

Long-Term Issuer Rating: BBB+
Outlook: stable

Short-Term Rating: L3

Preferred Sen. Unsec. Debt: BBB+
Non-Preferred Sen. Unsec. Debt: BBB
Tier 2 Capital: BB
AT1 Capital: BB-

06 December 2022

Rating Action:

Creditreform Rating confirms CaixaBank S.A. (Group) long-term issuer rating at 'BBB+' (Outlook: stable)

Creditreform Rating (CRA) has confirmed CaixaBank's long-term issuer rating at 'BBB+' and the short-term rating at 'L3'. The rating outlook is stable.

At the same time, we confirm CaixaBank's 'preferred senior unsecured' debt at 'BBB+', the non-preferred senior unsecured debt at 'BBB'. Further, we affirm the Tier 2 capital at 'BB' and AT1 capital at 'BB-'.

Please find a complete list of rating actions regarding the bank and its affected subsidiaries at the end of this rating update.

Key Rating Driver

CRA has confirmed the rating of CaixaBank S.A. and its bank capital and debt instruments as a result of its periodic monitoring process for the following reasons:

- Large O-SII with significant net profit increase in 2021, mainly due to the merger
- Remarkable improvement of ROE, ROA and RORWA; all above average
- Strong improvement of asset write-down ratios and total assets because of the merger; However, NPL and Stage 2 ratio strikingly poor and far worse than pre-covid level
- Moderate declines in all capital ratios and outstanding liquidity ratios
- High dependence on economic development in Spain

Company Overview

CaixaBank S.A. (hereafter: CaixaBank or CB) is a banking group created through the transformation of Criteria CaixaCorp S.A. in 2011, whereby Criteria Caixa became the controlling shareholder of CaixaBank and the parent of the Group. In 2016, Criteria Caixa agreed with the supervising authorities to lose its status as the controlling shareholder and that CaixaBank became the parent of the banking group before year-end 2017. In September 2017, the European Central Bank recognized the deconsolidation of CaixaBank from Criteria Caixa as the group complied with the requirements of the ECB (see chart 1 for CaixaBank's Group structure). The headquarters of the bank are located in Valencia and the most relevant fully owned subsidiary of CB is the VidaCaixa Group, which carries out the Group's activities in the life insurance and pension plan businesses.

In September 2020, CaixaBank announced the joint merger plan between CB and Bankia S.A., whereby CB is considered to be the absorbing company. The merger between both banks created the largest financial institution within Spain with total assets of about €680 billion (as of December 2021), a market share in Spain of about a quarter and 18,9 million customers in Spain. The synergies are expected to lead to annual cost savings of about €940 million by end of 2023 and additional revenue synergies of about €290 million by end of 2025. The expected Return on Equity is targeted to be >8% by the end of 2022. The closure and registration of the Bankia takeover by CaixaBank took place in the first half of 2021.

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CaixaBank acts as a universal bank with activities in the insurance business and is primarily active in Spain (with 4,970 branches) and in Portugal. However, the Group has 6 international branches as well as 18 representative offices worldwide. Moreover, the Group has an international network with banks across the globe in order to support its international business needs. CB is divided into three business lines: Banking and insurance business where most of the activity and results generated by Bankia are included, Equity Investments and Banco Português de Investimento (hereafter: BPI), which includes the business of CaixaBank's acquisition of BPI.

Relevant events in recent years were in addition to the aforementioned merger with Bankia as follows: In 2017, CB took over BPI, a financial group focusing on retail and commercial banking in Portugal, where it is the fourth largest financial institution in terms of business volume, with shares of 11% in loans and customer funds. In 2018, CB sold its stake in Repsol S.A. with a gross loss of about €453 million. Moreover, in the same year CB sold a stake of 2% in BFA and lost thereby its significant influence on BFA and must therefore reclassify its shareholding to financial instruments valued at fair value with changes through other comprehensive income. Moreover, as of year-end 2021 CB still exhibits an interest of 12.24% of the Spanish bad bank Sociedad de Gestión de Activos Procedentes de la Reestructuración Bancaria S.A. (SAREB). In addition, CaixaBank transferred in November 2021 its entire stake in Erste Group Bank AG, which accounted for 9.92% and had a positive impact on the net profit of €54 million.

About 53.7% of CB's shares are in free float. The other shares are in control of Criteria Caixa and FROB (Fondo de Reestructuración Ordenada Bancaria; is a banking bailout and reconstruction program initiated by the Spanish government in 2009, which became shareholder following the merger with Bankia). The structure of CaixaBank and its main investments can be found in the following chart:

Chart 1: CaixaBank's Group structure and main investments as of December 2021 | Source: own presentation based on the corporate presentation of CaixaBank S.A. (Group)

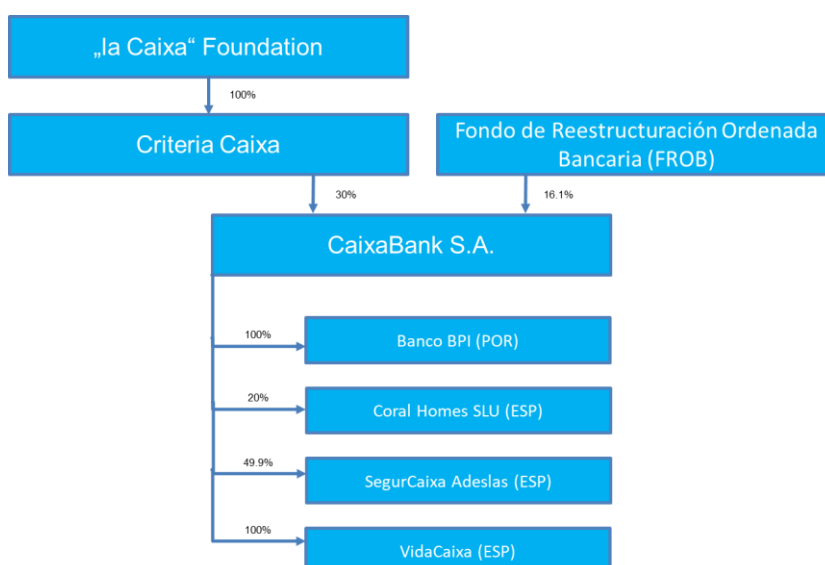
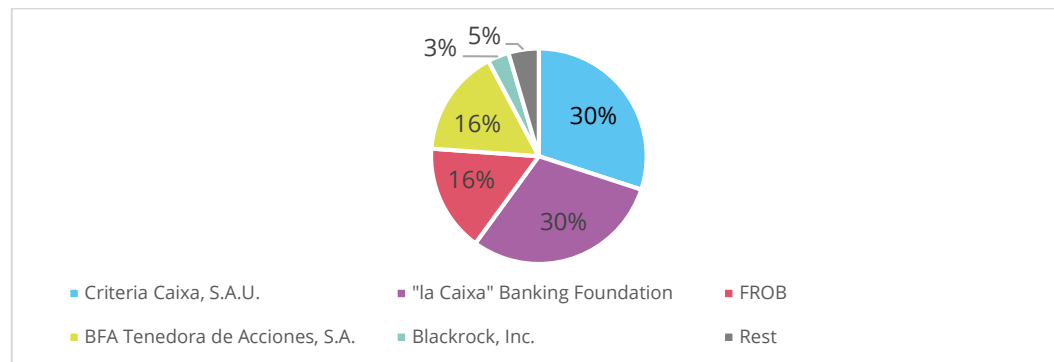


Chart 2: Voting rights percentages of significant shareholders, in accordance with the CNMV definition, as of 31 December 2021. | Source: Annual report 2021



Rating Considerations and Rationale

CaixaBank's credit rating confirmation was primarily driven of inorganic growth through the merger of CB and Bankia S.A. As a result, CB is Spain's largest bank in retail banking. Due to the large loan volume and rising interest rates in Spain, we expect revenues to increase in the long term. At the same time, the bank's dependence on the Spanish economy, which is struggling with a very high inflation rate, is increasing. Accordingly, we see higher write-downs as likely in the short term.

Profitability

CaixaBank was able to increase its profitability significantly compared with 2020, recovering from the Corona crisis, as well as improving its profitability to the ordinary fiscal year 2019. Meanwhile, operating income was up considerably from €9.5bn to €12.5bn in 2021, where net interest income as the major source of the operating income grew strongly due to an enhancement of mortgage loans and loans secured by personal guarantee. Furthermore, net fee & commission income rose noteworthy from €2.6bn to €3.7bn in 2021, driven mainly by an extension of payment services and marketing of non-banking financial products. However, operating expenses largely determined by personnel expenses and other expenses due to restructuring plans and labour agreements in the context of the merger between CaixaBank and Bankia increased significantly, which led to an even lower operating profit in 2021 compared to 2020. Nonetheless, because of the sharp decline in impairment/ cost of risk and the positive result of €4.3bn due to the merger CaixaBank enhanced its net profit dramatically from €1.4bn in 2020 to €5.2bn in 2021. As a result, the bank improved its earnings ratios considerably with an ROE from 5.5% to 14.8%, a ROA from 0.3% to 0.8% and a RORWA from 1% to 2.4%. On the other hand, the CIR worsened materially from 63.9% to 84.9% due to the sharp increase in operating expenses. The exceptionally strong result in 2021 is therefore largely attributable to the one-time effect of the merger.

As of June 2022 CB's net profit resulting from the comparative proforma income statement (by adding the result achieved by Bankia prior to the merger and excluding the related extraordinary aspects) increased by 17.1% YOY. Gross income increased marginally by 1.1% YOY although net interest income decreased by 3.6% YOY due to lower income from loans. However, this was offset, among other things, by the increase in net fee & commission income and trading income. Personnel and general expenses decreased both significantly by 7.5% YOY due to departure of

employees within the framework of labour agreements and synergy effects arising from the merger. Furthermore, cost of risk/impairment declined by 21.7% YOY. Overall, stable revenues, lower costs and lower impairments mainly drove the increase in net profit.

Asset Situation and Asset Quality

In a risk environment that is recovering slightly from the covid crisis on CaixaBank's markets, asset quality has slightly deteriorated. However, due to the merger between CaixaBank and Bankia the bank's NPL ratio (stage 3 loans over net loans to customer) increased from 3.3% to 3.6%, which displays a slight above average ratio and corresponds to the result of 2019. Furthermore, the potential problem loan ratio (stage 2 loans over net loans to customers) enhanced moderately from 8.5% to 9.1% while the ratio of Reserves over NPL declined to 63.6%, which is still above its pre-covid level of 56%, because of the stronger increase in NPL's than in reserves. Both are below average ratios. Moreover, due to negative goodwill of the merger of €4.3bn the bank was able to report an astounding asset write-up. Further, the bank increased its total assets significantly from €451bn to €680bn, whereas simultaneously it reduced the RWA ratio marginally to 31.7%. Overall, both the asset write-down ratios as well as the total asset and RWA ratio are remarkable and above average. For the next two years, "increased" depreciation rates are again expected as a result of continuing inflation in Spain.

As of June 2022 CB's NPL ratio decreased to 3.1% mainly to organic reduction amplified by portfolio disposals while the ratio of Reserves over NPL stays at 69.8%. Further, CB expanded its total assets by 3.6% to €705bn, whereas the RWA ratio declined moderately to 30.6% at approximately constant RWA exposure.

Refinancing, Capital Quality and Liquidity

The total equity of CaixaBank increased with the enforcement of the merger less than the assets as a whole, the total equity ratio decreased marginally to 5.2%. Furthermore, it is noticeable that its total equity to asset ratio declines steadily since 2019. With respect to its capital ratios, the bank's CET1 ratio decreased marginally from 13.6% to 13.1% as RWA inflation following the merger more than offset the increase in CET1 capital. However, it is still above its pre-covid level. Coming from this, CaixaBank in 2021 held a CET1 buffer of 4.9% above its SREP minimum requirements, signalling potential room for improvement. Furthermore, the bank experienced a slight drop in its T1 ratio from 15.7% to 15.5% and its Total Capital ratio from 18.1% to 17.9% though it increased its AT1 and T2 capital. However, the enhancement in total RWA exceeds that of its capital. Overall, CaixaBank exhibits average capital ratios, which are still above its pre-covid level. With regard to the liquidity situation, it remains outstanding with a liquidity coverage ratio significantly above the previous year's level at 336% and a remarkable NSFR of 154%.

As of June 2022 CB's CET1 ratio decreased significantly to 12.4%, the Tier1 Ratio to 14.4% and the total capital ratio to 16.6%. The declines were mainly driven by the share buyback program with a maximum amount of €1.8bn, which was initiated by CB in May 2022 in order to bring its CET1 ratio closer to the internal target between 11 and 12%. Furthermore, CB's AT1 capital was reduced by €750 million due to an AT1 disposal in July 2022. With a liquidity coverage ratio of 323% and a NSFR of 150%, CB's liquidity position stays stable.

Environmental, Social and Governance (ESG) Score Card

CaixaBank has one significant and two moderate ESG rating driver

- Corporate Governance is identified as a significant rating driver. The relevance for the credit rating results from the impact of the Corporate Governance factor on all other ESG factors and the overall well-being of the bank. This sub-factor is rated neutral due to the bank's relatively late integration of ESG factors in its general strategy whereby we perceive a catch-up in this regard.

- Corporate Behaviour and Green Financing / Promoting are identified as moderate rating driver. While Green Financing / Promoting is rated neutral due to relatively low but increasing amount of green financing activities, Corporate Behaviour is rated positive due to its business activities in accordance with the ideas and beliefs of the society.

ESG Score

3,6 / 5

ESG Score Guidance	
> 4,25	Outstanding
>3,5 - 4,25	Above-average
>2,5 - 3,5	Average
>1,75 - 2,5	Substandard
<= 1,75	Poor

Factor	Sub-Factor	Consideration	Relevance Scale 2022	Eval.
Environmental	1.1 Green Financing / Promoting	and is rated neutral	3	()
	1.2 Exposure to Environmental Factors	The sub-factor "Green Financing/Promoting" has a moderate relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	2	(+)
	1.3 Resource Efficiency	The sub-factor "Exposure to Environmental Factors" has a low relevance for the credit rating, and is rated very positive in terms of the CRA ESG criteria.	1	(+ +)

Social	2.1 Human Capital	and is rated positive	2	(+)
	2.2 Social Responsibility	The sub-factor "Human Capital" has low relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	1	(+)

Governance	3.1 Corporate Governance	and is rated neutral	4	()
	3.2 Corporate Behaviour	The sub-factor "Corporate Governance" is highly relevant for the credit rating, and is rated positive in terms of the CRA ESG criteria.	3	(+)
	3.3 Corporate Transparency	The sub-factor "Corporate Behaviour" has a moderate relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	1	(+)

ESG Relevance Scale	
5	Highest Relevance
4	High Relevance
3	Moderate Relevance
2	Low Relevance
1	No significant Relevance

ESG Evaluation Guidance	
(+ +)	Strong positive
(+)	Positive
()	Neutral
(-)	Negative
(- -)	Strong negativ

The ESG Score is based on the Methodology "Environmental, Social and Governance Score of Banken (Version 1.0)" of Creditreform Rating AG, which is available on our homepage <https://creditreform-rating.de/en/about-us/regulatory-requirements.html>. In addition, we refer to CRA's position paper "Consodering the Impact of ESG Factors".

Outlook

The outlook of the Long-Term Issuer Rating of CaixaBank is 'stable'. In the medium term, CRA expects no significant deterioration in profitability, due to the war in Ukraine and rising consumer prices. In the short term, rising consumer prices may have an impact on CB's profitability and asset quality. In the medium to long term, rising interest rates will lead to increasing profitability for CB's lending business. Asset quality and capital ratios (due to RWAs) will strongly depend on the economic development in Spain.

Scenario Analysis

Best-case scenario: A-

Worst-case scenario: BBB

Please note:

The scenarios are based on information available at the time of the rating. Within the forecast horizon, circumstances may occur that could lead to a change of the rating out of the indicated range.

In a scenario analysis, the bank is able to reach an "A-" rating in the "best case" scenario and an "BBB" rating in the "worst case" scenario. The ratings of bank capital and senior unsecured debt would behave similarly based on our rating mechanism. These ratings are especially sensitive to changes in total equity and to the bank capital and debt structure in general.

We might upgrade CB's long-term issuer credit rating and its bank capital and debt instruments if we see that CaixaBank is able to improve its quality of assets in particular by reducing its potential problem and non-performing loans. Furthermore, a significant improvement of CB capital ratios might lead to an upgrade as well.

By contrast, a downgrade of the Group's long-term issuer credit rating and its bank capital and debt instruments is likely if we see a lasting decline of CB's profitability and a reduction of the banks' capital ratios. In particular, we will monitor the ongoing economic development in Spain and the impact on CB's asset quality and its business activities in general.

CRA's rating actions at a glance

CaixaBank S.A. (Group):

- Long-Term Issuer Rating affirmed at 'BBB+', stable outlook
- Short-term rating affirmed at 'L3'
- Preferred senior unsecured debt affirmed at 'BBB+'
- Non-preferred senior unsecured debt affirmed at 'BBB'
- Tier 2 capital affirmed at 'BB'
- AT1 capital affirmed at 'BB-'

Ratings Detail

Bank ratings

The bank ratings are dependent on a host of quantitative and qualitative factors. An improvement in either sub-category may result in a higher rating score.

LT Issuer / Outlook / Short-Term **BBB+ / stable / L3**

Bank Capital and Debt Instruments Ratings

The ratings for bank capital and debt instruments are inter alia dependent on subordination and relative size of the instrument class, based on the long-term issuer rating of the bank.

Preferred senior unsecured debt (PSU): **BBB+**
 Non-preferred senior unsecured debt (NPS): **BBB**
 Tier 2 (T2): **BB**
 Additional Tier 1 (AT1): **BB-**

Rating History

Please consult our website www.creditreform-rating.de for additional information regarding the dates of publication.

Figure 1: Rating History

Bank Issuer Rating	Rating Date	Result
Initialrating	23.05.2018	BBB / stable / L3
Rating Update	08.07.2019	BBB+ / stable / L3
Monitoring	24.03.2020	BBB+ / NEW / L3
Rating Update	13.10.2020	BBB / stable / L3
Rating Update	02.11.2021	BBB+ / stable / L3
Rating Update	06.12.2022	BBB+ / stable / L3
Bank Capital and Debt Instruments	Rating Date	Result
PSU / NPS / T2 / AT1 (Initial)	23.05.2018	BBB- / BB- / B+
PSU / NPS / T2 / AT1	08.07.2019	BBB / BBB- / BB / BB-
PSU / NPS / T2 / AT1 (NEW)	24.03.2020	BBB / BBB- / BB / BB-
PSU / NPS / T2 / AT1	13.10.2020	BBB- / BB+ / BB- / B+
PSU / NPS / T2 / AT1	02.11.2021	BBB+ / BBB / BB / BB-
PSU / NPS / T2 / AT1	06.12.2022	BBB+ / BBB / BB / BB-

Appendix

Figure 2: Group income statement¹ | Source: eValueRate / CRA

Income Statement (EUR m)	2021	%	2020	%	2019	%	2018
Income							
Net Interest Income	5.975	+21,9	4.900	-1,0	4.951	+0,9	4.907
Net Fee & Commission Income	3.705	+43,8	2.576	-0,8	2.598	+0,6	2.583
Net Insurance Income	650	+8,7	598	+7,6	556	+0,9	551
Net Trading & Fair Value Income	221	-7,1	238	-20,1	298	+7,2	278
Equity Accounted Results	425	+38,4	307	-27,8	425	-48,5	826
Dividends from Equity Instruments	192	+30,6	147	-9,8	163	+11,6	146
Other Income	871	+23,9	703	-5,3	742	-10,7	831
Operating Income	12.039	+27,1	9.469	-2,7	9.733	-3,8	10.122
Expense							
Depreciation and Amortisation	976	+28,6	759	-3,4	786	-0,3	788
Personnel Expense	5.588	+96,7	2.841	-28,2	3.956	+33,7	2.958
Tech & Communications Expense	893	+50,3	594	+2,4	580	+13,5	511
Marketing and Promotion Expense	173	+3,0	168	-11,6	190	+9,2	174
Other Provisions	418	+89,1	221	+18,8	186	-57,8	441
Other Expense	2.170	+47,8	1.468	-5,4	1.551	-36,5	2.442
Operating Expense	10.218	+68,9	6.051	-16,5	7.249	-0,9	7.314
Operating Profit & Impairment							
Operating Profit	1.821	-46,7	3.418	+37,6	2.484	-11,5	2.808
Cost of Risk / Impairment	-3.384	< -100	2.259	> +100	425	> +100	187
Net Income							
Non-Recurring Income	110	-75,1	441	> +100	18	-90,3	186
Non-Recurring Expense	-	-	-	-	-	-	-
Pre-tax Profit	5.315	> +100	1.600	-23,0	2.077	-26,0	2.807
Income Tax Expense	88	-59,8	219	-40,7	369	-48,2	712
Discontinued Operations	2	-	0	-	-	-	-55
Net Profit	5.229	> +100	1.381	-19,1	1.708	-16,3	2.040
Attributable to minority interest (non-controlling interest)	3	-	-	-	3	-94,5	55
Attributable to owners of the parent	5.226	> +100	1.381	-19,0	1.705	-14,1	1.985

Figure 3: Group key earnings figures | Source: eValueRate / CRA

Income Ratios (%)	2021	%	2020	%	2019	%	2018
Cost Income Ratio (CIR)	84,87	+20,97	63,90	-10,58	74,48	+2,22	72,26
Cost Income Ratio ex. Trading (CIRex)	86,46	+20,91	65,55	-11,28	76,83	+2,53	74,30
Return on Assets (ROA)	0,77	+0,46	0,31	-0,13	0,44	-0,09	0,53
Return on Equity (ROE)	14,76	+9,30	5,46	-1,33	6,79	-1,58	8,37
Return on Assets before Taxes (ROAbT)	0,78	+0,43	0,35	-0,18	0,53	-0,20	0,73
Return on Equity before Taxes (ROEbT)	15,00	+8,67	6,33	-1,93	8,26	-3,26	11,52
Return on Risk-Weighted Assets (RORWA)	2,43	+1,47	0,96	-0,20	1,15	-0,24	1,40
Return on Risk-Weighted Assets before Taxes (RORWAbT)	2,47	+1,36	1,11	-0,29	1,40	-0,52	1,92
Net Interest Margin (NIM)	1,12	-0,36	1,48	-0,34	1,82	+0,07	1,75
Pre-Impairment Operating Profit / Assets	0,27	-0,49	0,76	+0,12	0,63	-0,09	0,73
Cost of Funds (COF)	0,35	-0,20	0,54	-0,19	0,73	+0,04	0,69

¹ Data by our data provider eValueRate, which is standardized for analytical reasons. Thus, the used data and the resulting figures do not have necessary to match the presentation of the bank, which refers to this and all subsequent tables and figures.

Figure 4: Development of assets | Source: eValueRate / CRA

Assets (EUR m)	2021	%	2020	%	2019	%	2018
Cash and Balances with Central Banks	104.279	> +100	51.615	> +100	15.116	-21,1	19.163
Net Loans to Banks	7.806	+33,5	5.847	+13,5	5.153	-31,7	7.550
Net Loans to Customers	344.591	+45,4	237.073	+6,6	222.320	+1,8	218.294
Total Securities	85.385	+88,6	45.267	+21,7	37.198	-8,0	40.428
Total Derivative Assets	12.308	+73,3	7.102	-15,8	8.433	-23,3	10.995
Other Financial Assets	-	-	-	-	-	-	-
Financial Assets	554.369	+59,8	346.904	+20,4	288.220	-2,8	296.430
Equity Accounted Investments	2.534	-26,4	3.443	-12,6	3.941	+1,6	3.879
Other Investments	1.865	-7,1	2.007	-15,2	2.367	-15,8	2.812
Insurance Assets	83.464	+8,1	77.241	+6,3	72.683	+17,8	61.688
Non-current Assets & Discontinued Ops	3.038	> +100	1.198	-11,5	1.354	+9,3	1.239
Tangible and Intangible Assets	11.331	+27,3	8.899	+1,7	8.754	+24,0	7.058
Tax Assets	21.298	> +100	10.626	-4,4	11.113	-1,3	11.264
Total Other Assets	2.137	+77,8	1.202	-59,7	2.982	+37,0	2.176
Total Assets	680.036	+50,6	451.520	+15,4	391.414	+1,3	386.546

Figure 5: Development of asset quality | Source: eValueRate / CRA

Asset Ratios (%)	2021	%	2020	%	2019	%	2018
Net Loans/ Assets	50,67	-1,83	52,51	-4,23	56,80	+0,33	56,47
Risk-weighted Assets/ Assets	31,69	-0,22	31,91	-5,87	37,78	+0,03	37,76
NPLs*/ Net Loans to Customers	3,60	+0,30	3,30	-0,30	3,60	-1,10	4,70
NPLs*/ Risk-weighted Assets	6,02	+0,29	5,73	+0,06	5,67	-1,68	7,35
Potential Problem Loans**/ Net Loans to Customers	9,12	+0,66	8,46	+1,47	6,99	-0,49	7,48
Reserves/ NPLs*	63,63	-4,30	67,94	+11,92	56,02	+2,79	53,23
Reserves/ Net Loans	2,39	+0,03	2,37	+0,25	2,11	-0,50	2,62
Cost of Risk/ Net Loans	-0,98	-1,93	0,95	+0,76	0,19	+0,11	0,09
Cost of Risk/ Risk-weighted Assets	-1,57	-3,14	1,57	+1,28	0,29	+0,16	0,13
Cost of Risk/ Total Assets	-0,50	-1,00	0,50		0,11		0,05

Change in %-Points

* NPLs are represented by Stage 3 Loans where available.
 ** Potential Problem Loans are Stage 2 Loans where available.

Figure 6: Development of refinancing and capital adequacy | Source: eValueRate / CRA

Liabilities (EUR m)	2021	%	2020	%	2019	%	2018
Total Deposits from Banks	86.822	+59,0	54.597	> +100	19.738	-43,7	35.047
Total Deposits from Customers	389.203	+60,1	243.163	+10,7	219.600	+6,1	206.974
Total Debt	53.684	+49,9	35.813	+6,4	33.648	+15,1	29.244
Derivative Liabilities	6.468	> +100	2.002	-48,1	3.856	-63,8	10.653
Securities Sold, not yet Purchased	-	-	-	-	-	-	-
Other Financial Liabilities	15.732	> +100	7.635	-23,3	9.952	-14,2	11.594
Total Financial Liabilities	551.909	+60,8	343.210	+19,7	286.794	-2,3	293.512
Insurance Liabilities	79.834	+6,3	75.129	+6,1	70.807	+15,1	61.519
Non-current Liabilities & Discontinued Ops	17	+21,4	14	-80,3	71	-13,4	82
Tax Liabilities	2.337	+89,8	1.231	-5,0	1.296	-4,1	1.351
Provisions	6.535	> +100	3.195	-11,8	3.624	+17,7	3.079
Total Other Liabilities	3.979	+14,9	3.463	-5,7	3.671	+39,1	2.639
Total Liabilities	644.611	+51,2	426.242	+16,4	366.263	+1,1	362.182
Total Equity	35.425	+40,1	25.278	+0,5	25.151	+3,2	24.364
Total Liabilities and Equity	680.036	+50,6	451.520	+15,4	391.414	+1,3	386.546

Figure 7: Development of capital ratios | Source: eValueRate / CRA

Capital Ratios and Liquidity (%)	2021	%	2020	%	2019	%	2018
Total Equity/ Total Assets	5,21	-0,39	5,60	-0,83	6,43	+0,12	6,30
Leverage Ratio	5,30	-0,30	5,60	-0,30	5,90	+0,40	5,50
Common Equity Tier 1 Ratio (CET1)*	13,10	-0,50	13,60	+1,60	12,00	+0,50	11,50
Tier 1 Ratio (CET1 + AT1)*	15,50	-0,20	15,70	+2,20	13,50	+0,50	13,00
Total Capital Ratio (CET1 + AT1 + T2)*	17,90	-0,20	18,10	+2,40	15,70	+0,40	15,30
SREP/ CET1 Minimum Capital Requirements	8,19	+0,09	8,10	-0,68	8,78	+0,03	8,75
MREL / TLAC Ratio	26,20	-0,10	26,30	+4,50	21,80	+2,90	18,90
Net Loans/ Deposits (LTD)	88,54	-8,96	97,50	-3,74	101,24	-4,23	105,47
Net Stable Funding Ratio (NSFR)	154,00	+9,00	145,00	+16,00	129,00	+12,00	117,00
Liquidity Coverage Ratio (LCR)	336,00	+60,00	276,00	+97,00	179,00	-21,00	200,00

Change in %: Points

* Fully-loaded where available

Regulatory

Creditreform Rating AG was neither commissioned by the rating object nor by any other third party for the rating. The analysis took place on a voluntary basis by Creditreform Rating AG and is to be described in the regulatory sense as an unsolicited rating. The following scheme clarifies the level of participation of the rated entity (rating object):

Unsolicited Credit Rating	
With Rated Entity or Related Third Party Participation	No
With Access to Internal Documents	No
With Access to Management	No

The rating is based on publicly available information and internal evaluation methods for the rated bank. The quantitative analysis is based mainly on the latest annual accounts, interim reports, other investor relations information of the bank, and calculated key figures by eValueRate / CRA.

The information and documents processed met the requirements of the rating system of Creditreform Rating AG as published on the website www.creditreform-rating.de. The rating was carried out on the basis of the rating methodology for [bank ratings \(v3.1\)](#), the methodology for the [rating of bank capital and unsecured debt instruments \(v2.1\)](#), the methodology for the rating of [Government-Related Banks \(v2.0\)](#) the methodology for the rating of [Institutional Protection Scheme Banks \(v1.0\)](#) as well as the rating methodology for [Environmental, Social and Governance Score for Banks \(v1.0\)](#) in conjunction with Creditreform's basic document [Rating Criteria and Definitions \(v1.3\)](#).

The complete presentation of the rating methodologies used by Creditreform Rating AG and the basic document Rating Criteria and Definitions (v1.3) are published on our homepage:

<https://www.creditreform-rating.de/en/about-us/regulatory-requirements.html>

On 06 December 2022, the rating was presented by the analysts to the rating committee and adopted in a resolution.

The rating result was communicated to CaixaBank S.A. (Group), and the preliminary rating report was made available to the bank. There was no change in the rating score.

The rating is valid until withdrawal and is subject to monitoring from the rating date (see cover page). The rating will be comprehensively reviewed at least once every year. Within this period, the rating can be updated.

In 2011 Creditreform Rating AG was registered within the European Union according to EU Regulation 1060/2009 (CRA-Regulation). Based on the registration Creditreform Rating AG (CRA) is allowed to issue credit ratings within the EU and is bound to comply with the provisions of the CRA-Regulation. Rating Endorsement Status:

The rating of CaixaBank S.A. (Group) was not endorsed by Creditreform Rating AG from a third country as defined in Article 4 (3) of the CRA-Regulation.

Conflict of Interests

No conflicts of interest were identified during the rating process that might influence the analyses and judgements of the rating analysts involved or any other natural person whose services

are placed at the disposal or under the control of Creditreform Rating AG and who are directly involved in credit rating activities or approving credit ratings and rating outlooks.

In case of providing ancillary services to the rated entity, CRA will disclose all ancillary services in the credit rating report.

Rules on the Presentation of Credit Ratings and Rating Outlooks

The approval of credit ratings and rating outlooks follows our internal policies and procedures. In line with our policy "Rating Committee," all credit ratings and rating outlooks are approved by a rating committee based on the principle of unanimity.

To prepare this credit rating, CRA has used following substantially material sources:

1. Aggregated data base by eValueRate
2. Annual Report and interim reports
3. Investors relations information and other publications
4. Website of the rated bank
5. Public and internal market analyses
6. Internet research

There are no other attributes and limitations of the credit rating or rating outlook other than displayed on the CRA website. Furthermore CRA considers satisfactory the quality and extent of information available on the rated entity. In regard to the rated entity Creditreform Rating AG regarded available historical data as sufficient.

Between the disclosure of the credit rating to the rated entity and the public disclosure no amendments were made to the credit rating.

The "Basic data" information card indicates the principal methodology or version of methodology that was used in determining the rating, with a reference to its comprehensive description.

In case where the credit rating is based on more than one methodology or where reference only to the principal methodology might cause investors to overlook other important aspects of the credit rating, including any significant adjustments and deviations, Creditreform Rating AG explains this fact in the credit rating and indicates how the different methodologies or these other aspects are taken into account in the credit rating. This information is integrated in the credit rating report.

The meaning of each rating category, the definition of default or recovery and any appropriate risk warning, including a sensitivity analysis of the relevant key rating assumptions, such as mathematical or correlation assumptions, accompanied by worst-case scenario credit ratings as well as best-case scenario credit ratings are explained in mentioned methodologies and / or in the credit rating report.

The date at which the credit rating was released for distribution for the first time and when it was last updated including any rating outlooks is indicated clearly and prominently in the rating report or in the "Basic data" card as a "Rating action"; first release is indicated as "initial rating", other updates are indicated as an "update", "upgrade or downgrade", "not rated", "confirmed", "selective default" or "default".

In the case of a rating outlook, the time horizon is provided during which a change in the credit rating is expected. This information is available in the rating report or the „Basic data“ information card.

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