

The following document is a summary about the allocation policy followed by CaixaBI and serves to describe the principles that CaixaBI will follow when developing actions in new issues for fixed income securities in the Eurobond Market upon the process of marketing, pricing and allocating respective securities in what regards the relations with issuers and investors in that process.

These principles take in consideration the Markets in Financial Instruments Directive (“MIFID II”) and related regulations (including the market abuse directive, insider dealing and market manipulation).

The principles are designed for the marketing and allocation process to be conducted in transparency and in accordance within market conduct standards and for issuers and investor clients to be treated fairly and for any conflicts of interest to be appropriately managed.

Marketing Process

Marketing Process is the first one before the launch of any securities offering and it is standard for issuers and banks to develop market soundings and/or issuer roadshows. Aim is to introduce the potential issuer to investors and get feedback from potential interest in eventual transactions.

CaixaBI, in the development of any process mentioned above, will take in consideration the following:

- The investor’s interest in the issuer or/and issuer sector and/or the level of engagement in past offerings, either in the issuer or the sector;
- Past behavior in similar processes; and
- The need to comply with eventual applicable selling restrictions or other that might impact and apply to investor location base.

Syndicates will judge matter based on extensive experience in marketing potential offerings of securities and when within a syndicate formed by others in which joint recommendations will be followed, CaixaBI will act in accordance. Ultimately, in the marketing process, the issuer, its facts and particularities, will determine the basis for the selection of the investor base for each of the processes.

Book Building

In offerings of this type, the price and allocations will be determined by the book-building. The process allows Syndicate to achieve an appropriate range of investors to be allocated and the chance to get to a reasonable outcome that allows reasonable price stability and an orderly aftermarket with transaction correspondent liquidity after the issuance.

Capital Markets Desk (Direção Mercado de Capitais), either CaixaBI acts in sole or joint-bookrunner role, will, in accordance of the specifics for each transaction, maintain open communication with the issuer and provide them with regular progress updates and indication of any specific investor indication of interest.

CaixaBI Bond Allocation Policy

CaixaBI acting as Bookrunner on a new issue will be involved in making decisions regarding allocations on behalf of the issuer and in that role it is CaixaBI policy to undertake those allocations with integrity and fairness to all parties involved and in accordance with all applicable laws and regulations taking in consideration the issuer preferences, requests and expectations.

In this sense, the issuer may opt to provide CaixaBI with preferences regarding certain specifics to allocation targets, namely, any preferred geographical jurisdiction, any type of investors the issuer would like to favour and/or any specific investor that the issuer would like to favour and the reasoning behind this choice.

As elected Bookrunner, in making allocation recommendations and decisions, CaixaBI will generally take in consideration, though not limited, the following factors and considerations:

- The category or description into which the investor falls (e.g. pension fund, insurance company, fund manager, etc.);
- the timeliness of the investors interest in the offering process and placement of any order;
- the geographical location of the investor;
- the investors interest in past issuer or issuer sector deals;
- the nature and level of interest shown by the investor in the issue and its involvement and feedback given in the specific issue or issuer roadshows;
- the investor time horizon type, namely whether they have a long term or short term profile;
- the previous behavior in past similar issues, namely those who have been known to flip their allocation in an inconsistent way with their expected profile;
- the investors order characteristics, and this may include the orders size, both in absolute and relative terms to their portfolio, and price sensitivity expressed during book-building.

CaixaBI, as elected Bookrunner, can, where permissible, allow the proper trading desk, and/or shareholders trading desk and/or its affiliates, to indicate participating interest as investors in the offering. In order to minimize any perception of conflict of interest, they should not be treated more favourably than other investors with similar characteristics in the allocation process.

Communication with Investors

In any process as described above CaixaBI syndicates may need, during processes, to communicate with investors, either upon request or voluntarily, when within market standards, about book-building and allocation that CaixaBI is managing. Within standards, syndicates will observe equality of information between investors.

Final allocation data will be considered by CaixaBI staff at minimum as confidential information until the final allocation for the transaction has been approved by the issuer and by CaixaBI, either as sole or Joint-Bookrunner and the respective communication to the market has been agreed to be communicated in coordination.