



DIVIDEND POLICY

The following is an unofficial and non-binding English translation

The Spanish version shall prevail

CONTENTS

1.	INTRODUCTION	2
2.	OBJECTIVE OF THE POLICY.....	2
3.	BASIC PRINCIPLES OF SHAREHOLDER REMUNERATION	3
4.	GENERAL GUIDELINES	3
4.1.	DISTRIBUTION OF DIVIDENDS BY THE ANNUAL GENERAL MEETING	3
4.2.	SHAREHOLDER REMUNERATION FORMULAS.....	4
4.3.	SHAREHOLDER REMUNERATION AMOUNT	4
5.	CAIXABANK SHAREHOLDER REMUNERATION FORECASTS.....	4
6.	DISSEMINATION	4
7.	SUPERVISION OF THE POLICY	4

DIVIDEND POLICY

1. INTRODUCTION

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

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

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

- Based on the foregoing, at its meeting of 19 November 2015, the CaixaBank Board of Directors approved the **CaixaBank, S.A. dividend policy**, amended by the Board on 23 February 2017 and 31 January 2019 (the "**Policy**"). This policy forms part of the Company's corporate governance system.¹

2. OBJECTIVE OF THE POLICY

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

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

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

¹ Sections 4.1, 4.4 and 5 of this Policy were modified by an agreement of the Board of Directors on 31 January 2019.

3. BASIC PRINCIPLES OF SHAREHOLDER REMUNERATION

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

4. GENERAL GUIDELINES

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

4.1. DISTRIBUTION OF DIVIDENDS BY THE ANNUAL GENERAL MEETING

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

If there are losses from previous years that would make the value of the net assets of the Company less than the share capital, the profit must be allocated to offset these losses.

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

4.2. SHAREHOLDER REMUNERATION FORMULAS

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

4.3. SHAREHOLDER REMUNERATION AMOUNT

- Unless the prevailing economic, financial, business or regulatory circumstances, the prudential supervisors' recommendations or any other type of circumstances justify a modification of this policy, the Company will allocate more than fifty percent (>50%) of its profit to cash remuneration.
- At the start of each year, on announcing the previous year's results, the Board of Directors may specify a range, establishing a maximum anticipated cash dividend above the minimum of 50%.

5. CAIXABANK SHAREHOLDER REMUNERATION FORECASTS

- As of 2019, the Company intends to make all shareholder payments in cash, around the month of April.

6. DISSEMINATION

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

7. SUPERVISION OF THE POLICY

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

* * *