settle any dispute arising from or in connection with this Note (including a dispute relating to any non-contractual obligations arising out or in connection with this Note, or a dispute regarding the existence, validity or termination of this Note or the consequences of its nullity), except a Bail-in Dispute (as defined below) (a **Dispute**).

(b) The Issuer agrees that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue to the contrary.

(c) Paragraph 14(a) above is for the benefit of the bearer only. As a result, nothing in this paragraph 14 prevents the bearer from taking proceedings relating to a Dispute

(**Proceedings**) in any other courts with jurisdiction. To the extent allowed by law, the bearer may take concurrent Proceedings in any number of jurisdictions.

(d) The Issuer irrevocably appoints CaixaBank S.A., United Kingdom Branch at 8th floor, 63 St Mary Axe, EC3A 8AA, London as its agent for service of process in any proceedings before the English courts in connection with this Note. If any person appointed as process agent is unable for any reason to act as agent for service of process, the Issuer will appoint another agent, and failing such appointment within 15 days, the bearer shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the specified office of the Issuing and Paying Agent. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate the relevant proceedings. This paragraph 14(d) does not affect any other method of service allowed by law.

(e) Notwithstanding the above, each of the Issuer and any bearer submits to the exclusive jurisdiction of the Spanish courts, in particular, to the venue of the city of Valencia, in relation to any dispute arising out of or in connection with the application of any Bail-in Powers by the Relevant Resolution Authority (a **Bail-in Dispute**). Each of the Issuer and any bearer in relation to a Bail-in Dispute further waives any objection to the Spanish courts on the grounds that they are an inconvenient or inappropriate forum to settle any Bail-in Dispute.

15. If the Notes have been admitted to listing on the Official List of Euronext Dublin and to trading on the regulated market of Euronext Dublin (and/or have been admitted to listing, trading and/or quotation on any other listing authority, stock exchange and/or quotation system), all notices required to be published concerning the Notes shall be published in accordance with the requirements of Euronext Dublin (and/or of the relevant listing authority, stock exchange and/or quotation system).

16. Claims for payment of principal and interest in respect of this Note shall become prescribed and void unless made, in the case of principal, within ten years after the Maturity Date (or, as the case may be, the Relevant Date) or, in the case of interest, five years after the relevant Interest Payment Date.

17. No person shall have any right to enforce any provision of this Note under the Contracts (Rights of Third Parties) Act 1999.

18. Notwithstanding and to the exclusion of any other term of this Note or any other agreements, arrangements, or understandings between the Issuer and the bearer, the bearer acknowledges and accepts that a BRRD Liability arising under this Note may be subject to the exercise of Bail-in Powers by the Relevant Resolution Authority, and acknowledges, accepts, and agrees to be bound by:

(a) the effect of the exercise of Bail-in Powers by the Relevant Resolution Authority in relation to any BRRD Liability of the Issuer to the bearer, that (without limitation) may include and result in any of the following, or some combination thereof:

(i) the reduction of all, or a portion, of the BRRD Liability or outstanding amounts due thereon;

(ii) the conversion of all, or a portion, of the BRRD Liability into shares, other securities or other obligations of the Issuer or another person, and the issue to or conferral on the bearer of such shares, securities or obligations;

(iii) the cancellation of the BRRD Liability;

(iv) the amendment or alteration of any interest, if applicable, thereon, the maturity or the dates on which any payments are due, including by suspending payment for a temporary period; and

(b) the variation of the terms of this Note, as deemed necessary by the Relevant Resolution Authority, to give effect to the exercise of Bail-in Powers by the Relevant Resolution Authority.

In this Note:

Bail-in Legislation means in relation to a member state of the European Economic Area which has implemented, or which at any time implements, the BRRD, the relevant implementing law, regulation, rule or requirement as described in the EU Bail-in Legislation Schedule from time to time.

Bail-in Powers means any Write-down and Conversion Powers as defined in the EU Bail-in Legislation Schedule, in relation to the relevant Bail-in Legislation.

BRRD means Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

BRRD Liability means a liability in respect of which the relevant Write-down and Conversion Powers in the applicable Bail-in Legislation may be exercised.

EU Bail-in Legislation Schedule means the document described as such, then in effect, and published by the Loan Market Association (or any successor person) from time to time at http://www.lma.eu.com/pages.aspx?p=499.

Relevant Resolution Authority means the resolution authority with the ability to exercise any Bail-in Powers in relation to the Relevant BRRD Party.

AUTHENTICATED by **THE BANK OF NEW YORK MELLON, LONDON BRANCH** without recourse, warranty or liability and for authentication purposes only	**SIGNED** on behalf of: **CAIXABANK, S.A.**
By: ..... *(Authorised Signatory)*	By: ..... *(Authorised Signatory)*

Schedule 1

Payments of Interest

The following payments of interest in respect of this Note have been made:

Date of payment	Payment from	Payment to	Gross Amount paid	Withholding	Net Amount paid	Notation on behalf of Paying Agent

Schedule 2

Final Terms

[Completed Final Terms to be attached]

TAXATION

The following is a general description of certain tax considerations. The information provided below does not purport to be a complete summary of Spanish tax law (based on the legislation in force as well as administrative interpretations thereof in Spain as at the date of this Information Memorandum, excluding the laws applicable in the Historical Territories of the Community of Navarra and the Basque Country) and practice currently applicable and is subject to any changes in law and the interpretation and application thereof, which could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of the Notes, and does not purport to deal with the tax consequences applicable to all categories of investors, some of whom (such as dealers in securities) may be subject to special rules. Prospective investors who are in any doubt as to their position should consult with their own professional advisers.

Taxation in the Kingdom of Spain

1. Introduction

This information has been prepared in accordance with the following Spanish tax legislation in force at the date of this Information Memorandum:

(a) of general application, Additional Provision One of Law 10/2014 of 26 June, on organization, supervision and solvency of credit institutions (formerly, Law 13/1985 of 25 May), as well as Royal Decree 1065/2007, of 27 July, approving the General Regulations of the tax inspection and management procedures and developing the common rules of the procedures to apply taxes, as amended (**Royal Decree 1065/2007**);

(b) for individuals resident for tax purposes in the Kingdom of Spain who are Personal Income Tax (**PIT**) tax payers, Law 35/2006, of 28 November, on the PIT and on the partial amendment of the Corporate Income Tax Law, Non-Resident Income Tax Law and Wealth Tax Law, as amended (the **PIT Law**), and Royal Decree 439/2007, of 30 March approving the PIT Regulations which develop the PIT Law, as amended, along with Law 19/1991, of 6 June on Wealth Tax, as amended and Law 29/1987, of 18 December on Inheritance and Gift Tax, as amended.

(c) for legal entities resident for tax purposes in the Kingdom of Spain which are Corporate Income Tax (**CIT**) taxpayers, the CIT Law, as amended, and Royal Decree 634/2015, of 10 July 2015, promulgating the CIT Regulations, as amended (the **CIT Regulations**); and

(d) for individuals and entities who are not resident for tax purposes in the Kingdom of Spain which are Non-Resident Income Tax (**NRIT**) taxpayers, Royal Legislative Decree 5/2004, of 5 March, promulgating the Consolidated Text of the NRIT Law, as amended and Royal Decree 1776/2004, of 30 July, promulgating the NRIT Regulations, as amended along with Law 19/1991, of 6 June, on Wealth Tax as amended and Law 29/1987, of 18 December, on Inheritance and Gift Tax, as amended.

Whatever the nature and residence of the Beneficial Owner, the acquisition and transfer of the Notes will be exempt from indirect taxes in the Kingdom of Spain, for example, exempt from Transfer Tax and Stamp Duty, in accordance with the consolidated text of such tax

promulgated by Royal Legislative Decree 1/1993, of 24 September, and exempt from Value Added Tax, in accordance with Law 37/1992, of 28 December, regulating such tax.

2. Spanish tax resident individuals

2.1 Personal Income Tax (*Impuesto sobre la Renta de las Personas Físicas*)

Personal Income Tax is levied on an annual basis on the worldwide income obtained by Spanish resident individuals, whatever its source and wherever the relevant payer is established. Accordingly, income obtained from the Notes will be taxed in Spain when obtained by individuals that are considered resident in Spain for tax purposes. The fact that a Spanish company pays interest under a Note will not lead to an individual being considered tax resident in Spain.

Both interest periodically received and income deriving from the transfer, redemption or repayment of the Notes obtained by individuals who are resident in Spain constitute a return on investment obtained from the transfer of own capital to third parties in accordance with the provisions of Section 25.2 of the PIT Law, and must be included in the PIT savings taxable base ("*renta del ahorro*") of each investor and taxed currently at (i) 19 per cent. for taxable income up to €6,000; (ii) 21 per cent. for taxable income between €6,001 and €50,000, and (iii) 23 per cent. for taxable income exceeding €50,000.

Pursuant to section 5 of Article 44 of Royal Decree 1065/2007, if the Notes are registered with a clearing system outside the Kingdom of Spain, any income derived from the Notes will be paid by the Issuer free of Spanish withholding tax provided that the relevant information about the Notes is submitted in the manner detailed in "*Disclosure obligations in connection with Payments on the Notes*". In addition, income obtained upon transfer, redemption or repayment of the Notes may also be paid free of Spanish withholding tax in certain circumstances.

Nevertheless, in the case of Notes registered with a clearing system in the Kingdom of Spain (i.e. Iberclear), or deposited with a Spanish resident entity acting as depositary or custodian, both payments of interests and income deriving from the transfer, redemption or repayment under such Notes may be subject to withholding tax currently at a rate of 19 per cent., which will be made by the Issuer or the depositary or custodian.

Amounts withheld, if any, may be credited by the relevant investors against their final PIT liability.

However, regarding the interpretation of Royal Decree 1065/2007, please refer to *"Risk Factors – Risks relating to Taxation"*.

2.2 Wealth Tax (*Impuesto sobre el Patrimonio*)

According to Wealth Tax regulations as amended most recently by Royal Decree Law 3/2016 (subject to any exceptions provided under relevant legislation in each autonomous region *(Comunidad Autónoma))*, the net worth of any Spanish tax resident individuals in excess of €700,000 is subject to Wealth Tax, regardless of the location of their assets or of where their rights may be exercised.

Therefore, investors who are Spanish tax resident individuals should take into account the value of the Notes which they hold as at 31 December of each year for the purposes of Spanish Wealth Tax. The applicable rates range between 0.2 per cent. and 2.5 per cent.

(subject to any exceptions provided under relevant legislation in each autonomous region *(Comunidad Autónoma))*.

In accordance with article 3 of Royal Decree-Law 27/2018 of 28 December 2018, as from the year 2020, the full relief (*bonificación del 100%*) on Wealth Tax would apply, and therefore from the year 2020 Spanish individual holders will be released from formal and filing obligations in relation to this Wealth Tax, unless the derogation of the exemption is extended again (which cannot be ruled out).

2.3 Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*)

Individuals resident in the Kingdom of Spain for tax purposes who acquire ownership or other rights over any Notes by inheritance, gift or legacy will be subject to the Inheritance and Gift Tax in accordance with the applicable Spanish regional or State rules.

As at the date of this Information Memorandum, the applicable tax rates currently range between 7.65 per cent. and 34 per cent. Relevant factors applied (such as previous net wealth or family relationship among transferor and transferee) determine the final effective tax rate that range, as of the date of this Information Memorandum, between 0 per cent. and 81.6 per cent. although the final tax rate may vary depending on any applicable regional tax laws. Some tax benefits could reduce the effective tax rate.

3. Spanish tax resident legal entities

3.1 Corporate Income Tax (*Impuesto sobre Sociedades*)

Both interest periodically received and income deriving from the transfer, redemption or repayment of the Notes must be included as taxable income of Spanish tax resident legal entities for CIT purposes in accordance with the rules for this tax, being typically subject to the standard rate of 25 per cent. Special rates apply in respect of certain types of entities (such as qualifying collective investment institutions).

Pursuant to either section 4 or 5 of article 44 of Royal Decree 1065/2007, any income derived from the Notes will be paid by the Issuer to Spanish CIT taxpayers (which for the sake of clarity, include Spanish tax resident investment funds and Spanish tax resident pension funds) free of Spanish withholding tax provided that the relevant information about the Notes is submitted in the manner detailed in *"Disclosure Obligations in connection with payments on the Notes"*.

In the case of Notes held by Spanish resident entities and deposited with a Spanish resident entity acting as a depositary or custodian, payments of interest and income deriving from the transfer, redemption or repayment may be subject to withholding tax, (currently at a rate of 19 per cent.) that will be made by Issuer or the depositary or custodian, unless the Notes comply with the exemption requirements specified in letter (s) of article 61 of the CIT Regulations, as interpreted by the ruling nº 1500/2004 issued by the Spanish General Directorate for Taxes *(Dirección General de Tributos)* dated *27* July 2004, which requires that (i) the Notes are offered and sold outside the Kingdom of Spain, in other OECD jurisdiction, and (ii) the Notes are admitted to trading in an organised market of a OECD jurisdiction other than the Kingdom of Spain.

Amounts withheld, if any, may be credited by the relevant investors against their final CIT liability.

However, regarding the interpretation of Royal Decree 1065/2007, please refer to *"Risk Factors – Risks relating to Taxation"*.

3.2 Wealth Tax (*Impuesto sobre el Patrimonio*)

In the Kingdom of Spain, legal entities are not subject to Wealth Tax.

3.3 Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*)

Legal entities resident in the Kingdom of Spain for tax purposes which acquire ownership or other rights over the Notes by inheritance, gift or legacy are not subject to the Inheritance and Gift Tax but must include the market value of the Notes in their taxable income for Spanish CIT purposes.

4. Individuals and legal entities tax resident outside the Kingdom of Spain

4.1 Non-Resident Income Tax (*Impuesto sobre la Renta de No Residentes*)

(a) Acting through a permanent establishment in the Kingdom of Spain

Ownership of the Notes by investors who are not resident for tax purposes in the Kingdom of Spain will not in itself create the existence of a permanent establishment in the Kingdom of Spain.

If the Notes form part of the assets of a permanent establishment in Spain of a person or legal entity who is not resident in the Kingdom of Spain for tax purposes, the tax rules applicable to income deriving from such Notes shall be, generally, the same as those previously set out for Spanish CIT taxpayers.

(b) Not acting through a permanent establishment in the Kingdom of Spain

Both interest payments periodically received and income deriving from the transfer, redemption or repayment of the Notes, obtained by individuals or entities who are not resident in the Kingdom of Spain for tax purposes, and who are NRIT taxpayers with no permanent establishment in the Kingdom of Spain, are exempt from NRIT, on the same terms laid down for income from Spanish public debt.

In order for the exemption to apply, it is necessary to comply with certain information obligations relating to the Notes, in the manner detailed under "*Disclosure obligations in connection with payments on the Notes*" as laid down in article 44 of Royal Decree 1065/2007. If these information obligations are not complied with in the manner indicated, the Issuer will withhold at the rate applicable from time to time (currently 19 per cent.) and the Issuer will not pay additional amounts.

In any case, please note that non-resident investors acting without a permanent establishment in the Kingdom of Spain may benefit from a withholding tax exemption or reduced withholding tax rate pursuant to the NRIT Law or an applicable double tax treaty signed by the Kingdom of Spain, subject to certain requirements.

4.2 Wealth Tax (*Impuesto sobre el Patrimonio*)

Individuals resident in a country with which the Kingdom of Spain has entered into a double tax treaty in relation to the Wealth Tax will not be generally subject to such tax on the Notes. Otherwise, under current Wealth Tax regulations non-Spanish resident individuals whose

properties and rights located in the Kingdom of Spain (or that can be exercised within the Spanish territory) exceed €700,000 will be subject to Wealth Tax. The applicable rates range between 0.2 per cent. and 2.5 per cent.

However, as the income derived from the Notes is exempted from NRIT, any non-resident individuals holding the Notes will be exempt from Spanish Wealth Tax in respect of such holding.

In accordance with article 3 of Royal Decree-Law 27/2018 of 28 December 2018, as from the year 2020, a full relief on Spanish Net Wealth Tax (*bonificación del 100%*) would apply, and therefore from the year 2020 non-Spanish resident individuals will be released from formal and filing obligations in relation to this Spanish Wealth Tax, unless the derogation of the exemption is extended again (which cannot be ruled out). Legal entities tax resident outside the Kingdom of Spain are not subject to Spanish Wealth Tax.

4.3 Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*)

Individuals not tax resident in the Kingdom of Spain who acquire ownership or other rights over the Notes by inheritance, gift or legacy, and who are tax resident in a country with which the Kingdom of Spain has entered into a double tax treaty in relation to Inheritance and Gift Tax will be subject to the relevant double tax treaty.

If the provisions of the foregoing paragraph do not apply, such individuals will be subject to Inheritance and Gift Tax in accordance with the applicable Spanish regional and State legislation (European Union or European Economic individuals not resident in Spain for tax purposes may apply the regional rules).

Legal entities not tax resident in the Kingdom of Spain which acquire ownership or other rights over the Notes by inheritance, gift or legacy are not subject to the Inheritance and Gift Tax. They will be subject to NRIT (as described above). If the entity is resident in a country with which the Kingdom of Spain has entered into a double tax treaty, the provisions of such treaty will apply. In general, double tax treaties provide for the taxation of this type of income in the country of residence of the beneficiary.

5. Disclosure obligations in connection with payments on the Notes

The Issuer is currently required by Spanish law to file an annual return with the Spanish tax authorities in which it reports on certain information relating to the Notes. In accordance with article 44 of Royal Decree 1065/2007, certain information with respect to the Notes must be submitted to the Issuer at the time of each payment (or, alternatively, for interest payments, before the tenth calendar day of the month following the month in which the relevant payment is made).

According to section 5 of article 44 of Royal Decree 1065/2007 (which would apply if the Notes are registered with clearing systems outside the Kingdom of Spain), such information includes the following:

(a) identification of the Notes;

(b) income payment date (or refund if the Notes are issued at a discount or segregated);

(c) total amount of income (or total amount to be refunded if the Notes are issued at a discount or segregated); and

(d) total amount of the income corresponding to each clearing system located outside Spain.

In particular, the Issuing and Paying Agent must certify the information above about the Notes by means of a certificate the form of which is attached as Annex I to this Information Memorandum. In light of the above, the Issuer and the Issuing and Paying Agent have arranged certain procedures to facilitate the collection of information concerning the Notes by the close of business on the Business Day immediately preceding each relevant Payment Date. If the procedures set out above are complied with, the Issuing and Paying Agent, on behalf of the Issuer, will pay the relevant amount to (or for the account of) the clearing systems without withholdings or deductions for or on account of Spanish taxes. If the statement is not delivered to the Issuer as described above, the Issuer shall pay such additional amounts as required under the terms of the Notes and pay an appropriate amount to the Spanish tax authorities to the extent required to comply with its obligations with respect thereto. The Issuing and Paying Agent will pay the relevant amount to (or for the account of) the clearing systems.

Regarding the interpretation of Royal Decree 1065/2007 and the new simplified information procedures please refer to "*Risk Factors – Risks related to Notes generally – Risks relating to Spanish withholding tax*".

6. The proposed financial transactions tax (the EU FTT)

On 14 February 2013, the European Commission published a proposal (the **Commission's proposal**) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **participating Member States**). However, Estonia has since stated that it will not participate.

The Commission's proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary' market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's proposal, the EU FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which, remains unclear. Additional EU Member States may decide to participate.

The proposed Spanish financial transactions tax

On 18 January 2019, the Spanish Council of Ministers approved a draft bill (the **Draft Bill**), according to which, due to the delay in the EU FTT being approved, the intention is to implement a Spanish financial transactions tax (the **Spanish FTT**). However, the Spanish Council of Ministers stated that Spain will continue to participate in the enhanced co-operation for the approval of the EU FTT and, if finally approved, Spain will adapt the Spanish FTT to align it with the EU FTT.

According to the Draft Bill, the Spanish FTT is to be aligned with the French and Italian financial transactions taxes. Specifically, it is proposed that a Spanish FTT, at a rate of 0.2 per cent., would apply to certain acquisitions of listed shares issued by Spanish companies whose market capitalisation exceeds €1 billion, regardless of the jurisdiction of residence of the parties involved in the transaction.

The Draft Bill was sent to Parliament for debate and approval. However, early general elections were called for 28 April 2019 and the legislative process was suspended.

On 30 April 2019, the interim Government (headed by the centre-left party PSOE) submitted to the European Commission the "Update of the Stability Programme 2019-2022" (*Actualización del Programa de Estabilidad 2019-2022*). This report is not equivalent to a draft law but it includes the economic projections for 2019-2022 and confirms the intention of the new Government to approve the Spanish FTT, stating that "the creation of the Tax on Financial Transactions will be relaunched". The income derived from the Spanish FTT in the report is included in the economic projections for 2020 and not for 2019.

However, the parliamentary process to approve the Spanish FTT law will need to be reinitiated once the new Parliament and the new Government are formed and the new Government once more sends the Draft Bill to Parliament for final approval. As a result, some of the proposed measures could be substantially modified (or even abandoned) during the legislative process. While, according to the current drafting of the Draft Bill, the Spanish FTT would not apply in relation to an issue of Notes under the Programme, there can be no assurance that any such Spanish FTT would not apply to an issue of Notes in the future.

According to the above, the Spanish Government is currently proposing an indirect tax which taxes at 0.2 per cent. the acquisitions of shares of Spanish listed companies, regardless of the residence of the agents that intervene in the transactions, provided the market value of the capitalisation thereof is greater than €1,000 million. The tax payer will be the financial traders that transfer or execute the purchase order and must submit an annual tax return. Notwithstanding, Notes should not be subject to this new tax in accordance with the wording of the proposed bill made public.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the Spanish FTT.

7. FATCA

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes (**foreign passthru payments**) to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including the Kingdom of Spain) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**IGAs**), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register. Moreover, any Notes with a final maturity of 183 days

or less generally will not be subject to FATCA withholding. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

Set out below is Exhibit I. Sections in English have been translated from the original Spanish. In the event of any discrepancy between the Spanish language version of the certificate contained in Exhibit I and the corresponding English translation, the Spanish tax authorities will only hold the Spanish language version of the relevant certificate as the valid one for all purposes.

Exhibit I

Anexo al Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos, aprobado por Real Decreto 1065/2007

Modelo de declaración a que se refieren los apartados 3, 4 y 5 del artículo 44 del Reglamento General de las actuaciones y los procedimientos de gestión e inspección tributaria y de desarrollo de las normas comunes de los procedimientos de aplicación de los tributos

Annex to Royal Decree 1065/2007, of 27 July, approving the General Regulations of the tax inspection and management procedures and developing the common rules of the procedures to apply taxes

Declaration form referred to in paragraphs 3, 4 and 5 of Article 44 of the General Regulations of the tax inspection and management procedures and developing the common rules of the procedures to apply taxes

Don (nombre), con número de identificación fiscal (...)[24], en nombre y representación de (entidad declarante), con número de identificación fiscal (....)[25] y domicilio en (...) en calidad de (marcar la letra que proceda):

Mr. (name), with tax identification number (...)[26], in the name and on behalf of (entity), with tax identification number (....)[27] and address in (...) as (function - mark as applicable):

(a) Entidad Gestora del Mercado de Deuda Pública en Anotaciones.

(a) Management Entity of the Public Debt Market in book entry form.

(b) Entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero.

(b) Entity that manages the clearing and settlement system of securities resident in a foreign country.

(c) Otras entidades que mantienen valores por cuenta de terceros en entidades de compensación y liquidación de valores domiciliadas en territorio español.

(c) Other entities that hold securities on behalf of third parties within clearing and settlement systems domiciled in the Spanish territory.

(d) Agente de pagos designado por el emisor.

(d) Paying Agent appointed by the issuer.

Formula la siguiente declaración, de acuerdo con lo que consta en sus propios registros:

---

[24] En caso de personas, físicas o jurídicas, no residentes sin establecimiento permanente se hará constar el número o código de identificación que corresponda de conformidad con su país de residencia

[25] En caso de personas, físicas o jurídicas, no residentes sin establecimiento permanente se hará constar el número o código de identificación que corresponda de conformidad con su país de residencia

[26] In case of non-residents (individuals or corporations) without permanent establishment in Spain it shall be included the number or identification code which corresponds according to their country of residence.

[27] In case of non-residents (individuals or corporations) without permanent establishment in Spain it shall be included the number or identification code which corresponds according to their country of residence.

Makes the following statement, according to its own records:

1. En relación con los apartados 3 y 4 del artículo 44:

1. In relation to paragraphs 3 and 4 of Article 44:

1.1 Identificación de los valores

1.1 Identification of the securities

1.2 Fecha de pago de los rendimientos (o de reembolso si son valores emitidos al descuento o segregados)

1.2 Income payment date (or refund if the securities are issued at discount or are segregated)

1.3 Importe total de los rendimientos (o importe total a reembolsar, en todo caso, si son valores emitidos al descuento o segregados)

1.3 Total amount of income (or total amount to be refunded, in any case, if the securities are issued at discount or are segregated)

1.4 Importe de los rendimientos correspondiente a contribuyentes del Impuesto sobre la Renta de las Personas Físicas excepto cupones segregados y principales segregados en cuyo reembolso intervenga una Entidad Gestora

1.4 Amount of income corresponding to Personal Income Tax taxpayers, except segregated coupons and segregated principals for which reimbursement an intermediary entity is involved

1.5 Importe de los rendimientos que conforme al apartado 2 del artículo 44 debe abonarse por su importe íntegro (o importe total a reembolsar si son valores emitidos al descuento o segregados).

1.5 Amount of income which according to paragraph 2 of Article 44 must be paid gross (or total amount to be refunded if the securities are issued at discount or are segregated).

2. En relación con el apartado 5 del artículo 44.

2. In relation to paragraph 5 of Article 44.

2.1 Identificación de los valores _____

2.1 Identification of the securities _____

2.2 Fecha de pago de los rendimientos (o de reembolso si son valores emitidos al descuento o segregados) _____

2.2 Income payment date (or refund if the securities are issued at discount or are segregated) _____

2.3 Importe total de los rendimientos (o importe total a reembolsar si son valores emitidos al descuento o segregados _____

2.3 Total amount of income (or total amount to be refunded if the securities are issued at discount or are segregated) _____

2.4 Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero A. _____

2.4 Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country A. _____

2.5 Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero B. _____

2.5 Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country B. _____

2.6 Importe correspondiente a la entidad que gestiona el sistema de compensación y liquidación de valores con sede en el extranjero C. _____

2.6 Amount corresponding to the entity that manages the clearing and settlement system of securities resident in a foreign country C. _____

Lo que declaro en_____a_____de_____de_____

I declare the above in_____on the_____of_____of_____

SUBSCRIPTION AND SALE

1. General

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell, or deliver Notes and it will not directly or indirectly offer, sell, resell, re offer or deliver Notes or distribute the Information Memorandum, circular, advertisement or other offering material in any country or jurisdiction except under circumstances that will result, to the best of its knowledge and belief, in compliance with all applicable laws and regulations.

2. United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that it has offered and sold the Notes, and will offer and sell the Notes (i) as part of its distribution at any time and (ii) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer, of all Notes of the tranche of which such Notes are a part (the **distribution compliance period**), within the United States or to, or for the account or benefit of, U.S. persons, only in accordance with Rule 903 of Regulation S.

Each Dealer has also agreed (and each further Dealer appointed under the Programme will be required to agree) that, at or prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer, of all Notes of the tranche of which such Notes are a part, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S."

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that neither it, nor its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes, and that it and they have complied and will comply with the offering restrictions requirement of Regulation S.

Terms used above have the meanings given to them by Regulation S.

3. Prohibition of Sales to EEA Retail Investors

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that it has not offered, sold or otherwise

made available and will not offer, sell or otherwise make available any Notes to any retail investor. For the purposes of this provision the expression "retail investor" means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of MiFID II;

(b) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

The expression an **offer** includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

4. The United Kingdom

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not, or in the case of the Issuer, would not, if it were not an "authorised person", apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

5. Japan

Each Dealer has acknowledged (and each further Dealer appointed under the Programme will be required to acknowledge) that the Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the **FIEA**) and, each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

6. Spain

The Notes may not be sold or distributed, nor may any subsequent resale of Notes be carried out in Spain, except in compliance with the provisions of the consolidated text of the Spanish Securities Market Law approved by Royal Legislative Decree 4/2015 of 23 October (*Real Decreto Legislativo 4/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Mercado de Valores*). No publicity or marketing of any kind shall be made in Spain in relation to the Notes.

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that it has not and will not direct or make any offer of the Notes to investors located in Spain.

Neither the Notes nor this Information Memorandum have been or will be registered with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*) and therefore the Information Memorandum is not intended for any public offer of the Notes in Spain.

7. Singapore

Each Dealer has acknowledged (and each further Dealer appointed under the Programme will be required to acknowledge) that this Information Memorandum has not been registered as a prospectus with the MAS. Accordingly, each Dealer has represented, warranted and agreed (and each further Dealer appointed under the Programme will be required to represent, warrant and agree) that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 2(1) of the SFA) or securities-based derivatives contracts (as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivative Contracts) Regulations 2018 of Singapore.

Any reference to the SFA is a reference to the Securities and Futures Act, Chapter 289 of Singapore and a reference to any term as defined in the SFA or any provision in the SFA is a reference to that term as modified or amended from time to time including by such of its subsidiary legislation as may be applicable at the relevant time.

GENERAL INFORMATION

1. Admission to Listing and Trading

It is expected that Notes issued under the Programme may be admitted to listing on the Official List and to trading on the regulated market of Euronext Dublin after 18 December 2019. The admission of the Notes to trading on the regulated market of Euronext Dublin will be expressed as a percentage of their principal amount. Any Notes intended to be admitted to listing on the Official List and admitted to trading on the regulated market of Euronext Dublin will be so admitted to listing and trading upon submission to Euronext Dublin of the relevant Final Terms and any other information required by Euronext Dublin, subject in each case to the issue of the relevant Notes.

However, Notes may be issued pursuant to the Programme which will be admitted to listing, trading and or quotation by such other listing authority, stock exchange and/or quotation system as the Issuer and the relevant Dealer(s) may agree. No Notes may be issued pursuant to the Programme on an unlisted basis.

2. Clearing of the Notes

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate Common Code and ISIN for each tranche of Notes allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

3. No Significant Change

There has been no significant change in the financial or trading position of the Issuer or the Group since 30 September 2019.

4. Independent Auditors

The auditors of the Issuer for the financial year ended on 31 December 2017 were Deloitte, S.L. (registered as auditors on the *Registro Oficial de Auditores de Cuentas*) who audited the Issuer's accounts for that financial year, without qualification, in accordance with generally accepted auditing standards in Spain.

The current auditors of the Issuer are PricewaterhouseCoopers Auditores, S.L. (registered as auditors on the *Registro Oficial de Auditores de Cuentas*) who have audited the Issuer's accounts for the financial year ended on 31 December 2018, and will audit the Issuer's accounts for the financial year ended on 31 December 2019 and 2020.

5. LEI code

The Legal Entity Identifier (LEI) Code of the Issuer is 7CUNS533WID6K7DGFI87.

6. Documents on Display

Electronic or physical copies and, where appropriate, English translations of the following documents may be inspected during normal business hours at the office of the Issuing and Paying Agent at One Canada Square, Canary Wharf, London E14 5AL, United Kingdom, at

the registered office of CaixaBank (being Calle Pintor Sorolla, 2-4, 46002, Valencia) for the life of this Information Memorandum

(a) the *estatutos* (constitutive documents of CaixaBank);

(b) the financial information listed in the section "*Documents Incorporated by Reference*" above;

(c) this Information Memorandum, together with any supplements thereto and the information incorporated by reference therein;

(d) the Agency Agreement;

(e) the Deed of Covenant; and

(f) the Issuer-ICSDs Agreement (which is entered into between CaixaBank and Euroclear and/or Clearstream, Luxembourg with respect to the settlement in Euroclear and/or Clearstream, Luxembourg of Notes in New Global Note form).

7. Litigation

Except as disclosed in the section entitled "Litigation" on pages 76 to 78 of this Information Memorandum, there are no, and have not been, any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the 12 months preceding the date of this Information Memorandum which may have or have in such period had a significant effect on the financial position or profitability of the Issuer or the Group.

PROGRAMME PARTICIPANTS

ISSUER

CaixaBank, S.A.
Calle Pintor Sorolla, 2-4
46002 Valencia
Spain

ARRANGER

Barclays Bank Ireland PLC
One Molesworth Street
Dublin 2
Ireland
DO2 RF29

DEALERS

Barclays Bank Ireland PLC
One Molesworth Street
Dublin 2
Ireland
DO2 RF29

BNP Paribas
20 boulevard des Italiens
75009 Paris
France

CaixaBank, S.A.
Calle Pintor Sorolla, 2-4
46002 Valencia
Spain

Citigroup Global Markets Limited
Citigroup Centre
Canada Square, Canary Wharf
London E14 5LB
United Kingdom

Citibank Global Markets Europe AG
Reuterweg 16
60323 Frankfurt am Main
Germany

Crédit Agricole Corporate and Investment Bank
12, Place des Etats-Unis
CS 70052,
92547 – Montrouge Cedex
France

Credit Suisse Securities (Europe) Limited
One Cabot Square
London E14 4QJ
United Kingdom

Credit Suisse Securities Sociedad de Valores S.A.
Calle de Ayala, 42
28001 Madrid
Spain

Goldman Sachs International
Plumtree Court
25 Shoe Lane
London EC4A 4AU
United Kingdom

ING Bank N.V.
Foppingadreef 7
1102 BD Amsterdam
The Netherlands

NATIXIS
30 Avenue Pierre Mendès France
75013 Paris
France

NatWest Markets Plc
250 Bishopsgate
London EC2M 4AA
United Kingdom

NatWest Markets N.V.
Claude Debussylaan 94
Amsterdam 1082 MD
The Netherlands

Société Générale
29, boulevard Haussmann
75009 Paris
France

UBS Europe SE
Bockenheimer Landstraße 2-4
60306 Frankfurt am Main
Germany

ISSUING AND PAYING AGENT

The Bank of New York Mellon, London Branch
One Canada Square,
Canary Wharf
London E14 5AL
United Kingdom

LISTING AGENT

Maples and Calder
75 St. Stephen's Green
Dublin 2
Ireland

LEGAL ADVISERS

To the Issuer as to English law and Spanish law

Clifford Chance, S.L.P.U.
Paseo de la Castellana 110
28046 Madrid
Spain

To the Dealers as to English law and Spanish law

Allen & Overy
Serrano 73
28006 Madrid
Spain

AUDITORS

To the Issuer for 2017

Deloitte, S.L.
Plaza Pablo Ruiz Picasso, 1
Torre Picasso
28020 Madrid
Spain

To the Issuer for 2018 and current auditor

PricewaterhouseCoopers Auditores, S.L.
Torre PwC
Paseo de la Castellana, 259 B
28046 Madrid
Spain