

INTEGRATED
CORPORATE
REPORT
[2015]



Prepared to lead the sector in trust and profitability



Best Bank
in Spain 2015



Best Bank
in Spain 2015



Forrester Research
Best Mobile Bank
in the World



European Certificate
of Excellence
in Management



Best Private Banking
Services in Spain 2015

[CaixaBank in 2015]

Leader in retail banking

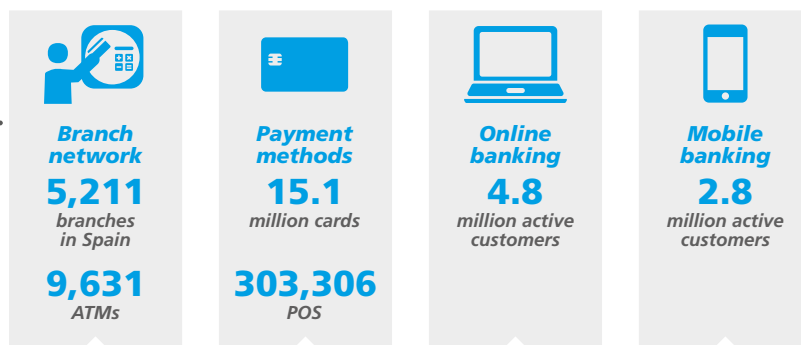
A team of
32,242
professionals
committed to
the quality of
the service



banking customers use CaixaBank
as their go-to institution

13.8
million
customers

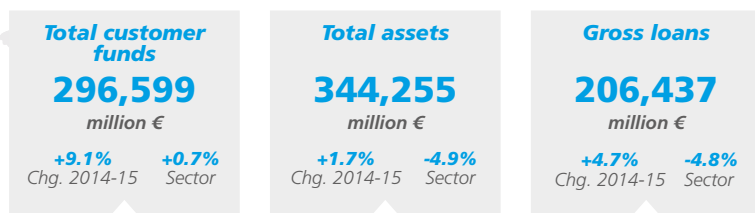
Strong commercial capacity, with a leading
omnichannel management approach



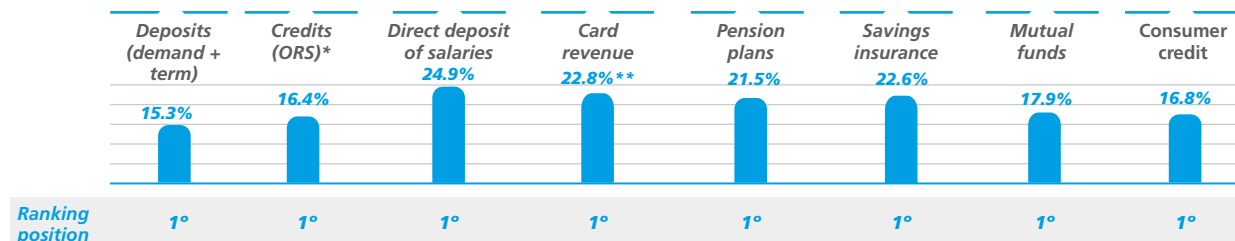
Leader in Spain,
with the largest
branch network

allows it to consolidate its
leadership and increase its
market share

Global leader, with
the largest number
of active customers



Market shares



* Includes CaixaBank Consumer Finance data.

** Latest available data (September 2015).

with a robust balance sheet

Sustained ability to generate earnings and streamline costs

Net interest income

4,353
million €

↑ **+4.8%**
Chg. 2014-15

Net fees and commissions

2,013
million €

↑ **+10.3%**
Chg. 2014-15

Recurring operating expenses¹

↓ **-1.2%**
Chg. 2014-15
(like-for-like basis²)

Pre-impairment income, stripping out non-recurring costs¹

↑ **+15.7%**
Chg. 2014-15

Profit attributable to the Group

814
million €

↑ **+31.4%**
Chg. 2014-15

Cost-to-income ratio (stripping out non-recurring costs)

52.6%

↓ **-1.8 pp**
Chg. 2014-15

ROTE

4.3%

↑ **+0.9 pp**
Chg. 2014-15

Ample liquidity and solid capital

Liquidity

54,090
million €

Solvency

11.55%
Common Equity Tier 1
(CET1), fully loaded

Improved credit quality

High coverage ratios



Risk management

Reduction in NPLs (pro-forma
December 2014 with Barclays
Bank, SAU)

↓ **-5,242**
million €

A profitable and recognised value

Share price

3.214 €
closing share price
(31/12/2015)

Shareholder remuneration

0.16
euros per
share

Quarterly payout:
two in cash and
two through the
Optional Scrip
Dividend

Dividend yield

5%
as per the
closing share
price

Presence on sustainability indices

MEMBER OF
**Dow Jones
Sustainability Indices**
In Collaboration with RobecoSAM



FTSE4Good

¹ Does not include the costs stemming from the integration of Barclays Bank, SAU or the labour agreement.

² Pro-forma, factoring in the recurring expenses of Barclays Bank, SAU in 2014.

CONTENTS

Letter from the Chairman	2
Letter from the CEO	3
About us	4
Corporate Governance	7
Business model	12
Key strategies	18
Active risk management	48
Giving back to society	52



"We offer a sustainable and socially responsible banking model, based on the quality of service to our customers and social commitment"

I. Fainé

Isidro Fainé Casas

Chairman

LETTER FROM THE CHAIRMAN

Last year, CaixaBank approved its 2015-2018 Strategic Plan, continuing to pursue a model of sustainable and socially responsible banking, based on the quality of service to our customers and social commitment. The measures set out in the Plan will enable CaixaBank to grow its profitability continuously over time, despite the economic backdrop of low interest rates. Our leadership in digital banking will be a valuable competitive asset in meeting our objectives for the coming years. This leadership is no accident. It comes from anticipating events and taking a global overview of our business, enabling us to offer our customers innovative products and services.

In 2015, 25% of the Spanish public had their salaries paid by direct debit into CaixaBank accounts, 28.3% received at least one service from us, and we were the main bank for 24%. These figures underscore our commercial approach, which we pursue intensively through the largest branch network in the country and through new digital channels. This combination of traditional ways of doing business and cutting edge banking developments has also made us the leaders for pension plans, savings insurance and mutual funds. And we are continuing to expand our already considerable market share in each of these segments. Millions of people entrust the management of their assets and the future welfare of their families to us: this tells us that CaixaBank has earned the trust of its customers. And we will continue working over the coming years to ensure that the intangible asset that is our reputation continues to make a decisive contribution to CaixaBank's growth.

2015 also saw the integration of Barclays Bank, SAU. The way in which we handled this process set an example for the whole financial sector, and the resulting synergies started to contribute immediately to CaixaBank's consolidated results. Following the acquisition, we have continued generating capital organically. Our solvency and liquidity are now in an unbeatable position to take on the future challenges in our Strategic Plan. At year end, our highest quality capital (Common Equity Tier 1) ratio stood at 12.9%. In 2015, CaixaBank had the largest capital buffer over European Central Bank's requirements of any listed-Spanish bank.

CaixaBank also makes a significant contribution to the activities of the "la Caixa" Banking Foundation, based on the deeply ingrained values developed over its 111-year history. Our welfare projects will once again have a budget of €500 million, through dividends generated by the bank. This makes our Foundation the largest in continental Europe, and one of the largest in the world. Every year, its social action programmes help to ameliorate the effects of the economic crisis and improve the lives of hundreds of thousands of people at risk of social exclusion.

And to conclude, I would like to thank everyone who has put their trust in CaixaBank. Once again, our customers, shareholders, employees and "la Caixa" Foundation Welfare Project volunteers have enabled CaixaBank to retain its position as the largest financial institution in Spain, setting a benchmark for quality, trust and social commitment.



"We have increased our commercial leadership, whilst simultaneously enhancing our financial results and the robustness of our balance sheet"

Gonzalo Gortázar Rotaeché
Chief Executive Officer

LETTER FROM THE CEO

Whilst the backdrop for the financial sector continues to be challenging, with very low interest rates and higher than expected deleveraging, CaixaBank's performance in 2015 was excellent. We increased our commercial leadership, whilst simultaneously enhancing our financial results and the robustness of our balance sheet.

CaixaBank's business model sets it apart from its competitors, with its unique reach, intensive use of technology and highly trained team increasing its proximity to its customers, offering them an extensive range of innovative and high quality products. Our scale and commitment to appropriate technology enables us to specialise our resources to focus on helping specific segments efficiently, with maximum personalisation of our value proposition as we advise our very extensive customer base.

In 2015, we reached 13.8 million customers, increasing the funds managed by 9.1%, to €296,599 million, and our loan portfolio by 4.7%, to €206,437 million, beating the sector trends (0.7% and -4.8%, respectively) by more than 8 points in both cases.

Core operating income from the banking business (net interest income and fees) increased by 6.5%, whilst pre-impairment income, excluding non-recurring costs, grew by 15.7%, to €3,663 million. The factors explaining this improvement include the integration of the business of Barclays Bank, SAU and, above all, our intensive commercial efforts

and strict cost control. Attributed profit was €814 million, up 31.4% on the previous year.

The strength of our balance sheet continues to set the bar for the sector. 2015 saw a significant reduction in non-performing loans, down €5,242 million, resulting in a 2-point improvement in the NPL ratio. Meanwhile, we had the largest capital buffer of any listed bank, with a regulatory CET1 ratio of 12.9% at year end and excellent liquidity, exceeding €54,000 million.

We have also made notable progress in our digital transformation: our active customer base of online and mobile banking customers increased by 4.8 million and 2.8 million, respectively. In 2015, 20% of funds and 13% of pension plans were contracted online. In this regard, the recent launch of imaginBank – a bank designed exclusively for mobile phones – is a decisive step forward in CaixaBank's digital strategy.

CaixaBank has emerged from the crisis as the leading Spanish bank. With our new 2015-2018 Strategic Plan, we will further enhance customer loyalty and burnish our corporate reputation, fostering sustainable profitability and providing our shareholders with adequate and attractive returns.



ABOUT US

CaixaBank is the leading bank in Spain, with a robust balance sheet and a culture drawing on deeply ingrained values. Its business model is based on specialisation, with a specific value proposition for each segment, through an extensive multi-channel branch network with widespread coverage, offering a comprehensive range of products and services. The bank is at the forefront of digital banking and is committed to setting itself apart through its closeness to its customers, capacity for innovation, service quality, financial robustness and social responsibility.

***Our actions are
founded on our values:
quality, trust and social
commitment***

LEADING ENTITY IN THE SPANISH MARKET

Flagship institution

1 in every 4 Spaniards
puts their trust in us

11th largest bank in the eurozone
by market capitalisation

↑↑ Sustained increase
in main market shares

Leader in online and mobile banking,
with the largest number of active digital
customers in the country

€344,255 million in *total assets*

Named "Best Bank in Spain" 2015
by *Euromoney* and the best bank in the
world for mobile banking services by
Forrester Research

Robust strategy

Customer satisfaction rating of
8.62 out of 10

Attributable profit of €814 million
(+31.4% vs. 2014) for the Group

12.9% CET 1 regulatory ratio, the largest
buffer among listed banks

Total liquidity of €54,090 million
(15.7% of assets)

Commitment to mobility and
digitalisation: *13,100 managers with
Smart PCs*

A highly trained team: over *7,000
postgraduate* qualifications in financial
advice

Sustainable banking model

121,625 microcredits
guaranteed through *MicroBank*,
the social bank

CaixaBank *contributes 0.90% to
Spain's GDP* directly and indirectly

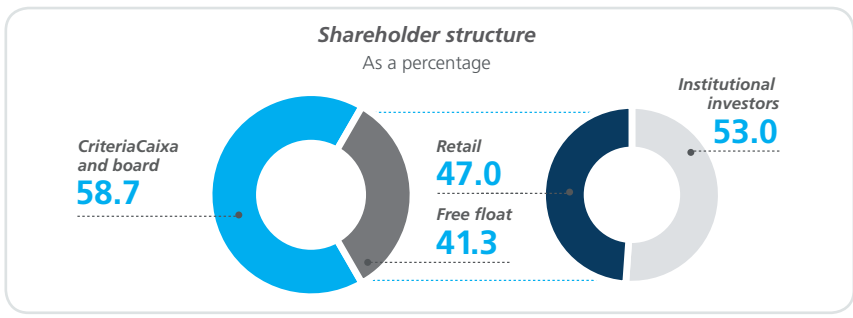
*We promote the "la Caixa" Banking
Foundation's Welfare Projects, with a
budget of €500 million* and 9.9 million
beneficiaries

*Seat on the leading sustainability
indices* (DJSI, FTSE4Good, CDP A List)

Signatories of major social responsibility
initiatives, such as the *UN Global
Compact*

SHAREHOLDER STRUCTURE

With a 56.76% interest in CaixaBank's capital, CriteriaCaixa, a holding company solely owned by the "la Caixa" Banking Foundation, is the bank's core shareholder. CaixaBank free float capital is held by over 704,000 shareholders, with more than half in the hands of institutional investors.



Its free float is held by more than 704,000 shareholders

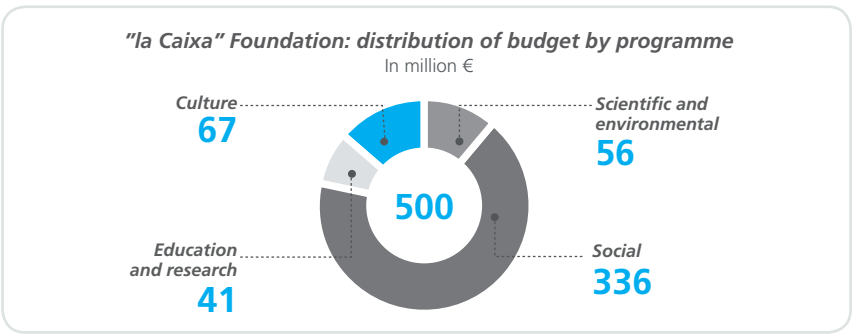
"la Caixa" Banking Foundation

The "la Caixa" Banking Foundation was founded in 1904 as a savings bank and transformed into a banking foundation in 2014, reaffirming its inherent commitment to the socio-economic development of people and the areas in which it operates. In line with this commitment, the Foundation manages the Welfare Projects that have characterised "la Caixa" for over a century, managing the shareholdings in strategic service sectors and in CaixaBank, through CriteriaCaixa.



"la Caixa" Foundation

The main lines of action seek to meet the major social challenges facing our world today: the struggle against poverty and exclusion, fostering employment, access to housing, assistance for the elderly and sick, support for quality education, the advancement of research, and the sharing of culture and knowledge as the drivers of personal development.



First Foundation in Spain in investments and third worldwide in terms of volume of assets



Faithful to our values of information, transparency and proximity to shareholders



1 Information



2,753,000 e-mails sent



2.7 million SMS information alerts



191,932 visits to the Shareholder Services section of the corporate website

2 Participation



2 meetings of the CaixaBank Shareholder Advisory Committee



28 corporate and cultural **events**



759 shareholders in attendance

3 Personalised service



743 shareholder enquiries dealt with



1,283 e-mails answered



37 visits to the Shareholder Office in Barcelona and Roadshow

4 Communication materials



1.8 million online shareholder **newsletters**



330,000 copies of **Shareholders** magazine

5 Aula training



16 training courses in markets and economics



1,306 shareholders in attendance

6 New initiatives



Launch of the new **mobile portal**



Social network presence through **Twitter**

CORPORATE GOVERNANCE

Good governance and transparency are essential for CaixaBank to safeguard the interests and retain the trust of all stakeholders. One of CaixaBank's priorities, as set out in its 2015-2018 Strategic Plan, is to be a benchmark in good corporate governance.

The bank's management and control is the responsibility of the Annual General Meeting, the Board of Directors and its Committees. The Chief Executive Officer is tasked with the bank's day-to-day management and ordinary decisions, and is ultimately accountable to the Board and the Executive Committee.

CaixaBank control and management structure

Annual General Meeting

Board of Directors



Business ethics

Everyone that forms part of CaixaBank must act according to the Code of Business Conduct and Ethics, the Anti-Corruption Policy and other internal rules of conduct regarding specific areas.

There is a whistle-blowing channel to facilitate compliance with such rules. In the case of customers or other stakeholders, such matters will be handled through the normal customer service channels. CaixaBank also adheres to international corporate responsibility standards, such as the United Nations Global Compact.

BEST GOVERNANCE PRACTICES

One share, one vote.

Separation of duties between Chairman and Chief Executive Officer.

Protection for minority shareholders and incentives to encourage them to get involved with CaixaBank, such as through the Shareholder Advisory Committee.

Female representation on the Board is in the upper range of the Ibex 35.



BOARD OF DIRECTORS

Directors at 31 December 2015*



Isidro Fainé Casas
Chairman
Proprietary



Antonio Massanell Lavilla
Deputy Chairman
Executive



Gonzalo Gortázar Rotaeché
Chief Executive Officer
Executive



Juan Rosell Lastortras
Independent



Eva Aurín Pardo
Proprietary



**María Teresa Bassons
Boncompte**
Proprietary



**María Amparo
Moraleda Martínez**
Independent



John S. Reed
Independent



Salvador Gabarró Serra
Proprietary



Juan Franco Pueyo
Representative of the
Caja Navarra Banking
Foundation
Proprietary



**Antonio Sáinz de Vicuña
y Barroso**
Independent

* On 25 February 2016, the Board of Directors approved the co-optation appointment of María Verónica Fisas Vergés as an independent director until the 2016 Annual General Meeting.



Alejandro García-Bragado Dalmau
Secretary
(non-director)



Xavier Vives Torrents
Independent



Alain Minc
Independent



Maria Dolors Llobet Maria
Proprietary



Óscar Calderón de Oya
First Deputy Secretary
(non-director)



Juan-José López Burniol
Proprietary



Guillermo Sierra Molina
Representative of the Cajazol
Foundation
Proprietary



Javier Ibarz Alegría
Proprietary



Adolfo Feijóo Rey
Second Deputy
Secretary
(non-director)



Best good governance practices

CaixaBank complies with good governance regulations applicable to credit institutions and listed companies and, voluntarily, with the majority of the recommendations laid out under the Good Governance Code approved on 18 February 2015. The bank thus remains committed to being a standard-bearer of corporate governance and being transparent on all matters in which such recommendations have not been fully met.

Of these 64 recommendations, CaixaBank fully complies with 56 and partially complies with 4 of them, namely:

- Recommendation 10, given that the rules for voting on a possible draft resolution at the Annual General Meeting (AGM) submitted by shareholders are not the same as for proposals submitted by the Board.
- Recommendation 27, because proxies for voting at Board meetings, when applicable, are granted without specific instructions as it is considered best practice.
- Recommendation 31, because CaixaBank does not differentiate between Board members when establishing requirements to include a new proposal on the agenda for its meetings.
- Recommendation 36, given that the self-assessment of the Board does not individually evaluate the performance of each director.

In addition, two other recommendations are explained: Recommendation 13, because the Board has a larger number of members than suggested, given its history and particular characteristics as well as the regulations applicable thereto; and Recommendation 62, because the shares delivered to executive directors as part of their annual bonus are subject to a 12-month lock-up period, but no further requirements after this period. Lastly, two of the recommendations are not applicable, given that in the CaixaBank Group only the bank itself has listed shares and there is no Lead Director at CaixaBank.



For more information on the level of compliance with good corporate governance recommendations, please consult [CaixaBank's Annual Corporate Governance Report](#), available on the company's website

Profile of CaixaBank's directors

As a percentage

Diversity on the Board of Directors

76.5
men

23.5
women

Term of office*

29.4
(0-3 years)

35.3
(3-6 years)

23.5
(6-9 years)

11.8
(+9 years)

Term of office for independent directors*

33.0
(0-2 years)

17.0
(2-5 years)

17.0
(5-7 years)

33.0
(+8 years)



* Uninterrupted, and at 2015 year end.



MANAGEMENT COMMITTEE

At 31 December 2015*



Gonzalo Gortázar Rotaeché
Chief Executive Officer

General Managers



Tomás Muniesa Arantegui
Chief Insurance and Asset
Management Officer



Juan Antonio Alcaraz García
Chief Business Officer



Pablo Forero Calderón
Chief Risks Officer



Xavier Coll Escursell
Chief Human Resources and
Organisation Officer

Deputy General Managers



Joaquín Vilar Barrabeig
Head of Audit

Executive Managers



Javier Pano Riera
Head of Finance



Jordi Fontanals Curiel
Head of Resources



Jorge Mondéjar López
Head of Financial
Accounting, Control
and Capital



**María Victoria
Matía Agell**
Head of International Banking



Oscar Calderón de Oya
General Secretary

* Starting in 2016, the Corporate Manager of Communication, Institutional Relations, Brand and CSR, María Lluïsa Martínez Gistau, attends as a guest.



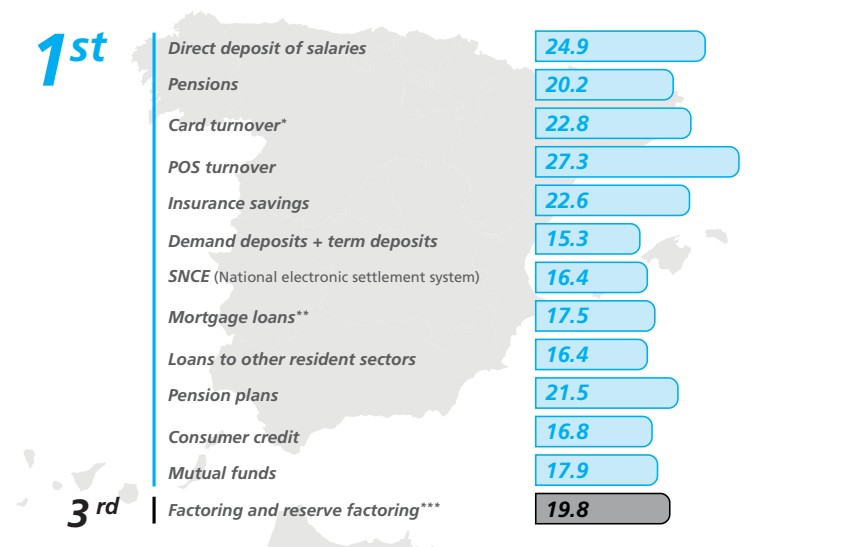
BUSINESS MODEL

CaixaBank is the leading bank in Spain thanks to a universal banking model predicated on the provision of high quality, friendly and specialised service, with a wide range of products and services that are adapted to customers' various needs and an extensive multi-channel distribution network. The Bank has also formed strategic alliances with investee banks and has shareholdings in companies in the service sector.

A LEADING GROUP

Market shares and ranking (December 2015)

As a percentage



* September 2015.

** November 2015.

*** The scope of the total market has changed with respect to the figures for 2014.

One in every four Spanish banking customers has placed its trust in CaixaBank

Market share of customers

28.3% Individuals > 18 years

34.9% Companies

SPECIALISED MANAGEMENT

Universal banking model

We offer convenient, high quality service, underpinned by a value proposition tailored to the needs of each customer

- Specialised teams with extensive training and experience
- Specialised offices in the branch network for those groups that need it
- Comprehensive product catalogue of financial and non-financial solutions

For individuals

For companies and institutions

Private Banking

485 professionals dedicated solely to this area, with a team that specialises in high-net-worth customers

38 exclusive centres nationwide

Corporate & Institutional Banking

230 specialised professionals

4 specialised centres for business and related products

Premier Banking

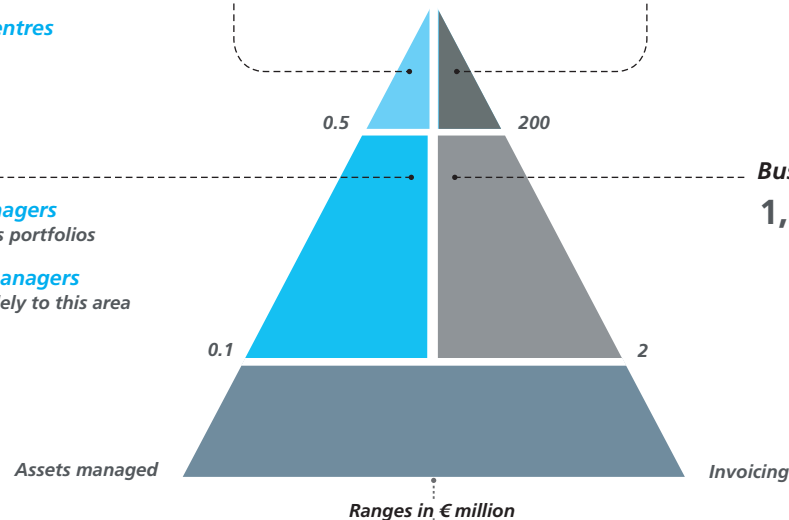
4,900 branch managers with business portfolios

1,500 specialist managers dedicated solely to this area

Business Banking

1,260 specialised professionals

105 business centres in financing, services, cash management and foreign trade and support teams



Individual and Business Banking*

* Retail establishments, self-employed and freelance professionals, micro-companies and agribusinesses

- The largest customer base and the bedrock of all other value propositions
- The most extensive branch network in Spain



Individual and Business Banking

With a high-quality multi-channel approach, this value proposition offers easy and convenient solutions through a unique and clear-cut offer.

In 2015, the focus with regard to **Individual Banking** was on:

- Bringing in salary direct deposits, with 782,000 new salaries directly deposited, thanks to the commercial effort in an environment where the employment market is recovering.
- Stronger customer loyalty through the launch of new products and services (such as mortgages with fixed and mixed interest rates; long-term systematic savings products and tax advantages; multi-year car insurance and the protection map), the ease of obtaining consumer loans and new developments in payment methods with CaixaBank Pay.
- The launch of HolaBank, a value proposition designed for foreign customers who reside in Spain for part of the year; it has a unique branch network, multilingual employees and specialised products.

The value proposition **CaixaNegocios**, launched in 2014, was consolidated and is aimed at self-employed professionals and small enterprises that bill less than €2 million.

- More than 1,600 managers are dedicated solely to this area and provided with mobile devices that allow them to bring the branch to the customer. In 2015 the Business Wall was launched, a new channel for exclusive communication between customers and managers.
- 308,800 new businesses were captured (up 23% on 2014) and the product portfolio was completed with new developments such as the multiSeguros pack, with discounts depending on the level of protection and how long you have had the pack, the POS tablet and other sector-specific solutions for the hospitality, tourism, pharmacy, office and food industries.

2015 was the first full year for the **AgroBank** line of business, which is aimed at agrarian customers and has 576 specialised offices.

- The business reached 330,000 customers (+47,000 new customers vs. 2014) and its turnover increased by 5% to €15,118 million.
- Innovative products were launched, such as AgroConfirming, and the actions driving the sector, such as agreements, seminars, participation in trade fairs and awards, were strengthened.

11.77 *Individual customers million*

1.39 *Business customers million*

111,210 *Investment million €*

84,474 *Funds under management million €*

INSURANCE AND PENSION PLANS COMPLEMENT THE BANKING BUSINESS

VidaCaixa (100% CaixaBank):

No. 1 in life insurance
No. 1 in pension plans

SegurCaixa Adeslas (49.9% CaixaBank):

No. 1 in health insurance
No. 2 in homeowners insurance
No. 5 in multi-risk insurance



104,480 *Customer funds
and securities under
management
million €*

888,000 *Customers*



Premier Banking

A new value proposition for consolidating our leadership in financial advisory services, thanks to our own financial planning model, professionals with certified training and exclusive conditions for customers.

Launch of CaixaBank's new brand: Premier Banking.

Our leadership position in the premier banking segment was consolidated following the integration of Barclays Bank, SAU.

The bank continues to build on the skills of its team through the post-graduate degree programme in Financial Advising of the Universidad Pompeu Fabra (UPF) and the international certificate programme of the Chartered Institute for Securities & Investment (CISI).

The bank will continue to strengthen its advisory services in 2016 in order to increase the diversification of its savings, investment and retirement portfolios. Another goal, as a result of its commitment to excellence and quality service, includes renewing its AENOR certificate in financial advisory services.



58,050 *Customer funds
and securities under
management
million €*



Best Private Banking
Services in Spain 2015

Private Banking

This value proposition focuses on the customers' goals, making a team of professionals, along with the network of branches, available to assist customers in taking decisions regarding their assets using a unique methodology.

Recognition such as the "Best Private Banking Services in Spain" and the "Best entity in philanthropic and investment services in Spain" according to *Euromoney*.

The Value Groups and Philanthropy Department was created, which entered into over 80 agreements with strategic groups for private banking customers and prepared a specific social value proposition.

The integration of the managers from Barclays Bank, SAU consolidated Private banking as one of the largest teams in the country, with 485 qualified professionals with an average of 15 years of experience.

In 2016 the bank will continue with its commitment to the ongoing training of its professionals and to investing in technology to fulfil customers' needs.



Business Banking

The purpose of this specialised line of business is to establish a long-term relationship with companies, underpinning their growth and day-to-day management. To do this, we have a simple and clear value proposition with a quality service that has been certified externally.

The first and only European bank to obtain the AENOR Conform quality certification for corporate banking advisory services, which guarantees an optimal level of management and customer service.

In 2015 seven new business centres were opened in Barcelona (three), Bilbao, Valencia, the Balearic Islands and Girona.

14 real estate business centres were also created to lead the recovery of the transformed developer business and to become a financial benchmark in the sector.

The Investment Stimulus Plan (ISP) continues to respond to companies' demand for loans to be able to grow and expand internationally.

Corporate & Institutional Banking

Wholesale banking offers personalised service for more than 500 commercial groups of customers for the purpose of becoming a benchmark entity and anticipating their needs. Personalised value propositions have therefore been designed and customers operating abroad are able to take advantage of CaixaBank's international business.

The Corporate & Institutional Banking (CIB) division was created in 2015, which integrates Corporate Banking, Institutional Banking and other areas that provide service to customers, such as Treasury and Capital Markets. The division also supports the bank's other value propositions.

Throughout the year, and despite the sharp increase in competition both in Spain and abroad, the bank reached its investment and ordinary income targets. In addition, its risk-adjusted returns improved and its capital consumption was adjusted.

In 2016 the bank will continue to work towards obtaining a greater share of and weight in the market through risk-adjusted growth that is gradual, sustainable and profitable.



33,707 *Investment
million €*

18,186 *Funds under
management
million €*



29,739 *Investment
million €*

22,885 *Funds under
management
million €*





A DIVERSIFIED BUSINESS

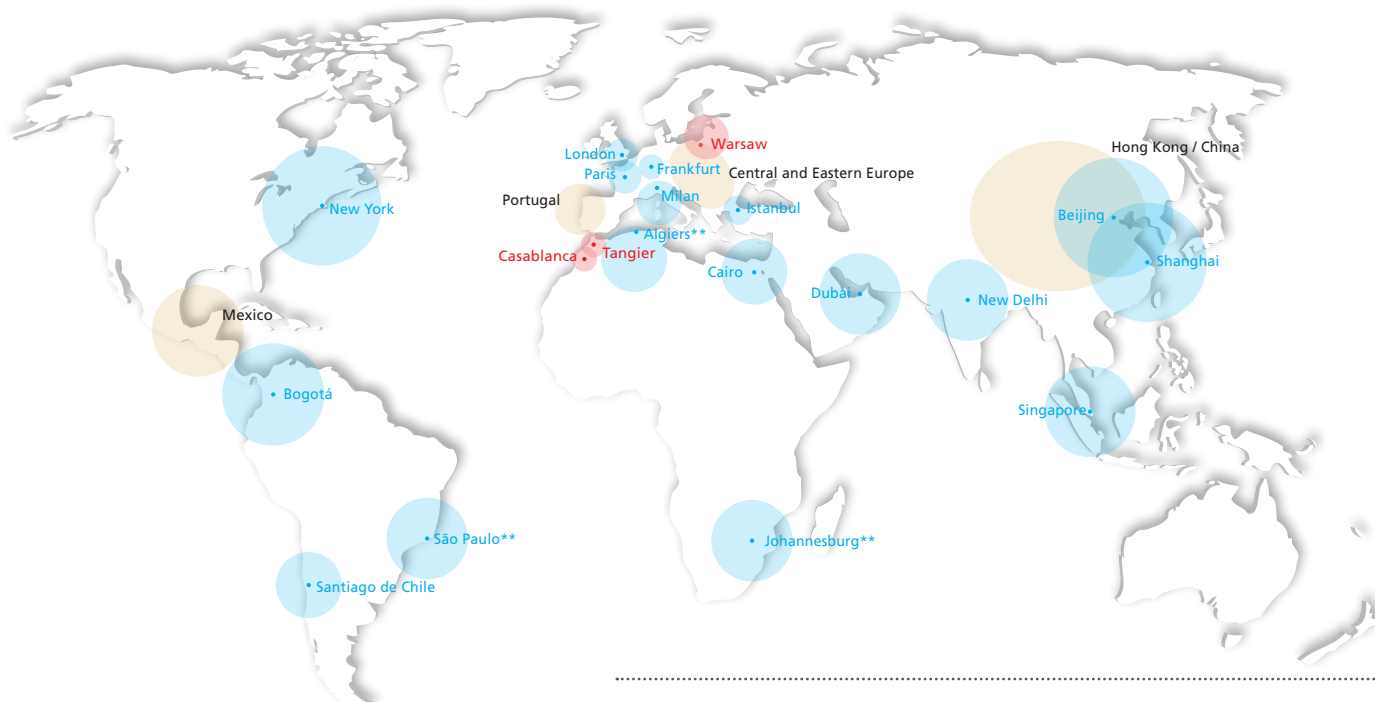
CaixaBank's international presence

- Operational branches**
 Offer financing and financial services to Spanish companies with interests and activities in these countries, as well as to local businesses.
- Representative offices**
 Advisory services for European multinationals with subsidiaries in Spain, and for Spanish companies doing business abroad. Coming soon: Algiers, São Paulo and Johannesburg.

- Banking stakes**
 Strategic alliances with four major banking groups* offering preferential access to new business opportunities in emerging regions, and that help CaixaBank customers carry out their business abroad.

CaixaBank rounds out its own service with a network of over 2,900 correspondent banks

BPI	44.10%
BEA 東亞銀行	17.24%
ERSTE	9.92%
INBURSA Grupo Financiero	9.01%



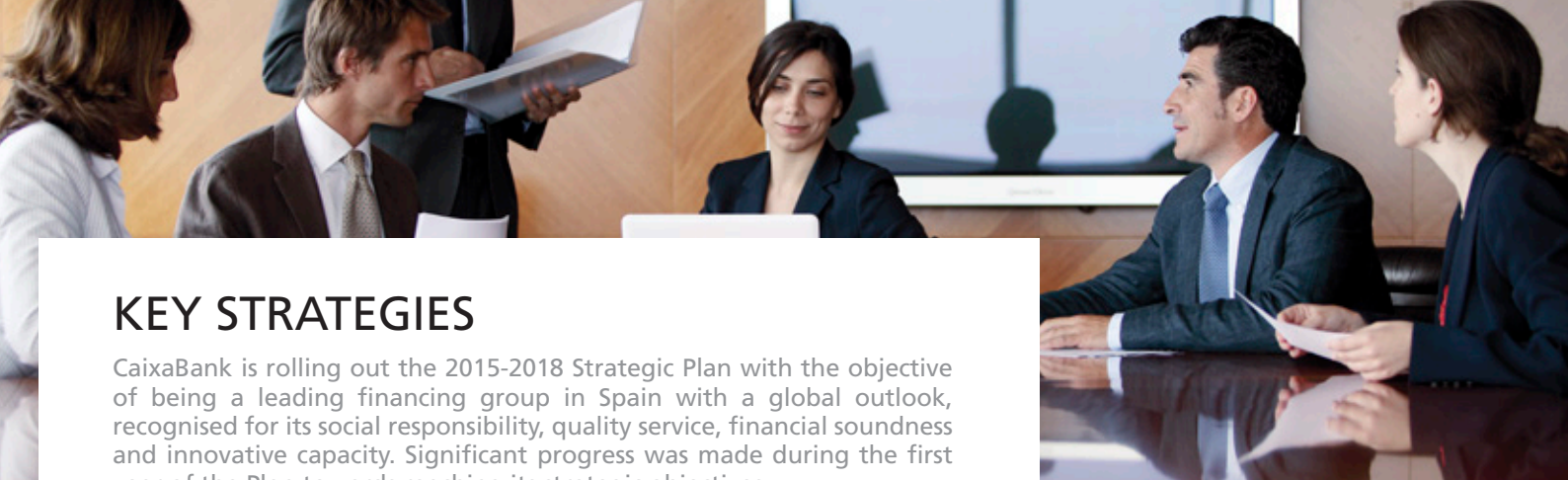
* In June, CaixaBank sold its 20.5% shareholding in Boursorama for €219 million and in December it reached an agreement with CriteríaCaixa to exchange its shareholding in GFI and BEA for €2,009 million in CaixaBank shares (9.9%) and €642 million in cash (the regulatory authorisations have yet to be obtained).

** Coming soon.

Revenue diversification

CaixaBank holds equity interests in two leading companies in their respective sectors, which offer growth and value stories as well as a strong international presence.

REPSOL	(12.14%)
Telefonica	(5.01%)



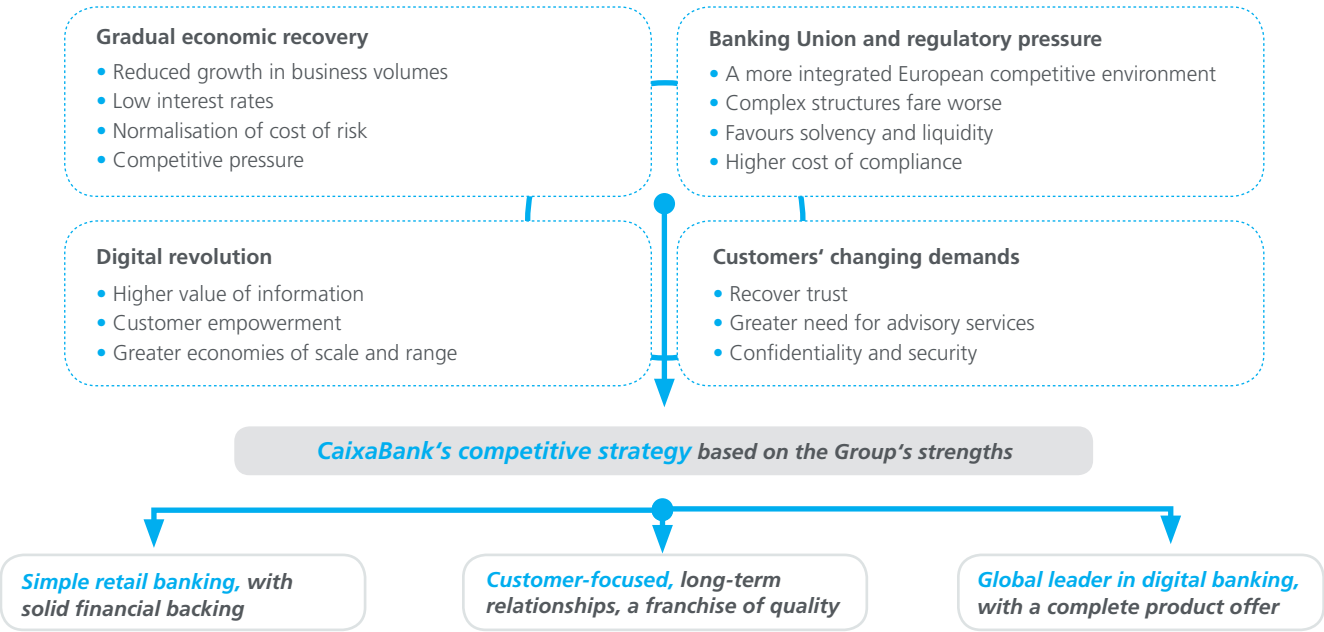
KEY STRATEGIES

CaixaBank is rolling out the 2015-2018 Strategic Plan with the objective of being a leading financing group in Spain with a global outlook, recognised for its social responsibility, quality service, financial soundness and innovative capacity. Significant progress was made during the first year of the Plan towards reaching its strategic objectives.

ECONOMIC AND BANKING LANDSCAPE

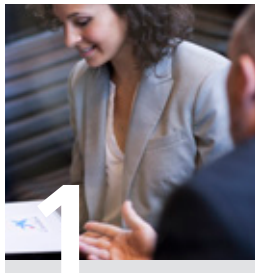
The gradual recovery of the Spanish economy was confirmed in 2015, with the highest growth rate for economic activity (3.2%) since 2007. However, the deleveraging process continued, albeit at a more modest rate. In Europe, the European Central Bank's expansive policy has kept interest rates at historically low levels, while the deployment of the banking union is redefining the competitive and regulatory framework.

Although the reputation of Spanish and European banks has improved, the figures are still relatively low. Against this backdrop, banks must obtain sufficient return to allow them to cover the cost of capital, while also anticipating the impact of innovative developments and new technologies in relations with customers.



STRATEGIC PLAN 2015-18 "PREPARED TO LEAD THE SECTOR IN TRUST AND PROFITABILITY"

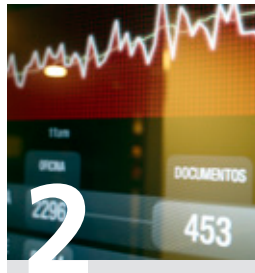
For the 2015-2018 period, CaixaBank defined five strategic lines after analysing the bank's starting point and the opportunities and threats of the current economic environment. In order to ensure the organisation is in line with its strategic guidelines, the Group is implementing various transversal projects and improving key processes with a significant impact on achieving its targets. In addition, both internal and external communication mechanisms have been rolled out to promote the transparency and understanding of the Plan, such as the presentation to the investment community at Investor Day held in March 2015.



1

**Customer focus:
be the best bank in
terms of both quality
and reputation**

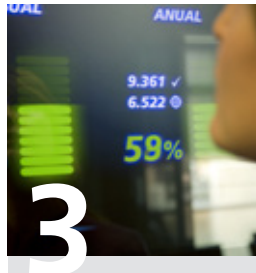
Against the backdrop of a loss of trust in financial institutions, CaixaBank intends to set itself apart as the paradigm of a responsible bank committed to its customers and society. The bank must also be a benchmark for good corporate governance, from retail investor services to a culture of control across all processes.



2

**Attain recurring
returns above
the cost of capital**

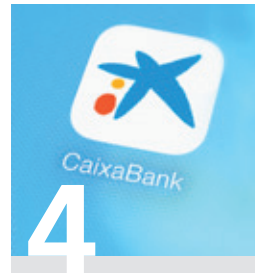
After preserving its significant financial strength during the recession, CaixaBank is committed to obtaining returns that enable it to pay its shareholders a substantial dividend over time. The gradual recovery of the Spanish economy and the growth in turnover will contribute to an improvement in results.



3

**Actively
manage capital**

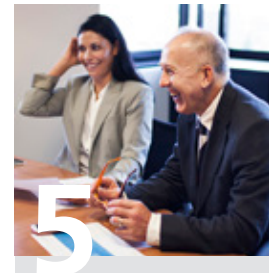
A consistently high level of solvency must be supplemented by an optimal use of capital that allows for a decrease in consumption by real estate and investee businesses in relation to banking activity.



4

**Lead the
digitalisation of the
banking industry**

Thanks to the opportunities presented by the digital revolution, the bank is working towards extending its leadership in multi-channel and mobile banking. The development of Big Data should also strengthen the operational efficiency and commercial effectiveness of the organisation through a greater use of available information.



5

**Have the best
prepared and most
dynamic team
possible**

The profound changes in the banking sector and in customers' demands require having the best prepared and most dynamic team possible, which gives rise to the need to shore up training in key professional skills, strengthen the culture of performance-based advancement and diversity, and consolidate a decentralised management model, which strengthens the empowerment of people.



Key strategies /

CUSTOMER FOCUS: BE THE BEST BANK IN TERMS OF BOTH QUALITY AND REPUTATION

STRATEGIC OBJECTIVES

- To stand out among all financial institutions for superior customer satisfaction.
- To consolidate CaixaBank's reputation as the standard-bearer for responsible and socially-committed banking.
- To be a benchmark for corporate governance.

2015 MILESTONES

In order to set ourselves apart as the bank with the highest customer satisfaction, CaixaBank is creating global experience maps to give it deep insights into the needs and expectations of its customers. It is using this analysis to foster initiatives to enhance the customer experience and their emotional loyalty to the bank.

2015 saw very positive developments in internal and external indicators of quality perception. For example, the Net Promoter Score (NPS) improved by more than six points, consolidating the upward trend in customer recommendations for the bank. CaixaBank also achieved the first AENOR certification in Europe for quality of service in business banking.

In terms of its reputation, the Group renewed its presence in the World and Europe Dow Jones Sustainability Indexes (DJSI). This bolsters its position as one of the leading banks for corporate responsibility. The bank continued to foster financial inclusion through the most extensive branch network in Spain, the granting of microcredits and the launch of financial education programmes.

During the year, CaixaBank ceased to apply the vast majority of floor clauses in its mortgage loan portfolio for individuals. Most of these contracts stemmed from entities integrated into CaixaBank over recent years.

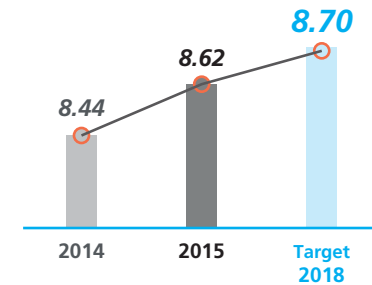
The initiatives launched to buttress corporate governance – another pillar of the Plan – resulted in improved external perception compared to other international companies and banks. These include, for example, the DJSI and the Institutional Shareholder Services (ISS) scores in this field.



Key monitoring metrics

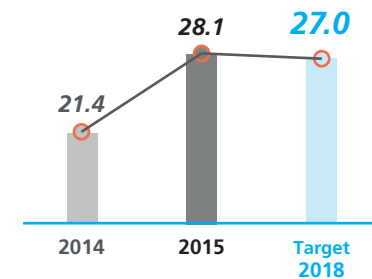
Internal Customer Satisfaction Index

Scale of 1 to 10



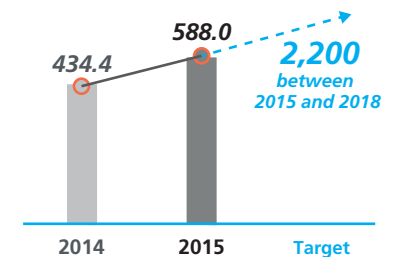
Internal Net Promoter Score (NPS)*

As a percentage



Volume of microcredits granted

In million €



* Difference between the percentage of customers who would recommend the entity compared to detractors.

STRATEGIC PRIORITIES 2016

- To deepen knowledge of customers through global experience maps.
- To develop and implement new quality metrics.
- To achieve further certification of quality and internal processes.
- To continue adopting best practices for social responsibility and corporate governance.



THE CUSTOMER, IN THE CENTRE

The essence of CaixaBank is to serve people and drive economic and social development in the regions in which it has a presence. We are therefore working to be a leading bank in terms of quality of service, confidence among customers, social commitment and long-term vision.

CONVENIENT BANKING

The bank is committed to being accessible and close to its customers through its extensive branch network and the other channels available to them. CaixaBank professionals also show empathy and actively listen to customers to become aware of and try to resolve any of their concerns.

The bank has the largest number of offices in Spain and the most extensive ATM network, and is a leader in online and mobile banking, with the largest number of active digital customers in the country.

It has a specialised advisory model and a large sales team of specialised professionals and a growing number of mobile terminals that provide service to customers outside of the branches.

The bank is committed to transparent and fluid communication both internally and with customers, shareholders and other stakeholders.

It facilitates access to its products and services for as many people as possible:

- A broad product offering, differentiated according to each type of market segment.
- Driving financial inclusion through MicroBank, the Group's social banking arm specialised in microfinance.
- Eliminating physical and sensory-based barriers:
 - 85% of the branches are accessible and we are working to install access ramps and eliminate any steps.
 - Ensure that ATMs are accessible for use by everyone.
 - Follow the Web Accessibility Initiative's AA level guidelines.

5,211 *Branches in Spain*

100% *Presence in cities with more than 25,000 residents*

14,500 *Advisory specialists*

10,200 *Employees with mobile equipment*

The most extensive branch network in Spain



EXCELLENT SERVICE

Quality of service, both in customer relations and its internal processes, is one of the bank's values and its primary strategic goal as well as one of its competitive levers.

CaixaBank follows extremely demanding quality guidelines that are based on trust, proximity, efficiency and continual improvements. To that end, the bank is committed to providing personalised attention, focusing on specialisation and offering a wide range of products and services.

EFQM EUROPEAN SEAL OF EXCELLENCE FOR ITS MANAGEMENT MODEL



CaixaBank adopted the EFQM (European Foundation for Quality Management) model in order to continuously improve its business management.

- Progress during the year in applying the model and preparing to renew the seal in 2016 and consolidate the 600-point level obtained in the last renewal.
- The only Spanish financial institution to be a finalist in the EFQM Good Practice Competition 2015: MicroBank obtained second place in the field of job creation through microcredits.

We listen to our customers

CaixaBank promotes an active dialogue and direct contact with customers and professionals. Among other initiatives, the bank regularly consults the level of customer satisfaction and their recommendations on the service received.

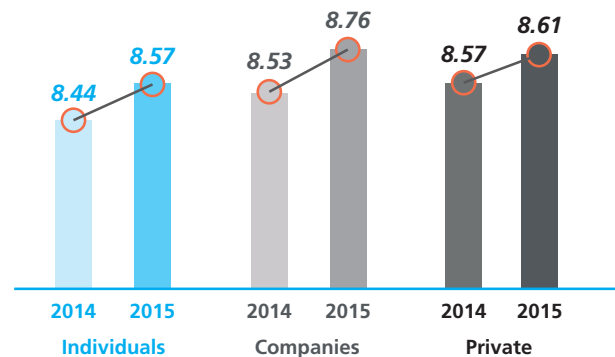
With the information obtained from customer surveys (focus groups, interviews and questionnaires), two strategic indices were prepared for each of CaixaBank's businesses.

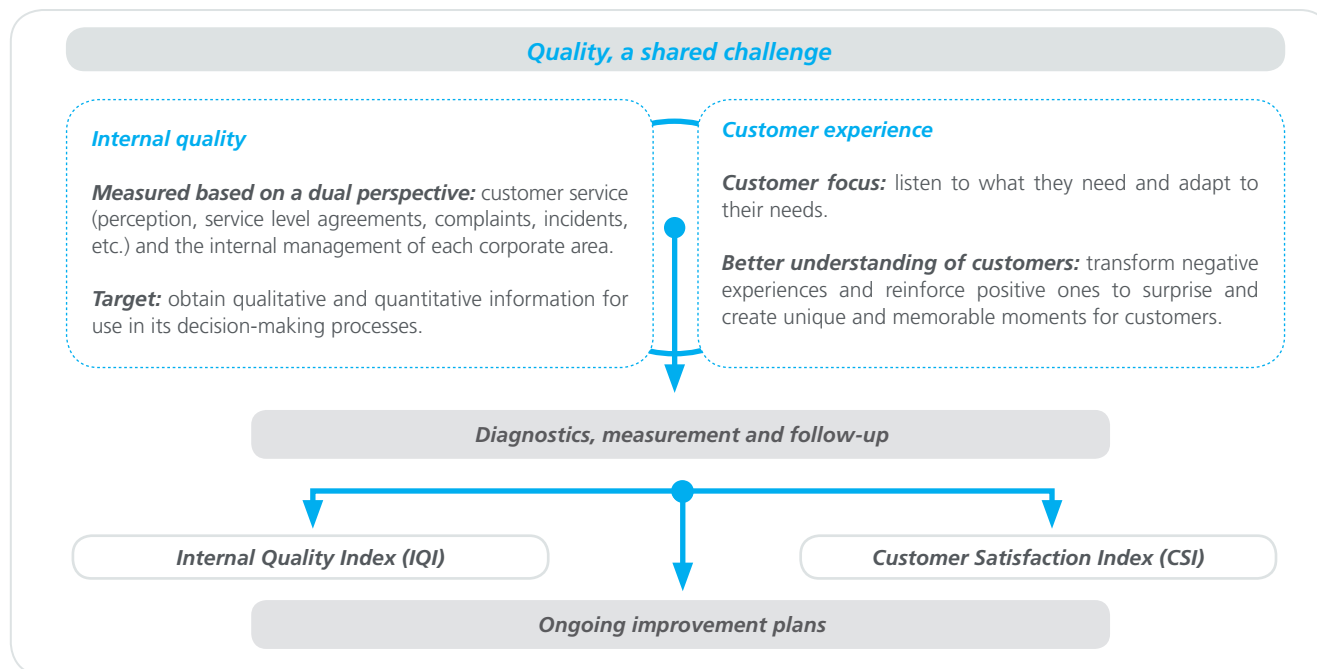
- The Customer Satisfaction Index (CSI), an internal service quality indicator.
- The Net Promoter Score (NPS), which measures the percentage of customer recommendations for CaixaBank.

Based on this feedback, improvement plans are designed to step up excellence in the service in question.

Customer Satisfaction Index (CSI) by business

Scale of 1 to 10





CUSTOMER SERVICE

Claim management is a key element in customer relations. By actively listening to customers, their latent needs can be analysed and transformed into opportunities for improving the bank's business processes.

At CaixaBank, queries, complaints and claims are managed through the channels available and responses are given quickly on a case-by-case basis in order to "avoid, resolve and improve".

The communication channels at our customers' disposal are:

- The bank's branches and centres, which manage each incident on a case-by-case basis.
- The Customer Service Office (letters, toll-free customer service line and contact form on the website), as a customer-oriented service.
- The twitter account [@CABK_Responde](#).
- The Mortgage Customer Advisory Service (SACH) is a unique service in the Spanish financial sector, which specialises in assisting customers, through a toll-free customer service line, with any dealings initiated regarding their primary residence.
- Customer Service and the Customer Ombudsman, as a step prior to the Bank of Spain and the Spanish securities market regulator (CNMV).

A TRUSTWORTHY BANK

CaixaBank has inherited a 100-year-long tradition of social commitment and contribution to the socio-economic development of the country and aspires to be perceived as a responsible bank.

Ethics and good governance are essential for the bank. CaixaBank has internal codes of conduct and forms part of international alliances for the collective advancement of sustainable practices. Highlights in 2015 include the publication of the *Corporate Responsibility Policy* and the bank's adhesion to the Code of Best Tax Practices and the Green Bond Principles.

Main actions in 2015

Promote retirement planning, long-term savings and financial education

- CaixaBank manages **22.6%** of Spaniards' *savings insurance* and **21.5% of their pension plans**.
- **VidaCaixa**, the Group's pension plan manager, has the highest number of direct pensions deposits after the Social Security system.
- **180 Caixafu[tu]ro events organised**, to assist customers in planning for their retirement with almost 18,000 attendees.
- **1,642 attendees** at **100 financial training workshops** aimed at vulnerable groups.
- **16 training courses** in economics and markets for **1,306 shareholders**.

Collaborate with the "la Caixa" Foundation to disseminate and roll out its programmes

- **23,626 job opportunities for people** who were at risk of exclusion generated through Incorpora.
- **2.5 million children vaccinated** since 2009 through collaboration with Gavi, the Vaccine Alliance.
- **33,084 rental flats** available at below-market prices.
- **7,677 participants** in the Corporate Volunteering Programme, with **221,795** beneficiaries.

Participate in the fight against climate change

- **€5.7 million** granted in *ecoLoans* in 2015.
- **3,247 MWh** in installed capacity in the 19 *renewable energy* projects financed during the year.
- **World leader**, with the highest rating *in the CDP index*, which assesses the transparency and actions of companies with regard to climate change.



Over 465,000 assistance measures for families with mortgage loans and undergoing financial difficulties since 2009





Key strategies /

ATTAIN RECURRING RETURNS ABOVE THE COST OF CAPITAL

STRATEGIC OBJECTIVES

- Achieve returns (ROTE – return on tangible equity) of between 12% and 14% from 2017, enhancing our leadership in the Spanish market and fostering the international business.
- Distribute high and stable dividends to shareholders.

2015 MILESTONES

Against a backdrop of very low interest rates, squeezing the income statement, CaixaBank has increased its profitability by increasing its banking revenues and reducing the cost of risk. The integration of Barclays Bank, SAU at the start of the year also enhanced our profitability and growth. The Group also maintains robust solvency and liquidity levels.

CaixaBank is continuing to develop and consolidate various value propositions for different customer types – such as CaixaNegocios, AgroBank, HolaBank and Banca Premier – to increase customer loyalty and bolster our commercial leadership. Our share of direct deposit of salaries – a powerful indicator of customer loyalty – increased significantly in 2015, to around 25%.

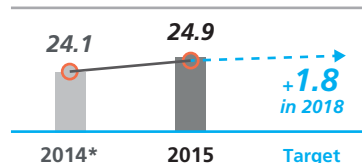
Our strategic focus on financial planning for customers, through the CaixaFuturo programme, has fostered a significant increase in our market share for mutual funds, pension plans and savings insurance. We have also set up CaixaBank Consumer Finance to foster consumer credit, one of the priority areas for growth in the Plan.

We are maintaining our focus on the companies sector. We have set up the Corporate & Institutional Banking (CIB) unit, a transformational project to develop a market leading banking model at the national level for major companies and institutions.

Key monitoring metrics

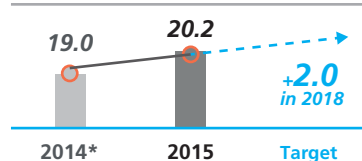
Market share of salaries directly deposited

As a percentage



Market share of funds, plans and savings insurance

As a percentage



* Includes the pro-forma impact of Barclays Bank, SAU.



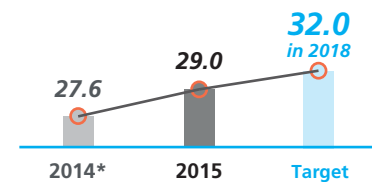
STRATEGIC PRIORITIES 2016

- To continue fostering customer loyalty through value propositions based on segmentation and financial advice.
- To develop the services we offer, our international support and our personalised value propositions through our corporate and institutional banking project.
- To stabilise the cost base in line with recent years, against a backdrop of continuing pressure on margins.

Key monitoring metrics

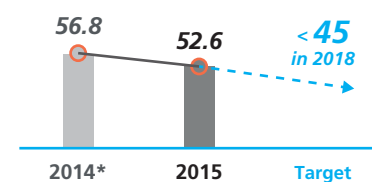
Lending to non-developer companies

Percentage of total lending



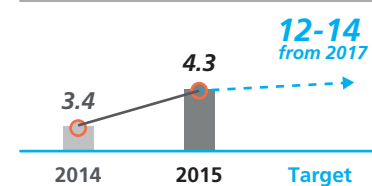
Recurring cost-to-income ratio

As a percentage



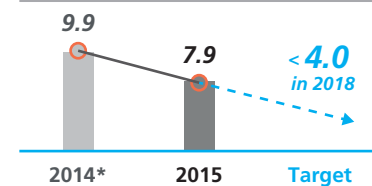
ROTE

As a percentage



Non-performing loans ratio

As a percentage



* Includes the pro-forma impact of Barclays Bank, SAU.



FINANCIAL REPORTING AND RESULTS

2015 was marked by a recovery in profitability, based on our commercial strength, specialisation and lower risk costs, and managing efficiency as a strategic approach.

RESULTS

Profit attributable to the Group in 2015 stood at €814 million (up 31.4% on 2014), driven by growth in revenues, streamlined costs and lower insolvency allowances.

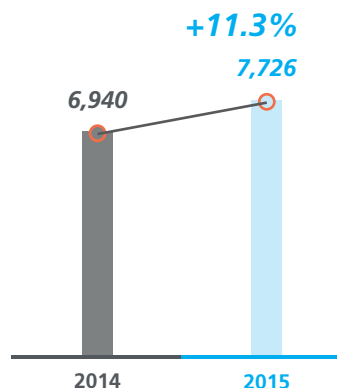
The inclusion of the results of Barclays Bank, SAU impacted different headings of the year-on-year income statement comparison.

Strong revenue-generating capacity

- Net interest income stands at €4,353 million (+4.8% vs. 2014). This performance was marked by a decrease in the finance cost of retail savings and the contracting of interest income, mainly as a result of the drop in market rates and the reduced volume of institutional activity (fixed income).
- Fee income increased by 10.3%, reaching €2,013 million, mainly as a result of the increase in assets under management in off-balance sheet products.
- Earnings on the investee portfolio amounted to €578 million, up 17.7%.
- Net trading income and exchange differences amounted to €867 million, resulting mainly from latent gains on available-for-sale financial assets.
- “Other operating income and expenses” includes, among other items, higher income from life-risk insurance (+44.2%) and contributions to the Deposit Guarantee Fund and the National Resolution Fund.

Gross income

In million €



+4.8%

*net interest
income
vs. 2014*

+10.3%

*fees and
commissions
vs. 2014*

Efficiency management as a strategic approach

- Recurrent costs on a like-for-like basis¹ were down 1.2%, as a result of our cost containment and streamlining efforts. Factoring in the integration of Barclays Bank, SAU, recurring operating expenses were up 7.7%.
- Furthermore, non-recurring costs of €259 million stemming from the integration of Barclays Bank, SAU and €284 million from the labour agreement² were reported during the year.
- Recurring pre-impairment income increased by 15.7%. If we factor in non-recurring costs, pre-impairment income stood at €3,120 million (–1.5%).
- The recurring cost-to-income ratio improved by 1.8 percentage points, to 52.6%.

Gradual improvement in credit quality and other impacts

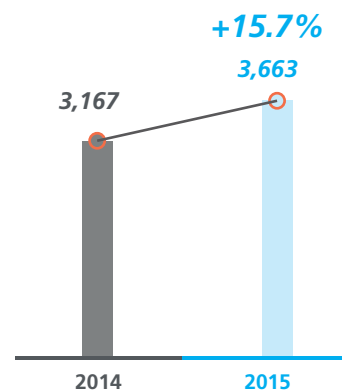
- Impairment losses on financial assets and others assets were down 2.4% due to the significant reduction in the volume of insolvency allowances (–23.6%) and the increase in other allowances, which include coverage for future contingencies and impairment losses on other assets.
- “Gains (losses) on disposal of assets and other” essentially includes the profit or loss from one-off transactions carried out (including negative goodwill of €602 million on the consolidation of Barclays Bank, SAU), and the gains or losses on sales and write-downs of real-estate assets.

1. Pro-forma, factoring in the recurring expenses of Barclays Bank, SAU in 2014.

2. Labour agreement for voluntary termination of 700 contracts in areas with excess headcounts.

Pre-impairment income, stripping out non-recurring costs

In million €



52.6% *Cost-to-income ratio, stripping out non recurring costs*
–1.8 percentage points

0.7% *Cost of risk*
–27 basis points

**Income statement**

In million €

	January - December		Change
	2015	2014	
Financial income	8,372	8,791	(4.8%)
Financial expenses	(4,019)	(4,636)	(13.3%)
Net interest income	4,353	4,155	4.8%
Dividends	203	185	9.4%
Share of profit/(loss) of entities accounted for using the equity method	375	306	22.7%
Net fees and commissions	2,013	1,825	10.3%
Gains/(losses) on financial assets and liabilities and exchange differences	867	640	35.5%
Other operating income and expense	(85)	(171)	(50.4%)
Gross income	7,726	6,940	11.3%
Recurring operating expenses	(4,063)	(3,773)	7.7%
Non-recurring operating expenses	(543)		
Pre-impairment income/(loss)	3,120	3,167	(1.5%)
Pre-impairment income, stripping out non-recurring costs	3,663	3,167	15.7%
Impairment losses on financial and other assets	(2,516)	(2,579)	(2.4%)
Gains/(losses) on disposal of assets and others	34	(386)	
Profit/(loss) before tax	638	202	215.6%
Income tax	181	418	
Consolidated profit for the period	819	620	31.7%
Profit attributable to non-controlling interests and other	5	0	
Profit attributable to the Group	814	620	31.4%

ACTIVITY

Leadership in banking in Spain, with high market shares across the main retail products and services.

Total assets amounted to €344,255 million (up 1.7% on 2014).

Customer funds

Customer funds amounted to €296,599 million (up 9.1% in 2015), following the integration of Barclays Bank, SAU and the strong commercial efforts.

Trends in balance sheet funds were impacted by customers channelling funds from saving products to off-balance sheet products and by the increase in liabilities under insurance contracts (of 6.7% in 2015) following the success of our marketing campaigns.

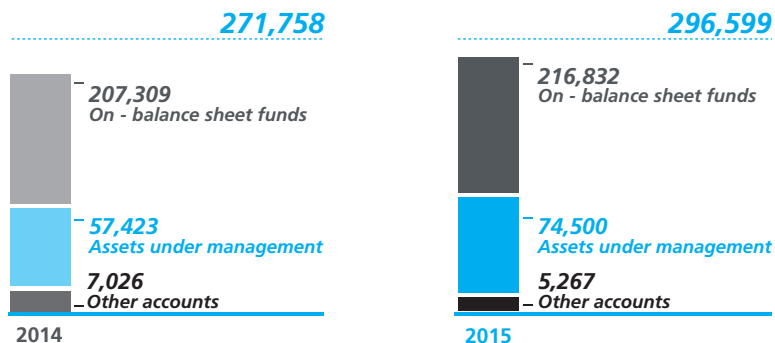
Assets under management (mutual funds and pension plans) amounted to €74,500 million (up 29.7% on 2014). Net fund subscriptions in 2015 amounted to €7,012 million, 28% of the sector total.

Market leadership for assets under management and the number of mutual funds participants, and pension plan assets under management.

108,000 *Savings insurance, mutual funds and pension plans*
million €

Customer funds

In million €





Loans and advances to customers

Gross customer loans and advances stood at €206,437 million (up 4.7% in 2015) following the integration of Barclays Bank, SAU, the containment of the deleveraging process and the reduced exposure to the real estate development sector.

There was a 48% increase in the production of new consumer lending following our marketing activities in the year.

In 2015, we increased lending to non-real estate businesses. The success of the CaixaNegocios and AgroBank marketing strategies enabled us to identify solid business opportunities and respond to the financing needs of customers in these segments.

Diversification is one of the key strengths of CaixaBank's portfolio, 73% of which is dedicated to retail financing (individuals and SMEs).

Risk management

Significant improvement in asset quality

The year saw a €5,242 million drop in non-performing loans, stripping out the impact of integrating Barclays Bank, SAU.

This brought the NPL ratio at 31 December 2015 to 7.9%, down 1.8 percentage points on year-end 2014. Stripping out the real estate development sector, the NPL ratio stands at 6.2%.

The main risk segment – lending to individuals for house purchases – features a very diversified portfolio, with good collateral and a low NPL ratio (4.0%).

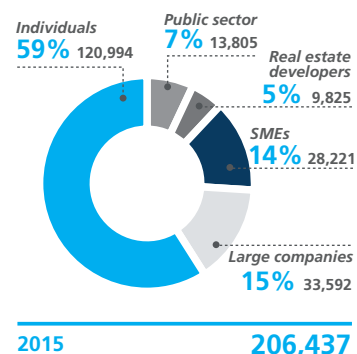
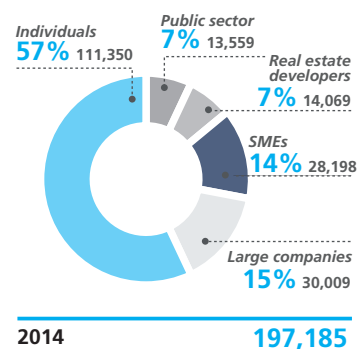
Conservative risk coverage policies

The coverage ratio stood at 56%, with provisions of €9,512 million.



Loan portfolio diversification

Percentage of gross loans and absolute value of financing in € million



FINANCIAL STRENGTHS

Excellent liquidity level and solid financing structure

At 31 December 2015, banking liquidity stood at €54,090 million, all of which was immediately available (15.7% of Group assets).

The loan-to-deposits ratio stood at 106.1%, reflecting solid retail financing.

One of the Group's top priorities is to ensure that capital is fully optimised

At 31 December 2015, CaixaBank's Common Equity Tier 1 (CET1) fully loaded ratio stood at 11.55%, applying the criteria planned for the end of the phase-in period. In 2015, with a 22 basis point change in capital generation and a 78 basis point decrease due to the integration of Barclays Bank, SAU, the fully loaded leverage ratio stands at 5.2%.

Under the progressive application criteria applicable this year, CaixaBank achieved a regulatory CET1 ratio of 12.9% and a leverage ratio of 5.7%.

Risk weighted assets totalled €143,312 million. This was mainly due to the incorporation of the risk weighted assets of Barclays Bank, SAU, offset in part by deleveraging of the loan portfolio.

The ECB's publication of its minimum regulatory capital requirements reinforced our capital buffer and capacity to pay dividends. Our solvency resulted in a CET1 buffer of: ~205 fully-loaded basis points and ~360 regulatory basis points.

When the stake swap agreement with CriteriaCaixa³ is made, CaixaBank will meet its Strategic Plan objective of reducing capital consumption by the investee portfolio to less than 10%.

Rating at 31 December 2015

Agency	Non-current	Current	Outlook
<i>Standard& Poor's</i>	BBB	A-2	Stable
<i>Fitch</i>	BBB	F2	Positive
<i>Moody's</i>	Baa2	P-2	Stable
<i>DBRS</i>	A (low)	R-1 (low)	Positive

3. Planned swap transferring holdings in Grupo Financiero Inbursa and The Bank of East Asia to CriteriaCaixa in exchange for treasury stock and cash (the regulatory authorisations have yet to be obtained).

106.1% *Loan-to-deposits ratio*

172% *Liquidity Coverage Ratio*

11.55% *CET 1 fully loaded*

12.9% *CET 1*



Key strategies /

ACTIVELY MANAGE CAPITAL

STRATEGIC OBJECTIVES

- Actively manage capital and optimise its use.
- Significantly reduce the proportion of capital allocated to the investees and real estate businesses.
- Improve the quality of management information.

2015 MILESTONES

In December 2015, CaixaBank announced the sale of its holdings in Grupo Financiero Inbursa and the Bank of East Asia (BEA) to CriteriaCaixa. When this transaction is executed, the Entity will achieve its strategic objective of reducing capital consumption by investees to less than 10% (reducing it to around 8%) ahead of schedule. This will enable us to maintain our strategic alliances with both banking partners, whilst focussing capital investment in our core market, the eurozone. CaixaBank also sold its 20.5% holding in Boursorama and 49% of Self Trade Bank in the year.

In line with the strategic objective of decreasing the share of capital consumed by the real estate business, lending to developers decreased organically by 34% in the year, falling to 5% of total lending.

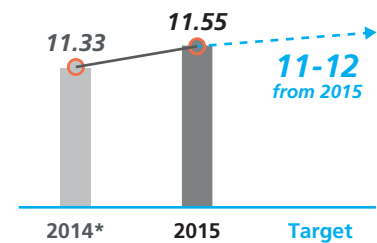
Meanwhile, NPL for real estate developers fell by 47% compared to December 2014 (including the pro-forma impact of Barclays Bank, SAU). Intense commercial efforts (sale and leasing of real estate assets) enabled us to contain the growth in our portfolio of available-for-sale foreclosed assets.



Key monitoring metrics

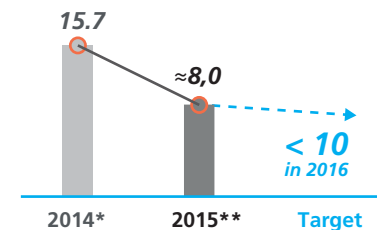
CET1 Ratio fully loaded

As a percentage



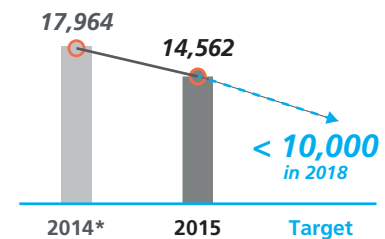
Capital consumption by investees

Percentage of total consumption Basel III fully loaded



Real estate developer NPL and foreclosed assets

In million €



* Includes the pro-forma impact of Barclays Bank, SAU.

** Pro-forma post-transaction figures.

STRATEGIC PRIORITIES 2016

- To promote joint business projects with international banking partners.
- To actively manage the volume of new foreclosed assets.
- To promote marketing strategies for foreclosed assets, depending on the channel and their quality.



ACTIVE CAPITAL MANAGEMENT

ASSET QUALITY

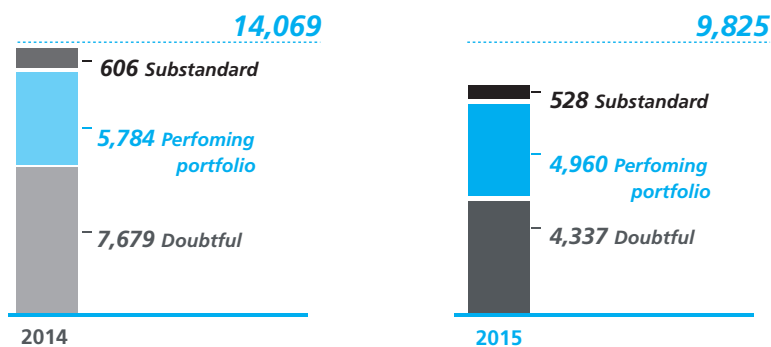
On-going reduction in lending to developers

- Exposure to the real estate development sector fell by 30.2% in 2015 (–33.6% organically, not including the balances held by Barclays Bank, SAU). The weight of financing for the development sector fell by 237 basis points to 5% of the total loan portfolio.
- Finished homes account for 66.5% of the portfolio.
- Specific coverage for problem assets (non-performing and substandard) in this segment stands at 48.8%.

–33.6% *Organic reduction
in lending to
developers*

Change in lending to real estate developers

In million €

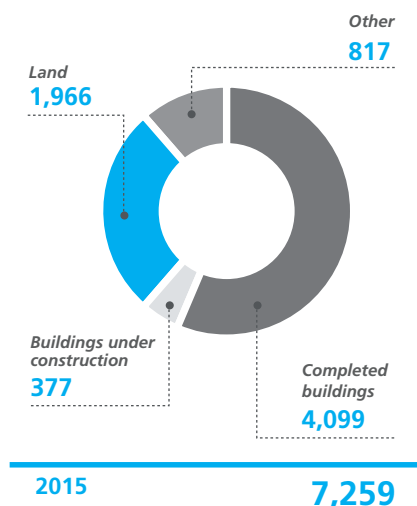


Containment of growth in the portfolio of foreclosed assets with intensive commercial efforts

- The underlying principle guiding CaixaBank's management of problematic assets is to help borrowers meet their obligations. When it no longer appears reasonable that the borrower will be able to fulfil these obligations, foreclosure proceedings are initiated.
- The net carrying amount of available-for-sale foreclosed assets stands at €7,259 million (€6,719 million in 2014), with coverage of 57.6%, including initial write-downs and subsequent accounting provisions reported after taking possession of the real estate assets (+2.6 percentage points on 2014).
- In addition, real estate assets held for lease stood at €2,966 million, net of provisions. The occupation rate for this portfolio is 93%.
- Total properties sold or rented amounted to €2,077 million in 2015. The composition of the portfolio of available-for-sale foreclosed real estate assets, 56% of which are finished homes, is a unique factor aiding in the sale of these properties on the market.

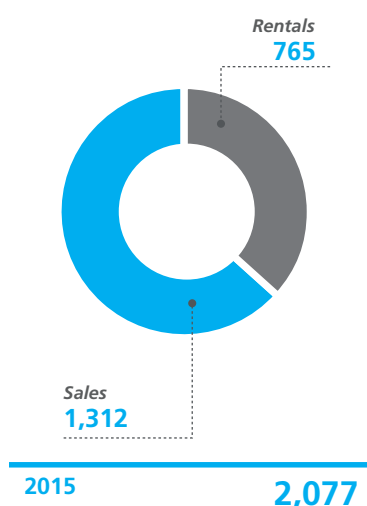
Breakdown of net real estate assets available for sale

In million €



Properties sold or rented

In million €





Key strategies /

LEAD THE DIGITALISATION OF THE BANKING INDUSTRY

STRATEGIC OBJECTIVES

- Further extend our leadership in multi-channel and mobile banking.
- Capitalise on the opportunities presented by the digital revolution to provide an enhanced service and strengthen management capacity across all areas of the organisation.

2015 MILESTONES

CaixaBank is continuously working to maintain its leadership in digitalisation, which remains a priority in this Strategic Plan. In 2015, our penetration of online banking (web and mobile) among customers increased to 40%, with increased digital contracting, particularly for mutual funds, pension plans and consumer credit.

We are continuously innovating in our customer relationships, through new devices and functionality. Highlights include the roll-out of Wall (our Línea Abierta communication mechanism for customers and their managers), our new CaixaBank Pay mobile payment service and the “Mis finanzas” smart manager, and the launch of imaginBank in January 2016.

Transactions are continuing to migrate to electronic channels: at year end, Línea Abierta accounted for 81% of transactions, including cash withdrawals and transfers. This allows branches to concentrate more of their time on providing advice, adding greater value.

Mobility is another pillar of our digitalisation strategy. At year end, half of our commercial staff were using mobile terminals (Smart PCs), enabling them to contract products with customers outside the branch using a digital signature.

As part of the project to incorporate Big Data as a commercial and management tool, we are running projects to enhance quality and security, increasing sales through a more thorough understanding of our customers, reducing costs and optimising processes.

These efforts are continuing to reap recognition and awards worldwide. CaixaBank was rated the top mobile bank in the world by Forrester Research, and the most innovative bank for mobile payments in the Retail Banker International awards.

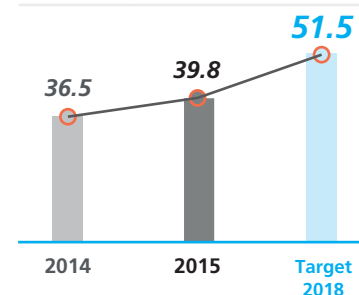


STRATEGIC PRIORITIES 2016

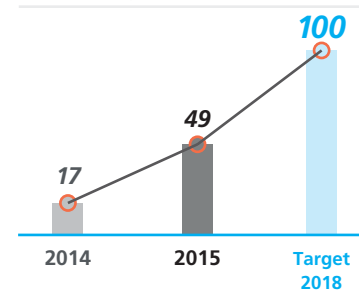
- Increase leadership of internet (fixed and mobile) banking penetration with customers.
- Increase absorption of transactions and sales through digital channels.
- Increase the number of branches with new technological architecture.
- Continue developing Big Data tools and expert models.

Key monitoring metrics

Internet active customers*
As a percentage



Commercial employees with Smart PCs (digital signature)
As a percentage



* Percentage of customers (individuals between 20 and 74 years old) that used the service over the last two months.



OUR INNOVATION MODEL

Culture of innovation

A cutting edge attitude and adaptation to change: an integral part of our culture and key to leading banking digitalisation

Objectives

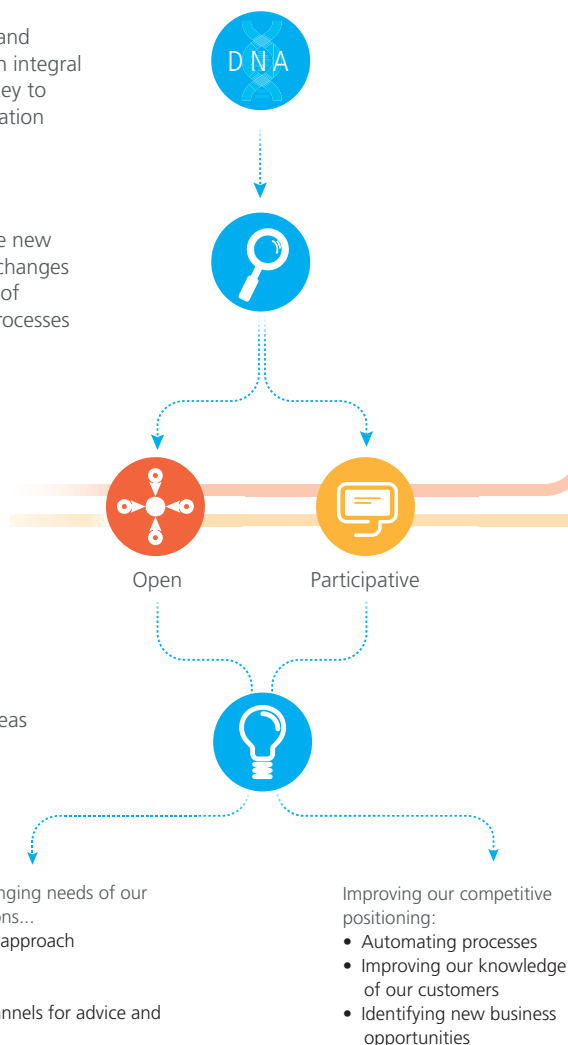
To identify and anticipate new technologies and social changes for on-going innovation of products, services and processes

Our model

Openness to new ideas and fostering involvement

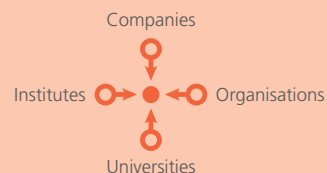
Results

We identify and apply ideas that make us better



Open innovation

We work with experts to identify the best ideas



IBM Digital Innovation Centre

Partnership with IBM to develop advanced technological infrastructure management technology



Joint development of Watson, a virtual assistant capable of analysing huge volumes of information for advice on foreign trade. For the first time, this system can now process a language other than English.

Data management

Committed to information management and advanced analytics in decision making



On-going exploitation of the Data Pool through various projects.

FinAppsParty 2015

24 hour hackathon for mobile app developers, makers, designers and creators



Development of new financial services for the Millennial generation involving mobile apps and maker prototypes.

Participative innovation

We foster collective intelligence and co-creation



Customers and employees

They send us their suggestions and ideas

Inspiranos

The Línea Abierta platform allowing internet banking customers to communicate with CaixaBank's innovation team



Our new Mis Finanzas service offers customers increased control over their spending, with customisable budgets, categories and alerts



New customer notification options including SMS and Wall alerts for managers and customers

81,347

participating customers

8,356

votes

5,384

active ideas

Innova

Online portal for harvesting employee proposals



Improvements to CaixaBank Pay, a mobile app for purchases and withdrawing money



New app for easy and instant loan and credit applications



New functionality for Mis Finanzas, our spending and income management platform.



Easier appointment system with branches using Línea Abierta

80%

staff
connected to the portal

1,269

likes

4,118

ideas and suggestions
received

Globally recognised model



Best Mobile Bank in the World (2015)

Forrester Research



RETAIL BANKER
INTERNATIONAL

The best mobile payment innovation bank (2015)

Retail Banker International



Best Bank in Spain (2015)

Euromoney



Global innovator (2014)

Efma Innovation
Awards



ServiCaixa

CARLES III-LEQUEVIC 10921



Introdueixi la llibreta o la targeta
avor, introduzca su libreta o tarjeta
Operar sense llibreta o targeta
Operar sin libreta o tarjeta

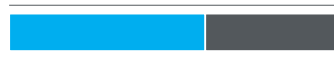
COMMITTED TO AN OMNICHANNEL MODEL

Our commitment to open and participative innovation and technology investment

In million €



165 in total
in 2015

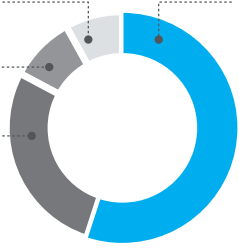


64.2 in R&D and innovation

Reinforcing digital channels and process automation

Percentage of transactions by channel

Branches **7.2%**
ATMs **8.4%**
POS and automatic **30.1%**



Internet and mobile
54.3%
(+19% vs. 2014*
in transaction number)

* Adjusted for the general
transaction classification
criteria.

Products contracted by online channels in 2015

20% funds

18% personal loans

13% pension plans

*These complement physical channels and free up network resources
to improve the customer experience and commercial effectiveness*

LEADER IN DIGITAL CHANNELS

Internet



Leaders in service quality, for the 6th year running (AQmetrix)

Global leader

Market penetration

31.9%

(No. 1 nationally and internationally)

Active customers

4.8 million

Internet transactions

2,537 million

New strategies

- Mis Finanzas, new service for managing personal finances
- HolaBank, new portal for foreign customers

Mobile



Leaders in service quality (AQmetrix) and functionality (Forrester)

Global leader

Active customers

2.8 million

Mobile transactions

1,490 million

CaixaMóvil Store

2.7 million downloads

New solutions

- CaixaBank Pay, mobile payment solution
- Wearables: Apple Watch branch finder and Bolsa Abierta for Android Wear

ATMs



Over 250 options available at our terminals

The largest network

ATMs

9,631

Market share*

19.2% terminals

Operations

620 million

New service

- Reimbursements by mobile phone, as if they were contactless cards
- Recycling of notes
- Greater personalisation

Payment methods



Market leader with 15.1 million cards in circulation

Cards

Market shares

23% by value

New service

170,000

immediate card deliveries

POS

303,306

installed

Contactless technology

- 50% of the entity's cards and 85% of POS terminals
- 75,000 bracelets and mobile phone stickers
- 20,000 customers have cards with the CaixaBank Pay service

Social networks



CaixaBank virtual communities around financial services

Presence on networks

CaixaNegocios

Community, for companies

Club Ahora, for the elderly

StockTactics, for stock market investors

Users

170,000

people registered

New communities

- multiEstrella, the social network for families
- FinApps community, connecting customers with mobile industry professionals

* Figures for the third quarter of 2015.



Key strategies /

HAVE THE BEST PREPARED AND MOST DYNAMIC TEAM POSSIBLE

STRATEGIC OBJECTIVES

- Foster training in key professional skills.
- Promote the decentralised management model.
- Adapt the compensation and professional development structure.
- Strengthen the culture of performance-based advancement and diversity.

2015 MILESTONES

In order to develop our meritocratic culture, we are reviewing our professional performance and promotion processes and our compensation structures, increasing the linkage between results and rewards. We are also enhancing the professional development structures for each of our segments. We are fostering new policies and initiatives to promote diversity in all its forms (gender, age, origins, etc). The percentage of women in positions with management responsibilities has increased by one percentage point since December 2014, to 33.3%.

CaixaBank is continuing its major investment in employee development. In 2014 and 2015, 5,813 employees in the branch network were certified as financial advisers. Of these, 5,395 obtained two qualifications: a post-graduate diploma from the Pompeu Fabra University (UPF) and the Chartered Institute for Securities & Investment (CISI) Certificate in Wealth Management. CaixaBank now has more than 7,000 certified financial advisers (1.4 for each branch in its network).

Another highlight was the launch of the CaixaBank Risks School in September, working with the Pompeu Fabra University (UPF) and the Institute of Stock Market Studies (Instituto de Estudios Bursátiles – IEB). 1,137 managers were awarded the Risk Analysts Certificate whilst 494 branch managers and 262 business managers received the Postgraduate Retail Risk Analysis Diploma.

The Bank is also continuing to foster its management development programmes, enhancing its “transformational leadership” model and fostering innovation, mobility and delegation of responsibilities.



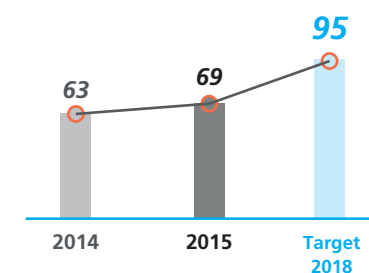
STRATEGIC PRIORITIES 2016

- To continue developing critical professional capabilities and competencies, mainly with regard to customer service and advice, commercial efforts, risks, leadership and team management, and languages.
- To further develop a culture of performance management and assessment of competencies, as key indicators for fostering a meritocracy.

Key monitoring metrics

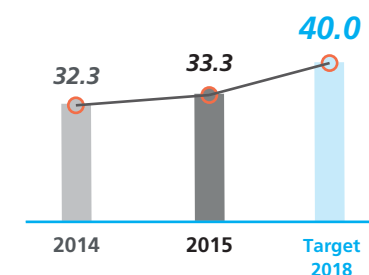
Professionals certified in key competencies/segments

As a percentage



Women in management positions*

As a percentage



* Branch manager or higher.



PEOPLE FIRST

CaixaBank has put in place a range of programmes and initiatives to ensure the development, satisfaction and commitment of all its employees. Our employees are the Bank's main asset and the key to achieving its strategic objectives.

Management policies and principles

- Diversity, equal opportunities and work/life balance.
- Fostering career development.
- Performance-based criteria in internal selection processes.
- Performance-based variable pay directly linked to individual and team targets.
- Occupational health and safety.
- Optimising internal communications.

Opinion Study 2015

CaixaBank's bi-annual survey of its whole workforce seeks to identify and prioritise improvement actions.

19,212 *Participating employees*
64% of total

6.9 *Overall satisfaction*
out of 10

The CaixaBank Group in 2015

32,242

31,210 2014

31,948 2013



People working in the bank

29,972

52.3%
women

93.6%
university graduates

100%
employees trained

63
nationalities

97.3%
of employees on fixed, permanent contracts

48.9
training hours per employee per annum

15
average length of service

89.5%
talent retention rate

87.9%
on-line training compared to total training



Diversity, equal opportunities and work/life balance

CaixaBank's commitment to equality and work/life balance is evident in its adherence to different initiatives and certifications as well as sustained growth in female representation in the Group's management ranks.

- Family-responsible company.
- The United Nations Women's Empowerment Principles.
- Diversity Charter.
- Voluntary Agreements to increase the presence and participation of women in managerial positions at companies, fostered by the Ministry of Health, Social Services and Equality.

33.3% of women at CaixaBank hold positions of responsibility, occupying branch management positions or higher. Additionally, the number of women directors on CaixaBank's Board is among the highest for companies trading on the Ibex 35.



Recruitment 2008-2015

CaixaBank's workforce has been enriched by the diversity of the employees who have joined following the various integrations over recent years.

*Employees of other entities
working in CaixaBank*

9,866

2008	400 <i>Morgan Stanley</i>	2012	6,169 <i>Banca Cívica</i>
2010	862 <i>Caixa Girona</i>	2013	887 <i>Banco de Valencia</i>
2011	114 <i>Bankprime</i>	2015	1,434 <i>Barclays Bank, SAU</i>





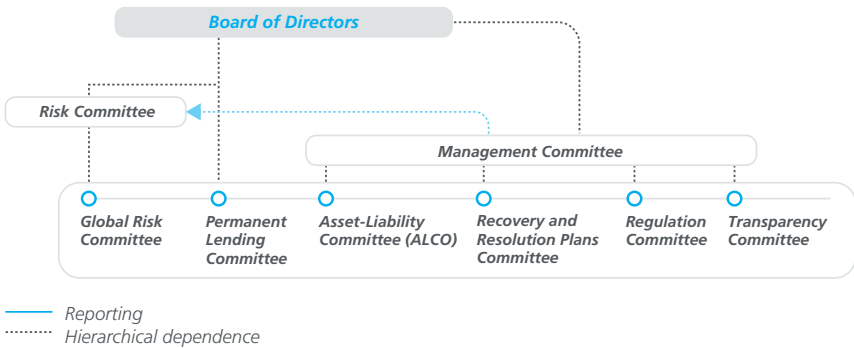
ACTIVE RISK MANAGEMENT

CaixaBank manages its risks to optimise the balance between risk and profitability, and to maintain its position as one of the most robust entities in the Spanish system. To achieve this objective, risks are managed in accordance with the Group’s risk appetite and are considered in all of its business decisions, enhancing the quality of our service for our customers.

The **Governance and Organisation structure** – and the specialisation of our professionals – ensures CaixaBank’s governance bodies and management committees exercise adequate risk control.

CaixaBank’s Risk Culture is based, inter alia, on general risk management principles and employee training.

MAIN RISK MANAGEMENT COMMITTEES



MANAGEMENT TOOLS AND SYSTEMS

Corporate Risk Map:

provides a comprehensive overview of the risks of corporate activities and the control environment. Includes the Corporate Risk Catalogue.

Risk appetite framework:

a comprehensive, forward-looking tool used by the Board to determine the types and thresholds of risk it is willing to assume in achieving strategic objectives.

Internal control model:

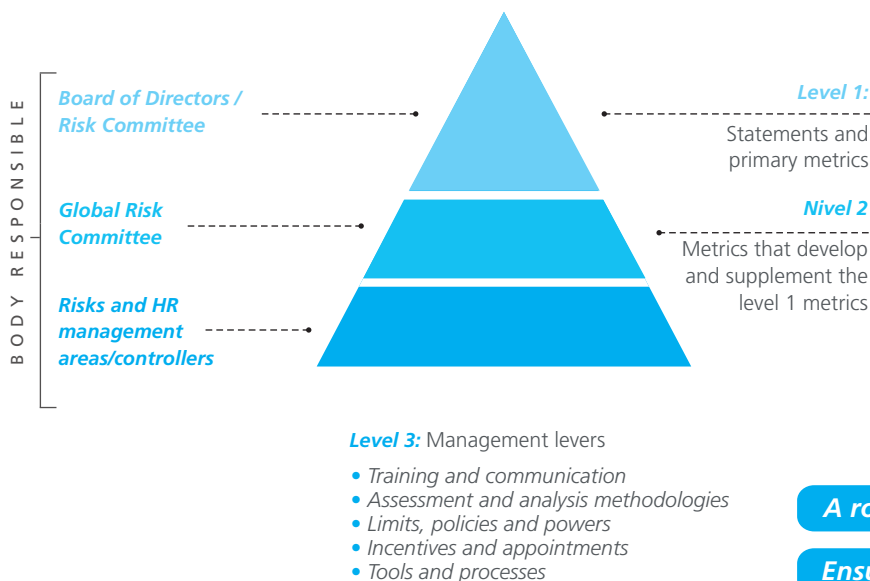
provides a reasonable degree of assurance that the Group will achieve its objectives.

RISK APPETITE FRAMEWORK

The Board of Directors has approved the following priority dimensions, expressing the Group's goals in relation to its most significant risks:

- **Loss buffer:** maintain a medium-low risk profile and comfortable capital adequacy.
- **Liquidity and financing:** to always be able to meet obligations and funding needs in a timely manner, even under adverse market conditions, with a stable and diversified funding base to protect and safeguard depositors' interests.
- **Business composition:** to maintain leadership in the retail banking market and to generate income and capital in a balanced and diversified manner.
- **Franchise:** committed to the highest ethical and governance standards in business conduct, encouraging sustainability and social responsibility, and ensuring operating excellence.

Structure of the Risk Appetite Framework



INTERNAL CONTROL MODEL

This model evolves in accordance with the guidelines issued by regulatory bodies and best practices in the sector, moving towards the Three Lines of Defence model.

The first line consists of the Group's business and support units. Responsible for identifying, measuring, controlling and reporting the Group's risks as it carries out its business.

The second line of defence comprises mainly the Risk Management, Compliance and Internal Control functions, which act independently from the business units. Its purpose is to identify, measure, monitor and report the Group's risks while developing its risk management and control systems.

The third line is Internal Audit, which independently and objectively assesses the efficiency and effectiveness of risk management and control.

A robust position in the Spanish system 

Ensures adequate risk supervision 



Corporate Risk Catalogue

Risks of activities	Risk management	Situation and main activities in 2015
<p>■ Affecting financial activity ■ Affecting business continuity</p> <p>Lending Risk of a decrease in the value of the CaixaBank Group's assets due to uncertainty in a counterparty's ability to meet its obligations.</p>	<ul style="list-style-type: none"> • This is the most significant risk for the Group's balance sheet and arises from its banking and insurance business, treasury operations and investee portfolio. • Its management is characterised by a prudent approvals policy and appropriate coverage. • The management lifecycle takes an end-to-end approach to transactions. 	<ul style="list-style-type: none"> • Simplification and rationalisation of acceptance circuits and increasing delegation of functions to the branch network. • Development of control over the major risk concentration ratio. • Cost of risk at 0.7% (1.0% in 2014) and NPL ratio of 7.9% (9.7% in 2014).
<p>Market Loss of value in the assets or increase in value of the liabilities in the Group's held-for-trading portfolio, as a result of fluctuations in rates or prices in the market where these assets and liabilities are traded.</p>	<ul style="list-style-type: none"> • Management of these involves daily risk estimates, tests carried out on the quality of these measurements, calculation of hypothetical results in the event of sharp changes in market prices and monitoring and control of limits. • The Group has put in place daily VaR limits for all trading activities of €20 million. 	<ul style="list-style-type: none"> • The average 1-day VaR at 99% for trading activities was €3.3 million. • Moderate consumption of market risk, at €166 million on average.
<p>Interest rate risk in the banking book Risk of a negative impact on the economic value of the balance sheet or results, arising from changes in the structure of the interest rate curve or exchange rate fluctuations.</p>	<ul style="list-style-type: none"> • This risk is managed by optimising the net interest margin and keeping the economic value of the balance sheet within the limits established in the Risk Appetite Framework. • CaixaBank actively manages risk by arranging additional hedging transactions on financial markets to supplement the natural hedges generated on its own balance sheet by its deposits and lending transactions with customers. 	<ul style="list-style-type: none"> • The sensitivity of the net interest margin over one year to a 100 bp increase or decrease in interest rates is 2.40% and -2.00% respectively. • Average 1-day VaR at 99% for the CaixaBank Group's balance sheet was €114 million.
<p>Liquidity Risk of insufficient liquid assets to meet contractual maturities of liabilities, regulatory requirements, or the needs of the business.</p>	<ul style="list-style-type: none"> • Liquidity risk management is based on: a centralised liquidity management system with segregation of functions; holding an efficient level of liquid funds; active liquidity management; and stable and sustainable funding sources. 	<ul style="list-style-type: none"> • A robust liquid asset position for the existing financing structure: <ul style="list-style-type: none"> — Immediately available bank liquidity of €54,090 million. — LCR ratio of 172%.
<p>Operational Risk of losses arising from inadequate or failed internal processes, people and systems, or from external events.</p>	<ul style="list-style-type: none"> • Operational risk management is based on: our expert workforce; and the procedures established and systems and controls put in place. • Operational risks are measured using associated Key Risk Indicators (KRI). 	<ul style="list-style-type: none"> • The operational risk management evolution project has been completed. • Progressive roll out of management mechanisms and actions plans. • Approval of operational risk policies by governance bodies.



Risks of activities

Risk management

Situation and main activities in 2015

- Affecting financial activity
- Affecting business continuity

Compliance

Risk arising from a deficient procedure that generates actions or omissions that are not aligned with the legal or regulatory framework, or with the internal codes and rules, and which could result in administrative sanctions or reputational damage.

- Management model based on three lines of defence.
- The first line of defence is the business areas; the second Regulatory Compliance; and the third the Internal Audit Area, which supervises the first two lines of defence, independently.

- Creation of the Control & Compliance area, combining the Internal Control and Regulatory Compliance areas.
- Progress with implementation of the AML/CTF system transformation plan.
- Development and implementation of the International Sanctions project.

Reputational

The possibility that CaixaBank's competitive edge might be reduced due to the loss of trust in the bank by some of its stakeholders, based on their assessment of actions or omissions, real or purported, by the bank, its senior management or governing bodies.

- The reputational risk map identifies the risks with the highest potential impact on its image and the degree to which preventative measures are being applied.
- Indicators have been put in place for the most significant risks to allow for periodic monitoring of the effectiveness of the preventive measures implemented.
- CaixaBank has a range of tools for measuring its reputation with its stakeholders.

- Renewal of the Corporate Responsibility and Reputation Committee.
- Approval of CaixaBank's corporate social responsibility policy.
- Extension of measurement of reputational risk and automated collection of monitoring indicators.

Actuarial

Risk of an increase in the value of commitments assumed through insurance contracts with customers and employee pension plans, due to differences between the estimated claims and actual outcomes.

- Policies are based on Directorate-General of Insurance and Pension Funds (DGIPF) guidelines and monitoring of product performance.
- The Group establishes limits for the net risk retained by each business line, risk and/or event, based on the risk profile and reinsurance costs.

- Development of adaptations and improvements to comply with the European Solvency II Regulations, which came into effect on 1 January 2016.
- Involvement in sector working groups.

Legal and regulatory

A loss or decrease in the profitability of the CaixaBank Group as a result of changes to the regulatory framework or court rulings that are unfavourable to it.

- Management activity seeks to: anticipate regulatory changes by identifying the main risks and impacts; implement new regulatory requirements; and defend the bank in all legal actions.

- Involvement in consultations with domestic, European and international regulators.
- Coordination of analysis of regulatory impact and implementation of new regulations by establishing criteria and procedures.
- Formalisation of the Group's Tax Strategy and Tax Risk Management Policy.

Capital adequacy

Risk resulting from constraints on the CaixaBank Group's ability to adapt its level of capital to regulatory requirements or to a change in its risk profile.

- Management activity focuses on maintaining a low-medium risk profile and comfortable capital adequacy to cover any unexpected losses.
- Objectives:
 - 11% minimum capital, comfortably exceeding Basel III requirements.
 - Weight of investees < 10%.

- Regulatory CET1 capital of 12.9% (the minimum set by the ECB is 9.25%).
- Sale of holdings in the investees Boursorama and Selftrade Bank in 2015, and planned sales of BEA and Inbursa to CriteriaCaixa in 2016 (pending regulatory authorisations).



GIVING BACK TO SOCIETY

CaixaBank is a key player in the Spanish economy and works to promote economic growth, private sector productivity, job creation and better living standards for individuals and families. The bank's healthy earnings and solvency are key to enabling it to safeguard jobs, acquire products and services from suppliers, compensate shareholders and thus help fund the community work pursued by the "la Caixa" Banking Foundation and its Welfare Projects.

IMPACT OF OUR ACTIVITY

CaixaBank contributes to the country's economy through its financial activities and the effect of its expenditure on supplies, its employees and suppliers' employees when they spend their salaries, the dividends to its shareholders and the production activity of the businesses and self-employed professionals it finances. The bank believes it is duty-bound to contribute to public finances, based on a fiscal policy underpinned by principles of responsibility, prudence and transparency.

The bank is also an important source of job creation:

- Directly, with its more than 32,242 employees.
- Indirectly, through the multiplying effect of its purchases from suppliers.
- Induced, as a result of its employees and suppliers purchasing products and services and from financing its customers.

The bank is also involved in the Incorpora programme of the "la Caixa" Foundation, which works towards the financial inclusion of individuals at risk of exclusion.

Contribution to the Spanish economy

6,985 *CaixaBank's contribution to Spanish GDP (direct and indirect) million € (0.90% of GDP)*

1,429 *Purchases from suppliers million € (97% Spain)*

2,520 *Tax contribution million €*

Jobs creation

43,041 *Jobs generated indirectly via purchases from suppliers*

109,000 *Job opportunities generated through Incorpora (since 2006)*

BOOSTING ECONOMIC ACTIVITY

In 2015 the bank continued working to provide support and cover the needs of the business sector and families and to promote entrepreneurship and innovation.

Self-employed professionals and businesses

CaixaBank's value proposition includes a wide range of customised products and services for self-employed professionals and small, medium and large enterprises.

The bank has the largest market share of companies and in 2015 its market shares even improved (the market share for lending rose 85 basis points to 13.9% and was up 28 basis points for factoring and reverse factoring, reaching 19.8%).

New loans grew significantly during the year

CaixaBank customers

57.4%
of Spanish
companies

32.7%
of Spanish
self-employed
professionals

Financing for companies

211,088
new loans arranged
(+12% vs. 2014)

77,153
million granted
(+26% vs. 2014)

Financing for self-employed professionals

80,268
new loans arranged
(+14% vs. 2014)

1,719
million granted
(+17% vs. 2014)



Contribution to the Spanish economy ↗

Job creation ↗

One of the bank's strategic commitments is the mobilisation of its sales force, which has more than 13,500 Smart PCs and other solutions that facilitate access to niche markets.

- **CaixaNegocios**, for self-employed workers, businesses, freelance professionals and micro-companies: with 380,800 new clients (+23% vs. 2014) and €94,000 million in turnover.
- **AgroBank**, for the agriculture, livestock and fishing sector: with 47,000 new customers (+67% vs. 2014) and a turnover of €15,118 million.



MicroBank

MicroBank, the Group's largest social banking arm specialised in microfinance in Europe, serves those population segments whose financial needs are not generally covered, whether they are entrepreneurs, micro-companies or families.

It has been in operation since 2007, through CaixaBank's branch network, to boost production, job creation, self-employment, personal and family development, and financial inclusion.

The bank has a wide range of microcredits for all needs:

- For self-employed professionals and micro-companies: Entrepreneurs and Business Microcredit and Business ecoMicrocredit.
- For entrepreneurs at risk of social exclusion: Social Microcredit, with the collaboration of 566 entities that provide advisory services for self-employment projects.
- Microcredits for individuals and families: Personal and Family Microcredit, Personal ecoMicrocredit and Erasmus+ Master Loan.
- For social enterprises: Social Enterprise Loan.
- Pledges: Secured microcredits.

EmprendedorXXI Prizes

The EmprendedorXXI Prizes, created in 2007, identify, recognise and assist newly-created and innovative Spanish businesses with high potential for growth.

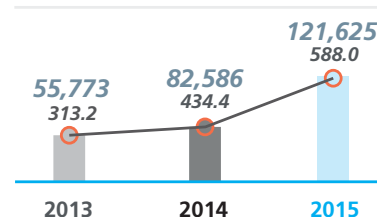
The prizes are awarded in conjunction with ENISA, the Spanish Ministry for Industry, Energy and Tourism's innovation body.

There are two categories:

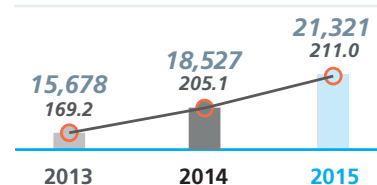
- **Creces [You Grow]**, for companies that have been on the market for between two and seven years.
- **Emprendes [You Set Out]**, for start-ups (less than two years in operation).

There were 737 participants in the ninth edition of these awards.

Microcredits awarded



Microcredits awarded to entrepreneurs and businesses



■ Number
■ Amount (€ million)

21,321

Jobs created thanks to the microcredits for entrepreneurs and businesses awarded



