

Significant Event

CaixaBank hereby reports that at its meeting held today, the Board of Directors resolved to propose to the shareholders at the Ordinary Annual General Meeting scheduled for 6 April 2017, on first call, the distribution of a final cash dividend of EUR 0.06 per share (gross) against 2016 profits. In accordance with the proposal terms, the dividend would be paid on 13 April 2017. The approval of this dividend at the Annual General Meeting, as applicable, and the specific payment conditions will be disclosed through a separate Significant Event filing.

After payment of this dividend, the total shareholder remuneration for 2016 would be EUR 0.13 per share (gross), bringing the total cash amount paid to 54% of consolidated net profit, in line with the 2015-2018 Strategic Plan. Remuneration for 2016 would therefore have been paid through two cash payments of EUR 0.03 per share (gross) and EUR 0.06 per share (gross) and a scrip dividend of EUR 0.04 per share, paid in September, December and April, instead of through the four quarterly payments (three cash payments plus a scrip dividend) announced through the Significant Event filing of 10 March 2016. The change in frequency of payments reflects the new dividend policy approved today by the CaixaBank Board of Directors, **attached hereto**.

In accordance with the new dividend policy, CaixaBank hereby reports that its Board of Directors has resolved that shareholder remuneration for 2017 be paid through two half-yearly cash dividends. In line with the 2015-2018 Strategic Plan, CaixaBank has reiterated its intention of remunerating shareholders by distributing an amount in cash equal to or greater than 50% of consolidated net profit.

Barcelona, 23 February 2017



DIVIDEND POLICY

The following is an unofficial and non-binding English translation

The Spanish version shall prevail

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DIVIDEND POLICY

1. INTRODUCTION

- In 2012, the **Spanish National Securities Market Commission** (*Comisión Nacional del Mercado de Valores*) issued a circular to listed companies, highlighting the importance of their disclosures on shareholder remuneration, "*taking into account that such information is particularly relevant for the correct formation of share prices*" and, in particular "*for valuing derivatives quoted on Spanish markets*". The Commission also cited the importance of companies publishing their shareholder remuneration policy.

The **European Securities and Markets Authority** (ESMA) also issued similar guidelines on this issue, stressing that companies must disclose shareholder remuneration policies.

The Board of Directors of CaixaBank, S.A. ("**CaixaBank**" or the "**Company**"), a listed company, is legally entrusted with the **power, which cannot be delegated**, to approve the Company's dividend policy. This power is expressly foreseen in the Regulations of the Board of Directors.

- Based on the foregoing, at its meeting of 19 November 2015, the CaixaBank Board of Directors approved the **CaixaBank, S.A. dividend policy**, amended by the Board on 23 February 2017 (the "**Policy**"). This policy forms part of the Company's corporate governance system.

2. OBJECTIVE OF THE POLICY

- **Shareholder remuneration is one of the priorities** of the Board of Directors, in order to ensure adequate returns on shareholder investment.

The Company considers this remuneration to be a fundamental element in cultivating shareholder loyalty and creating a shareholder body that is committed to long-term investment in CaixaBank.

- Based on the foregoing, the present Policy **aims** to set out the basic criteria and principles governing resolutions on shareholder remuneration that the Board will submit to the shareholders for approval in General Meeting and, where applicable, resolutions on interim dividends approved by the Board.

3. BASIC PRINCIPLES OF SHAREHOLDER REMUNERATION

- Resolutions regarding the distribution of the Company's dividends, both as taken by the Board of Directors with respect to the interim dividend and those regarding the distribution of current-year profits, must be approved by the shareholders at their Ordinary Annual General Meeting. The resolutions must respect the principle whereby **shareholder remuneration is tied to the profit** obtained by the Company, taking into account prevailing regulatory requirements and the best market practices.
- Furthermore, in order to secure a sustainable capital and liquidity generation model, the CaixaBank Board of Directors' resolutions on distribution of dividends must respect the principles of **proportionality** of paid-up capital, **transparency** and **sustainability**. The resolutions must promote equal treatment of shareholders holding the same status, while also ensuring that the dividend agreed is reasonable in light of the Company's earnings for the year, its solvency ratios, its business activity and the total remuneration received by CaixaBank shareholders.
- The resolutions taken in accordance with this Policy must **respect prevailing legislation, CaixaBank's corporate governance regulations and the good governance recommendations and principles** assumed by the Company, particularly those set out in the Code of Good Governance for listed companies issued by the Spanish National Securities Market Commission.

4. GENERAL GUIDELINES

From the perspective of shareholder remuneration and under the framework of this Policy, CaixaBank's Board of Directors must take into account both legal considerations and the general guidelines set out herein when putting forth its proposals for distributing annual earnings that it submits for the approval of the shareholders in General Meeting, as well as in its resolutions on distribution of interim dividends.

4.1. DISTRIBUTION OF DIVIDENDS, APPROVED AT THE ANNUAL GENERAL MEETING

- The shareholders in General Meeting are entrusted with approving the distribution of dividends against profits for the year or against unrestricted reserves, if (i) equity is not, or, as a result of the distribution, does not fall below the Company's capital and, in any case, remains within the capital adequacy ratios applicable to the Company as a credit institution; and (ii) the amount of available reserves is not lower than the amount of research and development expenses recognised on the Company's balance sheet.

In the event prior years' losses have reduced the Company's equity to below its capital, the profit must be used to offset those losses.

- In the dividend distribution resolution, the shareholders in General Meeting or, where appropriate, the Board of Directors may establish the payment date, among other aspects. Where such a date is not established, dividends will be paid as soon as possible under applicable regulations, as from the day following the date the resolution was adopted.

In any event, CaixaBank will strive to **pay** shareholder remuneration on a half-yearly basis, with payments around April and November of each year.

4.2. DISTRIBUTION OF INTERIM DIVIDENDS

- The shareholders in General Meeting and the Board of Directors may resolve to distribute **interim dividends** to shareholders, providing that: (i) the Board of Directors prepares a financial statement reflecting sufficient liquidity for the distribution; and (ii) the amount to be distributed does not exceed the earnings obtained as from the close of the previous year less any prior years' losses, the amounts to be allocated to mandatory reserves and the estimated income tax payable.

4.3. SHAREHOLDER REMUNERATION FORMULAS

- CaixaBank's Board of Directors may propose to the shareholders in General Meeting the **means of remunerating** shareholders that it deems advisable, as well as the frequency with which the payment means should be enacted, in accordance with prevailing regulations in each case.
- In particular, the shareholders in General Meeting may determine that the dividend be paid in kind, in part or in full, providing the securities to be distributed are: (i) identical in nature; and (ii) admitted to trading on an official market at the time the resolution is carried out.

4.4. AMOUNT OF SHAREHOLDER REMUNERATION

- Unless the prevailing economic, financial, business and regulatory circumstances and regulatory recommendations justify a modification of this guideline, the Company will allocate at least fifty percent (50%) of its profit to cash remuneration for shareholders.

5. EXPECTED CAIXABANK SHAREHOLDER REMUNERATION

- As from 2017, the Company intends to make all shareholder payments in cash.

6. DISTRIBUTION

- In view of the relevance that information on shareholder remuneration has on the correct formation of share prices, and in accordance with the criteria established by the Spanish National Securities Market Commission, the Company will submit a **Significant Event** filing disclosing the approval of this Policy and any amendments thereto. In addition, the Policy and any subsequent amendments will be published on the **corporate website**.

7. MONITORING OF THE POLICY

- The **Board of Directors** is entrusted with monitoring the application of this Policy, periodically evaluating the efficacy thereof and taking any measures required to resolve any possible weaknesses therein, making any amendments it deems appropriate.
- Notwithstanding the above, the **Audit and Control Committee** and the **Appointments Committee** are also entrusted with certain corporate governance functions and may, as needed, submit any proposals they deem relevant in order to improve the present Policy.

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