

## APPENDIX 1

### ANNUAL REPORT ON DIRECTORS' REMUNERATION FOR LISTED COMPANIES

#### ISSUER'S PARTICULARS

<b>FINANCIAL YEAR-END</b>	31/12/2017
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<b>Company Tax ID No. (C.I.F.)</b>	A-08663619
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<b>CORPORATE NAME</b>
CAIXABANK, SA

<b>REGISTERED OFFICE</b>
CL. PINTOR SOROLLA N.2-4 (VALENCIA)

## MODEL FOR ANNUAL REPORT ON DIRECTORS' REMUNERATION FOR LISTED COMPANIES

### A REMUNERATION POLICY APPROVED FOR THE CURRENT YEAR

#### A.1 Explain the policy on Directors' remuneration including:

- General basis and rationale of the remuneration policy.
- Most significant changes in the remuneration policy as compared to the previous financial year and changes introduced in the current year to the conditions for the exercise of options granted in previous years.
- The criteria used and composition of comparable groups of companies the remuneration policies of which have been examined to establish the company's remuneration policy.
- Relative weight of variable components compared to non-variable components of remuneration and criteria on which the various components of directors' remuneration is based (remuneration mix).

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#### Explain the remuneration policy

a) General principles and rationale of the remuneration policy applicable to CaixaBank

The general principles of remuneration at CaixaBank are as follows:

- I. The overall remuneration policy focuses on fostering patterns of behaviour to ensure that value is generated in the long term and that results are sustained over time. Variable remuneration therefore not only takes account of achievement of targets, but also the way in which they are achieved.
- II. Individual professional targets are defined on the basis of the commitment employees undertake and establish with their managers.
- III. Remuneration policy bases its strategy of attracting and retaining talent on providing professional people with a distinctive corporate business project, the possibility of professional development and enjoyment of competitive overall remuneration.
- IV. In these conditions of overall remuneration, remuneration policy focuses on a competitive position in terms of the sum of fixed remuneration and corporate benefits, basing its ability to attract and retain talent on both components of remuneration.
- V. The main feature of the offer of benefits is the corporate welfare programme for professional employees, which outperforms that of other financial institutions in Spain, making it a key feature of the remuneration package.
- VI. Fixed remuneration and corporate benefits constitute the bulk of the remuneration package where, in general, the variable component tends to be conservative given its potential to generate risk for the entity.
- VII. The promotions system is based on an appraisal of skills, performance, commitment and professional merit of employees over time.
- VIII. The remuneration of members of the CaixaBank Board of Directors, established within the general framework defined in Remuneration Policy, is approved by the competent governing bodies at CaixaBank.

Additionally, members of the Board are affected by a number of general principles of remuneration policy stipulated in Article 33 of Law 10/2014 of 26 June on the regulation, supervision and solvency of credit institutions (hereinafter "LOSS"), applicable to persons whose activities have a material impact on the risk profile of the institutions and its group (hereinafter "Identified Staff").

b) Major changes to remuneration policy with respect to the policy operated in 2017

By virtue of constant reviews, and with the aim of ensuring correct adaptation to remunerations standards, CaixaBank has reviewed and adapted the Board of Directors Remuneration Policy, which will be submitted to the approval of the Annual General Meeting in 2018. There are no significant changes in the remuneration policy for non-executive Directors in 2017.

The major changes to be implemented in the years ahead with respect to Executive Directors in comparison to 2017 are as follows:

Presentation of the modified Board Remuneration Policy for approval by the Annual General Meeting to be held on 6 April 2018.

Due to his retirement, Antonio Massanell Lavilla has tendered his resignation as Deputy Chairman and member of the Board of Directors, with effect from 31 December 2017.

The Board of Directors of CaixaBank has proposed the appointment of Tomás Muniesa as a new member of the Board of Directors and as the new Deputy Chairman of the entity, carrying on his current duties as General Manager of CaixaBank. His appointment will become effective once it is approved by the European Central Bank and it is registered in the Register of Senior Officers of the Bank of Spain.

The payment of returns on instruments received for deferred variable remuneration is eliminated.

c) Relative weight of variable components compared to non-variable components of remuneration.

Pursuant to the stipulations of the Bylaws, the remuneration of members of the CaixaBank Board of Directors in their capacity as such (hereinafter, "Non-executive Directors") is comprised exclusively of fixed components and excludes variable components, share-based systems or systems pegged to share prices, as explained below.

In relation to members of the Board with executive functions (hereinafter, "Executive Directors"), Spain's Corporate Enterprises Act and the CaixaBank Bylaws recognise remuneration for their executive functions, in addition to the directorship itself; the remuneration components of these functions are structured in due consideration of the economic juncture and results, and include the following:

- Fixed remuneration based on the level of responsibility and the career path, which constitutes a relevant part of total compensation;
- Variable remuneration in the form of an annual bonus linked to the achievement of pre-established targets and prudent risk management.
- Pension scheme and other social benefits.
- A four year (2015-2018) long-term share-based incentives plan (ILP) linked to the strategic plan, which enables a number of CaixaBank shares to be received after the four years have passed, provided that certain strategic targets as well as the planned requirements are met.

Remuneration mix:

The amounts of fixed remuneration paid to Executive Directors are sufficient in terms of the objective of a reasonable prudent balance between fixed and variable remuneration, and the percentage of variable remuneration in the form of a bonus in addition to annual fixed remuneration is generally low, and usually does not exceed 40 percent, with no account taken of variables such as the ILP or mandatory variable-base contributions.

The variable remuneration of Directors must not exceed 100% of the fixed components of the total remuneration of each of them, unless the CaixaBank General Shareholders' Meeting approves a greater percentage, not more than 200% of the fixed component, adhering to the format, the requisites and the procedures stipulated by the "LOSS" law.

**A.2 Information concerning the preparatory and decision-making process used for determining the remuneration policy and information, if applicable, about the role of the remuneration committee or other supervisory bodies in the design of the remuneration policy. This should include information, if applicable, about the mandate and composition of the Remuneration Committee, and the names of external consultants whose services have been used in determining the remuneration policy. Likewise, list the category of Directors who, if applicable, have been involved in defining the remuneration policy.**

**Explain the process for determining the remuneration policy**

a) Board of Directors

As stipulated in the Board Remuneration Policy, Spain's Corporate Enterprises Act gives the Board of Directors non-delegatable powers concerning, among other issues, (i) the determination of the company's general policies and strategies; (ii) the appointment and removal of its chief executive officers, and stipulation of the conditions of their contracts (iii) decisions concerning the remuneration of directors in accordance with the Bylaws and, where applicable, the remuneration policy approved by the General Meeting.

CaixaBank's Bylaws and the Regulations of the Board of Directors are consistent with these precepts.

b) Remuneration Committee

The Corporate Enterprises Act gives the Remuneration Committee of a listed company, among other functions, the power to issue proposals to the Board concerning the policy for remuneration of directors, individual remuneration and the other contractual conditions of executive directors, and it must ensure compliance in this regard.

CaixaBank's Bylaws and the Regulations of the Board of Directors are consistent with these precepts.

Pursuant to the provisions of the Corporate Enterprises Act and the LOSS law, the directors forming part of the Remuneration Committee at the date of this report are as follows:

Ms. María Amparo Moraleda Martínez (independent director), Chairman  
Alejandro García-Bragado Dalmau (proprietary director), Member  
Juan Rosell Lastortras (independent director), Member

c) Process to determine the Remuneration Policy

The Remuneration Committee is exclusively responsible for preparing, reporting and proposing all decisions regarding the remuneration of the members of the Board of Directors. It is assisted in this task by the General Secretary in the case of Non-executive Directors, and by the Human Resources Department (Human Resources and Organisation Division) in the case of Executive Directors, due to their position as executives at the Entity.

Proposals by the Remuneration Committee shall be studied by the Chairman in the scenarios stipulated in the Remuneration Policy before they are submitted to be examined and, where applicable, approved by the Board of Directors. Should these decisions fall within the remit of the CaixaBank Annual General Meeting, the Board of Directors shall include these on the agenda as proposed resolutions along with the corresponding reports.

The Remuneration Committee met on 7 occasions in 2017.

d) Identity of the external advisers used to define the Remuneration Policy.

CaixaBank was assisted in drawing up a large part of the Remuneration Policy by legal firm J&A Garrigues.

**A.3 Indicate the amount and nature of non-variable components - itemized, where applicable - of the remuneration received for discharging senior management duties and of any additional remuneration for the Chairman or for membership of any Board committees, of per diems for attendance at Board and Board committee meetings, and of any other non-variable remuneration paid to Directors. Provide an estimate of the annual non-variable remuneration payment they give rise to. Identify non-cash benefits and the main parameters for granting them.**

**Explain the non-variable components of remuneration**

a) Fixed components of remuneration for Non-executive Directors

Pursuant to the stipulations of the Bylaws and the Board Remuneration Policy, the remuneration of members of the CaixaBank Board of Directors in their capacity as such (hereinafter, "Non-executive Directors") is comprised exclusively of fixed components. Non-executive Directors have a purely organic working relationship with CaixaBank, and as such do not hold contracts with the Company, nor are they entitled to any form of payment should they be dismissed from their position as Director. The Bylaws state that Directors' remuneration shall consist of a fixed annual amount, to be determined by the General Meeting, and that this shall remain in force until the General Meeting agrees to modify it.

The amount established by the General Shareholders' Meeting shall be used to remunerate the Board of Directors and its Delegate Committees, and shall be distributed as deemed appropriate by the Board, following the proposal of the Remuneration Committee, both in terms of remuneration to members, especially the Chairman, according to the duties and position of each member and to the positions they hold in the various Committees and with regard to the frequency and the form, i.e. of attendance fees, Bylaw-stipulated remuneration or others. Remuneration may therefore differ for each Director. Any future proposals for share-based remuneration shall be approved by the CaixaBank General Meeting pursuant to the Corporate Enterprises Act and the Bylaws.

#### b) Additional remuneration of the Chairman of the Board of Directors

Pursuant to the above, the Chairman of the Board receives additional fixed remuneration for carrying out his duties.

This additional remuneration is justified by the dedication expected of the Chairman to carry out the functions laid down in the Corporate Enterprises Act, and especially the Company Bylaws, at a group of the size and complexity of CaixaBank.

Pursuant to the Corporate Enterprises Act, the Chairman has full responsibility for ensuring that the Board of Directors operates efficiently, he shall call and chair Board meetings, set the agenda and direct deliberations and debates. He must also ensure that Directors are supplied with sufficient information in advance of Board meetings to enable them to discuss the agenda, and work to procure a good level of debate and the active involvement of all members, safeguarding their rights to freely adopt positions. The Chairman of the CaixaBank Board also chairs the Entity's General Shareholders' Meetings.

In addition, pursuant to the Bylaws, and without prejudice to the duties entrusted to the Chief Executive Officer and the authorisations and delegated duties conferred, the Chairman shall, inter alia, represent CaixaBank and its Group entities (without prejudice to duties entrusted to the Board of Directors); represent the Company vis-à-vis corporate bodies and representatives of the sector, pursuant to the Bylaws; be responsible for the official signature of the Company and thus sign on behalf of the Company any agreements that are necessary for legal or statutory reasons, contracts, accords or other legal instruments with public bodies and other entities; and act as the official representative of the Company vis-à-vis authorities, entities and third-party Spanish or foreign bodies. Even though, from a qualitative standpoint, the above mentioned duties cannot be considered executive given their organic or representative nature, from a quantitative standpoint they do entail a virtually exclusive dedication which is much higher than that of other Board members (except for those which also carry out executive duties).

Due to character limitations, the information continues in Section E.1 of this Report.

#### A.4 Explain the amount, nature and main features of variable components of the remuneration schemes.

In particular:

- Identify each remuneration scheme to which Directors are entitled, its scope, date of approval, date of implementation, duration and main characteristics. For share-based schemes or schemes based on other financial instruments, the general characteristics of the plan shall include the terms for exercising the options or other financial instruments of each plan.
- Indicate any remuneration paid in the form of profit sharing or bonus payments and the reasons why such bonus payments and/or profit sharing were granted.
- Explain the main parameters and rationale for any annual bonus scheme.
- The classes of Directors (executive, proprietary, external independent or other external Directors) entitled to schemes or plans that include variable remuneration.
- The rationale of variable remuneration schemes or plans, the performance criteria chosen, the components and methods for evaluating performance to determine whether the criteria have been met, and an estimate of the sum total of variable payments arising from the existing remuneration policy, as a function of degree of compliance with pre-set targets or benchmarks.
- Disclose, where applicable, the periods of deferral or delay of payment established and/or any holding or lock-up periods of the shares or other financial instruments, if any.

## Explain the variable components of the remuneration schemes

### a) Variable components of remuneration for Non-executive Directors

In accordance with section A.3, the Remuneration Policy does not currently contemplate Non-executive Directors receiving any variable components of remuneration.

However, any future proposals for share-based remuneration shall be approved by the CaixaBank General Meeting pursuant to the Corporate Enterprises Act and the Bylaws.

### b) Variable components of remuneration for executive Directors.

Variable remuneration in the form of bonuses.

#### - General aspects

Risk-adjusted variable remuneration in the form of a bonus for Executive Directors is based on the remuneration mix (a proportional balance between fixed and variable remuneration, as mentioned above) and on performance measurements. Ex-ante and ex-post remuneration adjustments are applied in view of the performance measurements, as a risk alignment mechanism.

Both quantitative (financial) and qualitative (non-financial) criteria are taken into account when assessing performance and evaluating individual results. These must be clearly specified and documented.

Variable remuneration for Executive Directors is established on the basis of an individual target bonus established by the Board of Directors based on a proposal from the Remuneration Committee, and a maximum achievement percentage of 120%; the achievement level is set on the basis of the following measurement criteria:

50% based on individual targets

50% based on corporate targets

The 50% corresponding to corporate targets is set each year by the CaixaBank Board of Directors based on a proposal by the Remuneration Committee, and its weighting is distributed among objective concepts according to the Entity's main objectives.

The individual targets part (50%) shall have a minimum degree of fulfilment of 60% and a maximum of 120%, and shall be distributed overall between targets linked to CaixaBank's strategy. The final valuation carried out by the Remuneration Committee, based on consultations with the Chairman, may vary +/-25% with regard to the target evaluation of individual targets, in order to include the quantitative evaluation of the Executive Director's performance. Any exceptional achievements during the year which were not contemplated at the outset shall also be taken into account.

The Board of Directors, based on a proposal by the Remuneration Committee, shall approve the final determination of achievement of the variable remuneration to be accrued.

#### - Deferral of payment

The deferral percentage applicable to the variable remuneration of Executive Directors is 60%, and this shall be paid pursuant to the following rules:

- Once the amount of variable remuneration has been set, 40% of that amount shall be paid on a date during the first quarter of the year (hereinafter, Initial Payment Date).

- 50% of this payment shall be in cash, with the remaining 50% being paid in CaixaBank shares after corresponding taxes (or withholdings or payments on account) have been settled.

- Provided none of the situations stipulated in section A.4. arise, the retained portion of risk-adjusted variable remuneration (the remaining 60%) shall be paid in five instalments, in the amounts and on the dates determined as follows:

1/5 12 months after the Initial Payment Date

1/5 24 months after the Initial Payment Date

1/5 36 months after the Initial Payment Date

1/5 48 months after the Initial Payment Date

1/5 60 months after the Initial Payment Date

- 50% of the amount payable at each of these five dates shall be paid in cash. The remaining 50% shall be paid in CaixaBank shares, after the corresponding taxes (withholdings or payments on account) have been paid.

Due to character limitations, the information continues in Section E.1 of this Report.

A.5 Explain the main features of long-term savings schemes, including retirement and other survival benefits, both partially and fully funded by the company, and whether allocated internally or externally. Provide an estimate of the amount of equivalent annual cost, indicating the type of plan, whether it is a defined-contribution or a defined-benefit plan, the terms for vesting of economic rights in favour of directors and compatibility with any other type of compensation for early discharge or termination of the contractual relationship between the company and the director.

Indicate any contributions on the director's behalf to defined-contribution pension plans, or any increase in the director's vested rights in the case of contributions to defined-benefit plans.

**Explain any long-term savings schemes**

a) Long-term savings schemes for non-executive Directors.

CaixaBank's Remuneration Policy does not contemplate setting up a long-term savings scheme for Non-executive Directors.

b) Long-term savings schemes for Executive Directors

- General description

Executive Directors who hold an employment contract may be eligible for a complementary pension scheme, as are all CaixaBank employees. If they hold a commercial contract, they may be eligible for specific pension schemes equivalent to the complementary pension scheme.

Executive directors may be eligible for a defined-contribution plan for retirement, disability or death and also an optional defined-benefit plan for disability and death. These additional commitments are arranged through an insurance contract.

- Non-discretionary

With the exception of the mandatory variable-base contributions described below, the contributions regime for the pension scheme applicable to executive directors cannot be considered a discretionary benefit. As a result, the pension scheme for executive directors must be applied objectively according to when the individual became an executive director or similar circumstances that entail changes to their remuneration, taking the form of a lump sum or an amount benchmarked to fixed remuneration, according to their respective contracts.

Therefore, the amount of contributions or the degree of coverage of the benefits (i) must be set at the beginning of the year and be suitably defined in the corresponding contracts; (ii) may not originate from variable parameters (such as attaining targets, achieving milestones etc.); (iii) may not take the form of extraordinary contributions (e.g. bonuses, awards or extraordinary contributions made in the years leading up to retirement or departure); and (iv) may not be related to substantial changes in the retirement conditions, including any changes arising from merger processes or business combinations.

- No overlap

The contributions paid to pension schemes by CaixaBank shall be less the amount of any contributions paid to equivalent instruments or policies that may be established as a result of positions held at Group companies or other companies in the interests of CaixaBank. These contributions must be adjusted accordingly to avoid overlap or duplication.

- Vesting of rights

The pension scheme for Executive Directors recognises the consolidation of economic rights in the event that the professional relationship is terminated or rescinded before the date the covered contingencies occur, unless this termination is due to lawful disciplinary dismissal or with just cause in the case of commercial contracts, as defined in section A.4, or for any other specific causes which may be expressly described in the contracts.

- Mandatory variable-base contributions

Notwithstanding the foregoing, and pursuant to the provisions of Circular 2/2016, 15% of the contributions paid to complementary pension schemes will be considered a target amount (the remaining 85% is considered a fixed pay item).

This amount is determined in accordance with the same principles and procedures established for variable remuneration in the form of a bonus, with eligibility to be determined solely on the basis of individual assessment parameters, and it shall be contributed to a Discretionary Benefits Pension Policy.

The contribution shall be considered as deferred variable remuneration for all purposes stipulated in Circular 2/2016 and thus the Discretionary Benefits Pension Policy contains all the necessary clauses for it to be explicitly subject to the aforementioned deduction scenarios for variable remuneration for the purposes of limitations or any others that may be established.

Pursuant to Article 34.1 ñ) of the LOSS, if the Executive Director leaves the Entity to take up retirement or leaves prematurely for any other reason, the discretionary pension benefits shall be subject to a lock-up period of five years from the date on which the employee ceases to provide services at the Entity for any reason.

The same requisites pertaining to the clauses for deductions and recovery of remuneration already paid, as described above, shall be applicable during the lock-up period.

Due to character limitations, the information continues in Section E.1 of this Report.

#### A.6 Indicate any termination benefits agreed or paid in the event of termination of the appointment of Director.

##### Explain any termination benefits

Non-executive Directors have a purely organic working relationship with CaixaBank, and as such do not hold contracts with the Company, nor are they entitled to any form of payment should they be dismissed from their position as Director.

The payment regime for terminating the contracts of Executive Directors is described in Section A.7 below.

#### A.7 Indicate the conditions applicable to the contracts of those in senior management roles, such as executive directors. Among these, disclose the duration, limits on the amount of termination payments, seniority requirements, notice periods, payments related to the duration of a notice period (“garden leave”) and any other clauses covering hiring bonuses, as well as indemnities or “golden parachutes” in the event of early termination of the contractual arrangement between the company and the executive director. Include, inter alia, non-competition, exclusivity, seniority or loyalty, and post-contractual non-competition agreements or arrangements.

##### Explain the conditions of employment contracts for executive directors

Due to character limitations, the information for this section continues in the Appendix.

#### A.8 Explain any supplementary remuneration accrued by directors as compensation for services provided other than those inherent in their post.

##### Explain any supplementary remuneration

CaixaBank's Remuneration Policy does not contemplate additional remuneration as compensation for services rendered other than those inherent to the positions concerned.

Notwithstanding the foregoing, any services rendered (other than those inherent to the position) or any transactions that may be carried out between CaixaBank and members of the Board of Directors or related parties shall be subject to the regime of loyalty stipulated in the Corporate Enterprises Act and, as a result, shall be subject to the regime of communication, exception, individual exemption and publicity described therein, and to all other regulations governing related-party transactions applicable to credit institutions.

#### A.9 Indicate any remuneration in the form of advances, loans or guarantees granted, along with the rate of interest, essential features and any amounts returned, as well as the obligations assumed on their behalf in the form of guarantees.

##### Explain any advances, loans and guarantees granted



At present the Entity does not contemplate offering Directors financial assistance as remuneration.

#### A.10 Explain the main characteristics of non-cash remuneration.

##### Explain any non-cash remuneration

###### a) Remuneration in kind for Executive Directors

Executive Directors may receive remuneration in kind in the form of health insurance for themselves and their immediate family, the use of a vehicle or a dwelling, or any other similar benefits which are common in the sector and appropriate to their professional status, in keeping with the standards established by CaixaBank at any given time for the same segment of professional employees of which they form part.

###### b) Remuneration in kind for Executive Directors

Executive Directors' contracts contain a health insurance for themselves, their spouses and children under 25. In 2018, these are valued at EUR 5,408 for Mr. Gonzalo Gortázar and EUR 2,163 for Mr. Tomás Muniesa.

###### c) Remuneration in kind for directors in the years ahead

Any allocation of remuneration in kind for Directors in future years shall be applied in accordance with the principles of the Remuneration Policy.

#### A.11 Indicate remuneration accrued by the director by virtue of payments made by the listed company to another entity at which the director is employed where such payments are designed to remunerate the services provided by the director at the listed company.

##### Indicate remuneration accrued by the director by virtue of payments made by the listed company to another entity at which the director is employed

There is currently no remuneration accrued by the Director by virtue of payments made by the company to another entity at which the Director is employed where such payments are designed to remunerate the services provided by the Director at that company.

Any payments of this nature planned for the future shall be pursuant to the LOSS and the Remuneration Policy.

#### A.12 Any kind of compensation other than those listed above, of whatever nature and provenance within the group, especially when it may be accounted a related party transaction or when its omission would detract from a true and fair view of the total remuneration accrued by the director.

##### Explain any other compensation

###### a) Remuneration for positions held at group companies

As explained in section A.3, as a general rule fixed remuneration for Executive Directors includes remuneration they may receive for carrying out Board functions at CaixaBank group companies or other companies in the interest of CaixaBank, and so this remuneration is deducted from the net amount of fixed remuneration to be paid by the Company.

###### b) Remuneration for positions held at group companies in 2018

In accordance with the prevailing remuneration at the respective companies, estimated remuneration for Board membership at CaixaBank or investees is as follows:

Mr. Jordi Gual Solé

- Director in Erste Group Bank: EUR 11,200
- Director of Repsol, S.A.: EUR 309,039
- Director of Telefonica, S.A.: EUR 162,400

Mr. Gonzalo Gortázar Rotaache

- Member of the Board of Directors of CaixaBank EUR 140,000
- Chairman of the Board of Directors of VidaCaixa EUR 500,000
- First Deputy Chairman of Repsol, S.A.: EUR 375,263
- Director of Banco BPI: EUR 60,000

Mr. Tomás Muniesa Arantegui

- Member of the Board of Directors of CaixaBank EUR 140,000
- Chief Executive in VidaCaixa: EUR 690,000
- Deputy Chairman of SegurCaixa Adeslas: EUR 15,000

Mr. Javier Ibarz Alegría

- Director of VidaCaixa: EUR 90,000

Mr. Juan Rosell Lastortras

- Director of VidaCaixa: EUR 90,000

c) Deferred payment of variable remuneration

Executive Directors shall receive deferred payment of variable remuneration as described in section A.4.

Estimated payments in this regard in 2018 are as follows:

- Mr. Gonzalo Gortázar Rotaache EUR 510
- Mr. Tomás Muniesa Arantegui EUR 180

**A.13 Explain the actions taken by the company with respect to the remuneration system to reduce exposure to excessive risks and adjust it to the company's long-term objectives, value or interests, including, as appropriate, a reference to: measures in place to guarantee that the remuneration policy is based on the long-term results of the company; the measures in place to establish an appropriate balance between the non-variable and variable components of the remuneration; the measures adopted with respect to professional categories of employees whose professional activities have a material effect on the entity's risk profile; the reimbursement formulae or clauses set out to reclaim variable components of performance-related remuneration when these components have been paid based on data that have been proved to be manifestly misstated; and measures in place to prevent conflicts of interest, where applicable.**

Explain action taken to reduce risks
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CaixaBank is a credit institution that is subject to stringent regulation as regards the remuneration of all the professionals at the group whose activities materially affect the Entity's risk profile. As we have shown in previous sections, these regulations are found in the LOSS and its implementing regulations, and affect all components of remuneration received by the Directors, both executive and non-executive.

As such, we have included in each of the corresponding sections of the Remuneration Policy the measures adopted which are in line with the LOSS to ensure that the Remuneration Policy is based on the long-term results of the Company measures to establish an appropriate balance between the non-variable and variable components of the remuneration, the clauses set out to reclaim variable components of remuneration, and the measures in place to avoid conflicts of interests.

Likewise, in accordance with the provisions of the LOSS, CaixaBank has a Remuneration Policy for all other personnel who are not Directors, and whose professional activities have a material effect on the Entity's risk profile.

## **B REMUNERATION POLICY PLANNED FOR FUTURE YEARS**

Revoked.

## **C OVERALL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE YEAR**

**C.1 Provide an overall summary of the main features of the remuneration structure and components in the remuneration policy applied during the year that resulted in the itemised individual remuneration accrued by each Director appearing in section D of this report, and a summary of the decisions taken by the board to apply the components.**

## Explain the remuneration structure and concepts of the remuneration policy applied during the year

### 1. Regarding the Non-executive Directors

CaixaBank approved a system of linear and fixed remuneration for the members of the Board of Directors for their supervisory functions or for their seats on any of its committees. See section A.3 d) for further details.

The amounts received by the members of the CaixaBank Board of Directors for carrying out their supervisory duties or for belonging to any of its committees, as well as the amounts received for positions held at other group companies acting on behalf of CaixaBank, corresponding to 2017, are set out in section D.

For carrying out his previous functions, Mr. Jordi Gual had has been recognised to have deferred amounts still to be paid until 14 September 2016, when he took over the position of Director and Non-Executive Chairman of the Board of Directors. In 2017, he will receive the following amounts as part of deferred variable remuneration:

Third deferral of the 2014 bonus, EUR 4,202 in cash and 1,020 shares; second deferral of the 2015 bonus, EUR 3,600 in cash and 1,396 shares; and the first deferral of the 2016 bonus, EUR 3,668 in cash and 1,078 shares. The shares shall be valued at the closing price on 15 February 2018 for tax purposes.

These amounts do not appear in section D because they have been accrued by Mr. Gual in carrying out his executive duties before he was appointed as Chairman of the Board.

### 2. Regarding the Executive Directors.

#### a) Mr. Gonzalo Gortázar Rotaeché

Fixed components of remuneration

- Annual fixed remuneration: EUR 2,186,760 to reflect his professional experience and the duties undertaken, less the amounts he receives as remuneration for his seat on CaixaBank's Board of Directors, on its delegate committees, on other boards of CaixaBank Group companies, or on the boards of other companies when acting on behalf of CaixaBank.

In Section D.1.a) i) "Wages", the remuneration accrued for 2017 is indicated as EUR 1,149,719. This amount is produced by subtracting the amount received for being a member of CaixaBank's Board of Directors or its delegate committees (EUR 140,000) and for positions held at other companies when acting on behalf of CaixaBank, indicated below, from the annual fixed remuneration (EUR 2,186,760).

Positions held at other companies in 2017 as CaixaBank representative:

VidaCaixa, S.A., from which he received gross remuneration of EUR 500,000.  
Banco BPI, S.A., from which he received gross remuneration of EUR 21,778.  
He received gross remuneration of EUR 375,263 from Repsol, S.A.

(These amounts are reflected in section D.1.b) i) "Fixed remuneration".)

- Pension scheme Section D.1.a) iii) "Long-term savings systems" indicates the contribution of EUR 255,000 made to the pension scheme system, 85% of which, EUR 216,750, corresponds to fixed components of remuneration.

- Section D.1.a) iv) "Other benefits" indicates the risk premium of EUR 40,998 covering the additional benefit in the event of death or total, absolute or serious permanent disability.

- Medical insurance for Mr. Gonzalo Gortázar, his spouse and children under twenty-five. Section D.1.a) i) "Other items" allocates the amount of EUR 5,369 corresponding to the premium for 2017.

- Other items: As indicated in section A, Gonzalo Gortázar received the following deferred variable remuneration in 2017 (accrued in 2017): EUR 503 gross as interest accrued on the deferred cash remuneration.

This amount is indicated in section D.1.a) i) "Other items".

Variable components of remuneration

- Settlement and payment of the variable remuneration for 2017

With regards to the bonus variable remuneration to be received in 2018 but relating to the variable remuneration pertaining to 2017, the following levels of target fulfilment were acknowledged:

- 109% of the individual targets.
- 95.7% of the corporate targets, as follows:

CaixaBank ROTE: weighting of 12.5% with target attainment of 179.5% but the maximum percentage of 120% is applied.  
Recurring operating expenses: weighting of 12.5% with fulfilment of 90.7% of the proposed target.  
Risk Appetite Framework: weighting of 15% with target attainment of 110%.  
Know Your Customer (KYC): weighting of 5% with actual target attainment of 68.3% but a percentage of 0% has been applied because the attainment is below the minimum attainment of 80%.  
CaixaBank Quality: weighting of 5% with target attainment of 100%.

As Gonzalo Gortázar's target bonus amounted to EUR 508,800, it was agreed that he would receive variable remuneration of EUR 520,693. In accordance with the remuneration policy in effect for 2018, this variable remuneration will be paid as follows:

- 40% of the variable remuneration stipulated, equivalent to a gross amount of EUR 208,277, will be paid to Mr. Gonzalo Gortázar in 2018, as follows:

EUR 104,139 gross in cash

EUR 104,139 in gross shares of CaixaBank, the number of gross shares is the result of dividing the previous amount by the share price, using the share price at the close of trading on 15 February 2018.

- 60% of the variable remuneration, equivalent to the gross sum of EUR 312,416, has been deferred over a five-year period, such that he will receive a fifth of this amount in 2019, 2020, 2021, 2022 and 2023, with 50% of each payment to be made in cash and the remaining 50% in CaixaBank shares. The deferred variable remuneration shall be subject to the deductions clause established in the Entity's remuneration policy.

Mr. Gonzalo Gortázar will also receive the following amounts of variable remuneration in 2018 pertaining to financial years 2014, 2015 and 2016:

2014 bonus: The gross sum of EUR 16,703 in cash and 4,056 CaixaBank shares (gross), with the reference share price taken at close of trading on February 13, 2015.

2015 bonus: The gross sum of EUR 38,600 in cash and 14,978 CaixaBank shares (gross), with the reference share price taken at close of trading on February 15, 2016.

2016 bonus: The gross sum of EUR 50,914 in cash and 14,971 CaixaBank shares (gross), with the reference share price taken at close of trading on February 15, 2017.

- Long-term share-based incentive scheme 2015-2018

As indicated in section A.4 above, the ILP 2015-2018 is not payable until the end of the Measurement Period on 31 December 2018.

The General Shareholders' Meeting on 23 April 2015 approved the target amount for the 2015-2018 period (EUR 800,000) and the maximum number of shares that Mr. Gonzalo Gortázar could receive in 2019 (261,578 shares).

Determining the number of units:

In order to determine the number of target units corresponding to Mr. Gonzalo Gortázar, consideration was taken of the relationship between the target amount of EUR 800,000 and the arithmetic mean price, rounded off to three decimal places, of the closing prices of CaixaBank shares at market sessions in February 2015, set at EUR 3,982.

$N.U. = 800,000/3,982 = 200,904$  units.

Section D.1 a) i) - Remuneration in cash - Long-term variable remuneration includes the annual pro rata portion of the ILP target bonus of EUR 200,000 to be received, if applicable, in shares in the year 2019, depending on the results of the objectives and conditions stipulated in the plan and described in section A4 above.

- Mandatory variable-base contributions

As stipulated in Bank of Spain Circular 2/2016, 15% of the contribution of EUR 255,000 to the pension scheme must be variable-base. The full amount of this (EUR 38,633) was contributed to the discretionary pension benefits policy for 2017.

b) Mr. Antonio Massanell Lavilla

Fixed components of remuneration

- Annual fixed remuneration of EUR 1,520,000. The amounts received as statutory compensation and allowances for membership of governing bodies of the CaixaBank group or at other companies acting on behalf of CaixaBank, shall be deducted from the aforementioned basic remuneration.

In Section D.1.a) i) "Wages", the remuneration accrued for 2017 is stipulated as EUR 794,383. This amount is produced by subtracting the amount received for being a member of CaixaBank's Board of Directors or its delegate committees (EUR 140,000) and for positions held at other companies when acting on behalf of CaixaBank, indicated below, from the annual fixed remuneration (EUR 1,520,000).

## Positions held at other companies in 2017 as CaixaBank representative

At other subsidiaries:

Telefónica, S.A., from which he received gross remuneration of EUR 206,000.

Sareb, from which he received gross remuneration of EUR 75,400.

He received gross remuneration of EUR 61,400 from Erste Group Bank AG.

Repsol, S.A., where he was appointed director on 28 September 2016, from which he received gross remuneration of EUR 242,817.

- Pension scheme: Section D.1.a) iii) "Long-term savings systems" indicates the contribution of EUR 100,000 made to the pension scheme system, 85% of which, EUR 85,000, corresponds to fixed components of remuneration.

- Section D.1.a) iv) "Other benefits" indicates the risk premium of EUR 50,030 covering the additional benefit in the event of death or total, absolute or serious permanent disability.

- Medical insurance for Mr. Antonio Massanell, his spouse and children under twenty-five. Section D.1.a) i) "Other items" allocates the amount of EUR 2,148 corresponding to the premium for 2017.

- Other items:

With regard to deferred variable remuneration, and as indicated in section A, Mr. Antonio Massanell received the following in 2018 (accrued in 2017): EUR 255 gross as interest accrued on the deferred cash remuneration. This amount is indicated in section D.1.a) i) "Other items".

Variable components of remuneration

- Settlement and payment of the variable remuneration for 2017

With regards to the bonus variable remuneration to be received in 2018 but relating to the variable remuneration pertaining to 2017, the following levels of target fulfilment were acknowledged:

- 92.5% of the individual targets.

- 95.7% of the corporate targets, as follows:

CaixaBank ROTE: weighting of 12.5% with target attainment of 179.5% but the maximum percentage of 120% is applied.

Recurring operating expenses: weighting of 12.5% with fulfilment of 90.7% of the proposed target.

Risk Appetite Framework: weighting of 15% with target attainment of 110%.

Digitalisation (KYC): weighting of 5% with an actual target attainment of 68.3% but a percentage of 0% has been applied because the attainment is below the minimum attainment of 80%.

CaixaBank Quality: weighting of 5% with target attainment of 100%.

As Mr. Antonio Massanell's target bonus amounted to EUR 150,000, it was agreed that he would receive variable remuneration of EUR 141,131. In accordance with the remuneration policy in effect for 2018, this variable remuneration has been paid as follows:

- 40% of the variable remuneration stipulated, equivalent to a gross amount of EUR 56,452, will be paid to Mr. Antonio Massanell in 2018, as follows:

EUR 28,226 gross in cash

EUR 28,226 in gross shares of CaixaBank, the number of gross shares is the result of dividing the previous amount by the share price, using the share price at the close of trading on 15 February 2018.

- 60% of the variable remuneration, equivalent to the gross sum of EUR 84,679, has been deferred over a five-year period, such that he will receive a fifth of this amount in 2019, 2020, 2021, 2022 and 2023, with 50% of each payment to be made in cash and the remaining 50% in CaixaBank shares. The deferred variable remuneration shall be subject to the deductions clause established in the Entity's remuneration policy.

Mr. Antonio Massanell will also receive the following amounts of variable remuneration in 2018 pertaining to financial years 2014, 2015 and 2016:

2014 bonus: The gross sum of EUR 14,157 in cash and 3,438 CaixaBank shares (gross), with the reference share price taken at close of trading on February 13, 2015.

2015 bonus: The gross sum of EUR 11,692 in cash and 4,537 CaixaBank shares (gross), with the reference share price taken at close of trading on February 15, 2016.

2016 bonus: The gross sum of EUR 14,994 in cash and 4,408 CaixaBank shares (gross), with the reference share price taken at close of trading on February 15, 2017.

- Long-term share-based incentive scheme 2015-2018

As indicated in section A.4 above, the ILP 2015-2018 is not payable until the end of the Measurement Period on 31 December 2018.

The target amount for the 2015-2018 period was set at EUR 500,000 for Antonio Massanell Lavilla; so that the definitive target for the 2015-2017 period has been set at 375,000, due to his resignation for retirement.

Determining the number of units for the 2015-2017 period:

In order to determine the number of target units corresponding to Mr. Antonio Massanell, consideration was taken of the relationship between the target amount of EUR 375,000 and the arithmetic mean price, rounded off to three decimal places, of the closing prices of CaixaBank shares at market sessions in February 2015, set at EUR 3,982.

$N.U. = 375,000/3,982 = 94,174$  units.

Section D.1 a) i) - Remuneration in cash - Long-term variable remuneration includes the annual pro rata portion of the ILP target bonus of EUR 125,000 to be received, if applicable, in shares in the year 2019, depending on the results of the objectives and conditions stipulated in the plan and described in section A4 above.

- Mandatory variable-base contributions

As stipulated in Bank of Spain Circular 2/2016, 15% of the contribution of EUR 100,000 to the pension scheme must be variable-base. 97.25% of this amount (EUR 14,588) was contributed to the discretionary pension benefits policy for 2017.

As referred to in section A.1, on 21 December 2017, Mr. Antonio Massanell Lavilla tendered his resignation as Deputy Chairman and member of the Board of Directors due to his retirement. Consequently, Antonio Massanell and CaixaBank signed a termination agreement, the most salient aspects of which are as follows:

The effective date of his resignation is December 31, 2017.

In addition to standing down as a member of the Board of Directors of CaixaBank, Mr. Antonio Massanell has also stepped down from his duties in any other positions and functions held in any companies of any legal nature of the CaixaBank Group or in other companies in the interest of CaixaBank.

As provided for under the Services Agreement, Mr. Antonio Massanell will not receive any compensation as a result of this termination.

Post-contractual non-competition agreement compensation: As compensation for the non-competition agreement set forth in the Services Agreement, CaixaBank will pay Antonio Massanell a gross amount of EUR 1,605,000, referring to the sum of one year of his Fixed Remuneration (EUR 1,520,000) plus 85% of the amount of the annual contribution to the pension scheme (EUR 85,000).

The compensation will be paid in twelve monthly instalments of EUR 133,750, to be paid on the last day of each month beginning on 31 January 2018; unless he breaches the non-competition clause set out in the Services Agreement.

d) Explanatory note

It should be noted that section D.1 a) i) "Cash remuneration - Short-term variable remuneration" and section D.1 a) ii) "Share-based remuneration system" show all variable remuneration accrued in 2017, although 60% of these amounts has been deferred and shall be delivered in fifths in 2019, 2021, 2022 and 2023, subject to the deduction and recovery clauses established in the Entity's remuneration policy.

## I TEMIZED INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR

Name	Type	Vesting period year 2017
MARÍA TERESA BASSONS BONCOMPTE	Proprietary	01/01/2017 to 31/12/2017
MARIA VERÓNICA FISAS VERGES	Independent	01/01/2017 to 31/12/2017
SALVADOR GABARRÓ SERRA	Proprietary	01/01/2017 to 17/03/2017
ALEJANDRO GARCÍA-BRAGADO DALMAU	Proprietary	01/01/2017 to 31/12/2017
IGNACIO GARRALDA RUIZ DE VELASCO	Proprietary	22/05/2017 to 31/12/2017
GONZALO GORTÁZAR ROTAECHE	Executive	01/01/2017 to 31/12/2017
JORDI GUAL SOLÉ	Proprietary	01/01/2017 to 31/12/2017
AVIER IBARZ ALEGRÍA	Proprietary	01/01/2017 to 31/12/2017
ANTONIO MASSANELL LAVILLA	Executive	01/01/2017 to 31/12/2017
ALAIN MINC	Independent	01/01/2017 to 31/12/2017
MARÍA AMPARO MORALEDA MARTÍNEZ	Independent	01/01/2017 to 31/12/2017
JOHN S. REED	Independent	01/01/2017 to 31/12/2017
JUAN ROSELL LASTORTRAS	Independent	01/01/2017 to 31/12/2017
ANTONIO SÁINZ DE VICUÑA BARROSO	Independent	01/01/2017 to 31/12/2017
EDUARDO JAVIER SANCHIZ IRAZU	Independent	21/09/2017 to 31/12/2017
JOSE SERNA MASIÁ	Proprietary	01/01/2017 to 31/12/2017
KORO USARRAGA UNSAIN	Independent	01/01/2017 to 31/12/2017
FRANCESC XAVIER VIVES TORRENTS	Independent	01/01/2017 to 31/12/2017
FUNDACIÓN CAJACANARIAS	Proprietary	06/03/2017 to 31/12/2017
FUNDACIÓN CAJASOL	Proprietary	01/01/2017 to 23/02/2017

D.1 Complete the following tables regarding the individual remuneration accrued by each Director (including remuneration received for the performance of executive functions) during the year.

a) Remuneration accrued at the reporting company:

i) Remuneration in cash (in thousands of €)

Name	Salaries	Non-variable remuneration	Attendance fees	Short-term variable remuneration	Long-term variable remuneration	Remuneration for membership on board committees	Termination benefits	Other items	Total 2017	Total 2016
JORDI GUAL SOLÉ	0	1,090	0	0	0	60	0	0	1,150	340
GONZALO GORTÁZAR ROTAECHE	1,150	90	0	260	200	50	0	6	1,756	1,377
FRANCESC XAVIER VIVES TORRENTS	0	107	0	0	0	50	0	0	157	144
FUNDACIÓN CAJACANARIAS	0	74	0	0	0	0	0	0	74	0
MARÍA TERESA BASSONS BONCOMPTE	0	90	0	0	0	53	0	0	143	124
MARIA VERÓNICA FISAS VERGES	0	90	0	0	0	21	0	0	111	87
ALEJANDRO GARCÍA-BRAGADO DALMAU	0	90	0	0	0	0	0	0	90	0
IGNACIO GARRALDA RUIZ DE VELASCO	0	55	0	0	0	0	0	0	55	0
JAVIER IBARZ ALEGRÍA	0	90	0	0	0	100	0	0	190	194
ALAIN MINC	0	90	0	0	0	90	0	0	180	184
MARÍA AMPARO MORALEDA MARTÍNEZ	0	90	0	0	0	166	0	0	256	260
JOHN S. REED	0	90	0	0	0	0	0	0	90	94
JUAN ROSELL LASTORTRAS	0	90	0	0	0	50	0	0	140	144
ANTONIO SÁINZ DE VICUÑA BARROSO	0	90	0	0	0	146	0	0	236	240
EDUARDO JAVIER SANCHIZ IRAZU	0	25	0	0	0	0	0	0	25	0
JOSE SERNA MASÍÁ	0	90	0	0	0	39	0	0	129	47
KORO USARRAGA UNSAIN	0	90	0	0	0	50	0	0	140	48
SALVADOR GABARRÓ SERRA	0	19	0	0	0	17	0	0	36	174
FUNDACIÓN CAJASOL	0	14	0	0	0	0	0	0	14	91
ANTONIO MASSANELL LAVILLA	794	90	0	71	125	50	0	2	1,132	1,313



## ii) Share-based remuneration schemes

<b>GONZALO GORTÁZAR ROTAECHE</b> Variable remuneration plan 2017												
Implement ation Date	Options held at the beginning of 2017						Options allocated in 2017					
	Nº Options	Shares affected	Exercise price (€)	Exercise period			Nº Options	Shares affected	Exercise price (€)	Exercise period		
01/01/2017	0	0	0.00	-			0	0	0.00	-		
Conditions: -												
Shares awarded in 2017			Options exercised in 2017				Options expired and not exercise d	Options held at year-end 2017				
No. of shares	Price	Amount	Exercise price (€)	Nº Options	Shares affected	Gross gain (EUR thousand)	Nº Options	Nº Options	Shares affected	Exercise price (€)	Exercise period	
65,201	3.99	260	0.00	0	0	0	0	0	0	0.00	-	
Other conditions for exercise: -												

<b>ANTONIO MASSANELL LAVILLA</b> Variable remuneration plan 2017												
Implementati on Date	Options held at the beginning of 2017						Options allocated in 2017					
	Nº Options	Shares affected	Exercise price (€)	Exercise period			Nº Options	Shares affected	Exercise price (€)	Exercise period		
01/01/2017	0	0	0.00	-			0	0	0.00	-		
Conditions: -												
Shares awarded in 2017			Options exercised in 2017				Options expired and not exercised	Options held at year-end 2017				
No. of shares	Price	Amount	Exercise price (€)	Nº Options	Shares affected	Gross gain (EUR thousand)	Nº Options	Nº Options	Shares affected	Exercise price (€)	Exercise period	
17,672	3.99	71	0.00	0	0	0	0	0	0	0.00	-	
Other conditions for exercise: -												

**iii) Long-term savings schemes**

Name	Contribution by the company in the year (EUR thousands)		Cumulative amount of funds (EUR thousand)	
	2017	2016	2017	2016
GONZALO GORTÁZAR ROTAECHE	255	255	3,026	2,682
ANTONIO MASSANELL LAVILLA	100	100	13,893	13,432
JORDI GUAL SOLÉ	0	48	250	245

iv) Other benefits (in thousands of EUR)

<b>GONZALO GORTÁZAR ROTAECHE</b>			
<b>Remuneration in the form of advances, loans or guarantees granted</b>			
<b>Rate of interest</b>		<b>Essential features</b>	<b>Any amounts returned</b>
0.00		N/A	N/A
<b>Life insurance premiums</b>		<b>Guarantees issued by the company in favour of directors</b>	
<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
41	36	N/A	N/A

<b>ANTONIO MASSANELL LAVILLA</b>			
<b>Remuneration in the form of advances, loans or guarantees granted</b>			
<b>Rate of interest</b>		<b>Essential features</b>	<b>Any amounts returned</b>
0.00		N/A	N/A
<b>Life insurance premiums</b>		<b>Guarantees issued by the company in favour of directors</b>	
<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
50	49	N/A	N/A

**b) Remuneration accrued by Directors for seats on the boards of other group companies:**

**i) Remuneration in cash (in thousands of €)**

Name	Salaries	Non-variable remuneration	Attendance fees	Short-term variable remuneration	Long-term variable remuneration	Remuneration for membership on board committees	Termination benefits	Other items	Total 2017	Total 2016
GONZALO GORTÁZAR ROTAECHE	0	520	0	0	0	0	0	0	520	894
JAVIER IBARZ ALEGRÍA	0	90	0	0	0	0	0	0	90	90
JUAN ROSELL LASTORTRAS	0	90	0	0	0	0	0	0	90	15

**ii) Share-based remuneration schemes**

**iii) Long-term savings schemes**

**c) Summary of remuneration (in thousands of EUR ):**

The summary should include amounts for all remuneration components referred to in this report accrued by the Director, in thousands of euros.

For long-term savings schemes, include contributions or amounts allocated to the scheme:

Name	Remuneration accrued in the company				Remuneration accrued in group companies				Total		
	Total remuneration in cash	Monetary amount of shares granted	Gross gain on options exercised	Total 2017 company	Total remuneration in cash	Monetary amount of shares granted	Gross gain on options exercised	Total 2017 company	Total 2017	Total 2016	Contribution to savings schemes in the year
JORDI GUAL SOLÉ	1,150	0	0	0	0	0	0	0	1,150	340	0
GONZALO GORTÁZAR ROTAECHE	1,756	260	0	2,016	520	0	0	520	2,536	2,525	255
FRANCESC XAVIER VIVES TORRENTS	157	0	0	157	0	0	0	0	157	144	0
FUNDACIÓN CAJACANARIAS	74	0	0	74	0	0	0	0	74	0	0
MARÍA TERESA BASSONS BONCOMPTE	143	0	0	143	0	0	0	0	143	124	0
MARIA VERÓNICA FISAS VERGES	111	0	0	111	0	0	0	0	111	87	0
ALEJANDRO GARCÍA-BRAGADO DALMAU	90	0	0	90	0	0	0	0	90	0	0
IGNACIO GARRALDA RUIZ DE VELASCO	55	0	0	55	0	0	0	0	55	0	0
JAVIER IBARZ ALEGRÍA	190	0	0	190	90	0	0	90	280	284	0
ALAIN MINC	180	0	0	180	0	0	0	0	180	184	0
MARÍA AMPARO MORALEDA MARTÍNEZ	256	0	0	256	0	0	0	0	256	260	0
JOHN S. REED	90	0	0	90	0	0	0	0	90	94	0
JUAN ROSELL LASTORTRAS	140	0	0	140	90	0	0	90	230	159	0
ANTONIO SÁINZ DE VICUÑA BARROSO	236	0	0	236	0	0	0	0	236	240	0
EDUARDO JAVIER SANCHIZ IRAZU	25	0	0	25	0	0	0	0	25	0	0
JOSE SERNA MASÍÁ	129	0	0	129	0	0	0	0	129	47	0

Name	Remuneration accrued in the company				Remuneration accrued in group companies				Total		
	Total remuneration in cash	Monetary amount of shares granted	Gross gain on options exercised	Total 2017 company	Total remuneration in cash	Monetary amount of shares granted	Gross gain on options exercised	Total 2017 company	Total 2017	Total 2016	Contribution to savings schemes in the year
KORO USARRAGA UNSAIN	140	0	0	140	0	0	0	0	140	48	0
SALVADOR GABARRÓ SERRA	36	0	0	36	0	0	0	0	36	174	0
FUNDACIÓN CAJASOL	14	0	0	14	0	0	0	0	14	91	0
ANTONIO MASSANELL LAVILLA	1,132	71	0	1,203	0	0	0	0	1,203	1,388	100
<b>TOTAL</b>	<b>6,104</b>	<b>331</b>	<b>0</b>	<b>6,435</b>	<b>700</b>	<b>0</b>	<b>0</b>	<b>700</b>	<b>7,135</b>	<b>6,189</b>	<b>355</b>

**D.2 Disclose the relationship between remuneration obtained by Directors and the company's profits or some other measure of enterprise results, explaining, as appropriate, how changes in the company's performance may have influenced the variation in Directors' remuneration.**

As indicated in section C.1 of this report, the remuneration structure of the executive Directors includes variable remuneration, consisting of an annual bonus and a long-term incentive which are both linked to the Entity's results.

2017 bonus: 50% individual targets in relation to the CaixaBank strategy.

50% corporate targets: ROTE, weighting of 12.5% with an attainment of 179.5%, the maximum degree of fulfilment of 120% has been applied; Recurrent operating expenses, weight of 12.5% with an attainment rate of 90.7%; Risk Appetite Framework, weighting of 15% with an attainment rate of 110%; Know Your Customer (KYC), weight of 5% with an attainment rate of 68.3%, a fulfilment percentage of 0% is applied as the attainment is lower than the minimum (80%) of the attainment rate; CaixaBank Quality, weighting of 5% with an attainment of 100%.

As noted above, the 2017 bonus to be paid to Executive Directors is the result of individual targets (50%) and corporate targets (50%). In the case of the latter, and as noted previously, the 100% threshold was exceeded in the case of ROTE and the Risk Appetite Framework. 100% of the proposed challenge was attained for Quality, and 90.7% of operating expenses. No fulfilment percentage was applied for the Know Your Customer (KYC) challenge as the minimum attainment rate of 80% was not reached. The 2017 organisational bonus received in 2018 was slightly lower than the target amount set.

Long-term share-based incentive scheme (2015-2018) based on three indicators, an external comparative metric based on Total Shareholder Return, and two internal metrics relating to achievement of the targets based on ROTE and the Efficiency Ratio. Fulfilment shall be appraised at the end of the 2015-2018 Strategic Plan.

Also, as stipulated in the Board Remuneration Policy, the variable remuneration for the Executive Directors shall only be paid when it is sustainable given the financial position of CaixaBank as a whole, or is justified on the basis of the results of CaixaBank as a whole.

**D.3 Disclose the outcome of the advisory vote at the Annual General Meeting on the annual report on Director remuneration of the previous year, indicating the number of votes against, if any:**

	<b>Number</b>	<b>% of total</b>
<b>Votes cast</b>	4,011,229,228	100.00%

	<b>Number</b>	<b>% of total</b>
<b>Votes against</b>	35,583,199	0.89%
<b>Votes in favour</b>	3,973,304,238	99.05%
<b>Abstentions</b>	2,341,791	0.06%

**E OTHER INFORMATION OF INTEREST**

If you consider that there is any material aspect of directors' remuneration that has not been addressed in the other sections of this report but which is necessary to provide a fuller and more reasoned view of the company's director remuneration practices, explain briefly.

SECTION A.3 CONTINUED

c) Fixed components of remuneration for Executive Directors

Fixed remuneration, and any modifications, for Executive Directors is largely based on the level of responsibility and the professional career of each Director, combined with a market approach taking account of specific salary polls and ad hoc surveys. The specific salary polls and ad hoc surveys which CaixaBank participates in are carried out by leading specialist companies, using a sample for comparison of a Peer Group of leading European Banks of a similar standing to CaixaBank.

As a guideline, CaixaBank uses a sample from the public information about the executive Directors of European banks such as ABN Amro, Banco Sabadell, Bankinter, BBVA, Commerzbank, Crédit Agricole, SA, Deutsche Bank, Erste Group, KBC Groep, Lloyds Banking Group, Natixis, Raiffeisen, Royal Bank of Scotland, Santander or Swedbank AB. As the fixed component of remuneration, contracts of Executive Directors contain pre-established contributions to pension and savings plans, as explained in greater detail in Section A.5. As a general rule, fixed remuneration for Executive Directors includes remuneration they may receive for carrying out management functions at CaixaBank group companies or other companies in the interest of CaixaBank, and so this remuneration is deducted from the net amount of fixed remuneration to be paid by the Company.

#### d) Fixed components of remuneration for Non-executive Directors in 2018

The remuneration framework for Board members which the management body of CaixaBank approved at a meeting on 18 December 2014 following a proposal by the Remuneration Committee, to be applied as of 1 January 2015, is still in place.

Under this proposal, CaixaBank, as one of Spain's leading credit institutions, was and still is the entity where Non-executive Directors are paid the least, and their remuneration does not exceed the annual amount approved at the 2014 General Shareholders' Meeting (EUR 3,800,000 for the remuneration of the Board, excluding the remuneration of the Executive Directors). The 2017 General Shareholders' Meeting approved an increase in this amount, considering the composition of the Board of Directors and its committees, the future appointment of a lead director for the purposes of complying with the deconsolidation conditions stipulated by the European Central Bank, the possibility of creating new committees, the possibility of increasing the number of members sitting on committees, and the possibility of matching remuneration for each of the committees in the light of the dedication that the same require. The annual maximum for fixed remuneration to the Board of Directors was set at €3,925,000.

The proposal that was approved and is still in force is as follows:

- To return to the remuneration levels established in 2012 for members of the Board of Directors, i.e. , EUR 90,000 per annum, and for members of the Appointments Committee and the Remuneration Committee, i.e. EUR 30,000 per annum (it should be noted that in mid-2012 the Board resolved to reduce remuneration by 10%, leaving these amounts at EUR 81,000 and 27,000).
- To establish remuneration for members of the Executive Committee, the Audit and Control Committee and the Risks Committee, for their responsibilities and the requirement of dedication involved, as EUR 50,000 per annum per member.
- Remuneration paid to the Chairmen of Board Committees shall, in all cases, be 20% more than that paid to Committee members;
- Remuneration paid to the Chairman of the Board of Directors shall remain at EUR 1,000,000 per annum.

Furthermore, given the appointment of the Lead Director, in November 2017 the Board of Directors resolved, at the behest of the Remuneration Committee, to set the remuneration of the Lead Director at EUR 38,000 per annum.

#### e) Fixed components of remuneration for Executive Directors in 2018

(this section includes information about Mr. Tomás Muniesa Arantegui who at the date of drawing up of this report has not yet been confirmed as Deputy Chairman as his suitability still has to be approved by the European Central Bank.

The remuneration information set out here is the same as that established once the appointment is effective).

Fixed remuneration to be paid in cash to current Executive Directors in 2018 is as follows:

- Gonzalo Gortázar Rotaèche – Chief Executive Officer EUR 2,261,200
- Tomás Muniesa Arantegui – Deputy Chairman EUR EUR 1,543,835

Estimated remuneration for positions held at Group companies, based on the positions held at the date of this report, is EUR 1,075,263 for Mr. Gonzalo Gortázar Rotaèche and EUR 845,000 for Mr. Tomás Muniesa Arantegui, thereby putting the estimated net amounts to be paid by CaixaBank in 2018 at EUR 1,185,937 and EUR 698,835.

Remuneration to be paid to both as members of the Board of Directors and as members of Board Committees, is estimated at EUR 140,000 for each of them in 2018, and deducted from the fixed amount paid for carrying out executive Director duties.

See Section A.5 for information on remuneration corresponding to fixed contributions to pension schemes.

#### f) Fixed components of remuneration planned for Directors for future years

The remuneration of non-executive directors in the years ahead will be adapted to the prevailing system stipulated by the Bylaws at the time in question, and to the maximum remuneration established at the General Meeting. As a result, remuneration policy shall be deemed to have been amended with regard to the remuneration of Non-executive Directors whenever the General Meeting approves a maximum amount other than that established in Section A.3.



Any future proposals for remuneration based on Bylaws systems must be approved pursuant to the precepts of the Corporate Enterprises Act and the Bylaws, and share-based payments shall require the approval of the CaixaBank General Meeting.

Fixed remuneration for Executive Directors shall be set, in the case of new Executive Directors, or modified pursuant to the methodology described in Section A.3 above.

#### SECTION A.4 CONTINUED

##### - Lock-up policy

All shares delivered shall be locked up for a period of one year following delivery.

During the lock-up period, the Executive Director owning the shares may exercise the shareholder rights carried by the instruments.

CaixaBank retains ownership of all retained shares and cash payments.

Pursuant to the principles of contractual law applicable in Spain, especially the bilateral nature of contracts and equal accrual of reciprocal benefits, cash payments retained accrue interest for the Executive Director, calculated using the interest rate for the first tranche of the employee holding account. Interest shall only be paid at the end of each payment date, and shall be applied to the cash amount of the variable remuneration that is actually to be received, net of any reductions that may be applicable.

As far as returns on instruments are concerned, as provided for under EBA Guidelines, the Bank will not pay interest or dividends accrued from 1 January 2017 on deferred instruments either during or after the deferral period.

Termination or suspension of professional relations, and departures due to invalidity, early retirement, retirement or partial retirement shall not interrupt the payment cycle of variable remuneration, notwithstanding the provision made for deductions and recovery of variable remuneration.

In the event of the employee's death, the Department of Human Resources and the Risks Department shall determine and, where applicable, propose a process to settle any pending payments based on criteria compatible with the general principles of the LOSS, implementing regulations and the Remuneration Policy.

##### - Special cases

Specific solutions in accordance with the LOSS, implementing regulations and the principles of the Remuneration Policy must be applied to special cases not otherwise provided for (i.e. corporate transactions that affect ownership of the shares delivered or deferred), in such a way that they do not artificially alter or dilute the value of the considerations concerned.

##### - Requirement of continued employment

In order to be eligible for variable remuneration as a bonus, one necessary condition is that the Executive Director must maintain a service relationship with CaixaBank as at 31 December of the year in which the variable remuneration is to be accrued.

##### - Incompatibility with personal hedging strategies or avoidance mechanisms

Pursuant to the provisions of Article 34.1 o) of the LOSS and the EBA Guidelines, Executive Directors undertake to refrain from using personal hedging strategies or insurance to undermine the risk alignment effects embedded in their remuneration arrangements.

Nor shall CaixaBank pay variable remuneration with instruments or methods the purpose of which is or which effectively entail non-compliance with the requisites of remuneration applicable to Executive Directors as members of CaixaBank's Identified Staff.

#### ii. Long-term share-based incentive scheme.

On 23 April 2015 the General Shareholders' Meeting approved the implementation of a four-year (2015-2018) long-term share-based incentive plan (ILP) linked to the strategic plan, which awards a number of CaixaBank shares after the four years have elapsed, provided certain strategic objectives and the requirements stipulated for Executive Directors, members of the Management Committee and the remainder of the executive team and key employees of the Company are met.

Following the review of the Strategic Plan and its objectives approved on 1 February 2017 by the Board of Directors, at a meeting held on 25 May 2017 this same body agreed to modify the Regulations of the Long-Term Incentives Plan accordingly by updating the ROTE and the Cost-to-Income Ratio to the new objectives proposed.

- Beneficiaries:

The beneficiaries of the Plan shall be the members of the Management Committee, the remainder of the executive team and key employees of CaixaBank or companies in the CaixaBank Group who are expressly invited by the Board of Directors of CaixaBank, following a proposal by the Remuneration Committee, in addition to members of the Board of Directors who have executive functions, and are designated by the CaixaBank General Shareholders' Meeting.

The maximum estimated number of authorised plan beneficiaries is 80, with this number including any new additions of beneficiaries to the plan during its validity period.

It was agreed that the following Executive Directors would be designated as Plan Beneficiaries:

Mr. Gonzalo Gortázar Rotaeché - Chief Executive Officer

Mr. Antonio Massanell Lavilla – Deputy Chairman. (Due to his retirement, and tendering his resignation as Deputy Chairman and member of the Board of Directors and in accordance with the formula set out in the Plan Regulation, the proportional part will be settled until 31 December 2017).

- Plan duration and settlement:

The measurement period for the Plan runs from 1 January 2015 to 31 December 2018 (hereinafter, the Measurement Period).

The above notwithstanding, the Plan formally commenced when it was approved at the Annual General Meeting held on 23 April 2015 (the "Start Date"). If beneficiaries are added to the Plan after that date, another Start Date may be established in the Letter of Invitation. The Plan will expire on 31 December 2018 (hereinafter, the End Date), without prejudice to the effective settlement of the Plan, which will take place in June 2019.

- Instrument:

The Plan is implemented by a certain number of units awarded to each Beneficiary, which shall serve as the basis to determine, depending on the extent to which certain targets have been met, the number of CaixaBank shares, if any, to be awarded to each Plan Beneficiary.

Under this Plan, beneficiaries do not become shareholders of the Entity until delivery of the shares. Therefore, the units awarded do not confer economic or voting rights over the Entity, or any other shareholder entitlements.

. Determination of the number of units to be assigned to each beneficiary

In order to determine the Units to be assigned to each Beneficiary (which will be notified to each Beneficiary in a Letter of Invitation), the following will be taken into account: (i) a reference "target" amount, which will be determined on the basis of the Beneficiary's professional function; and (ii) the arithmetic mean price rounded to the third decimal place of the closing price of the CaixaBank share in the corresponding stock market sessions during the month of February 2015. The Units to be assigned to each Beneficiary are determined using the following formula:

$$N.U. = RT / AMP$$

Where:

N.U. = the Number of Units to be assigned to each beneficiary, rounded up to the nearest whole number.

RT = Reference "Target" amount of the Beneficiary, depending on their professional category.

AMP = the Average Arithmetic Price of CaixaBank's closing share price in stock market sessions in February 2015, rounded to the third decimal place.

- Determination of the number of shares to deliver when the Plan is settled

The total number of shares to deliver to each Beneficiary on the Settlement Date shall be determined in accordance with the following formula:

$$N.S. = N.U. \times DFI$$

Where:

N.S. = Number of Shares in the Entity awarded to each beneficiary on the Plan Settlement Date, rounded up to the nearest whole number.

N.U. = the Number of Units assigned to the beneficiary.

DFI = Degree of fulfilment of the Incentive, depending on the degree of fulfilment of the targets to which the Plan is linked.

- Maximum number of shares to deliver

The General Shareholders' Meeting approved the maximum number of shares to deliver as a result of the plan to all Beneficiaries as 3,943,275 shares.

This is the maximum number of shares that could be delivered, in the event of the maximum coefficients for achieving objectives applying.

- Metrics

The Degree of fulfilment of the Incentive shall depend on the degree of compliance with the objectives to which the Plan is linked. The specific number of CaixaBank shares to be delivered to each beneficiary on the Settlement Date, if the conditions established are met, depends on: (i) the Entity's Total Shareholder Return (hereinafter, TSR) in comparison with the same indicator for 19 peer banks (20 banks in total, including CaixaBank); (ii) the Entity's Return on Tangible Equity (hereinafter, ROTE); and (iii) the Entity's Cost-to-Income ratio (hereinafter, CIR).

1. TSR: difference (expressed as a percentage) between the final value of an investment in ordinary shares and the initial value of the same investment, taking into account that to calculate this final value, the dividends or other similar concepts (such as, for example, scrip dividends) received by the shareholder through this investment during the corresponding time period shall be considered.

A coefficient of between 0 and 1.5 will be used, depending on where CaixaBank ranks in the selected sample of 20 comparable peer banks:

If CaixaBank's position in the TSR ranking is between 1 and 3, the TSR coefficient = 1.5  
If CaixaBank's position in the TSR ranking is between 4 and 6, the TSR coefficient = 1.2  
If CaixaBank's position in the TSR ranking is between 7 and 9, the TSR coefficient = 1  
If CaixaBank's position in the TSR ranking is between 10 and 12, the TSR coefficient = 0.5  
If CaixaBank's position in the TSR ranking is between 13 and 20, the TSR coefficient = 0.

The reference banks taken into consideration with regard to the TSR, for the purposes of this Plan (the "Comparison Group") are Santander, BNP, BBVA, ING Groep NV-CVA, Intesa Sanpaolo, Deutsche Bank AGRegistered, Unicredit SPA, Crédit Agricole SA, Société Générale SA, KBC Groep NV, Natixis, Commerzbank AG, Bank of Ireland, Banco Sabadell SA, Erste Group Bank AG, Banco Popular Español, Mediobanca SPA, Bankinter SA and Bankia SA.

With a view to avoiding atypical movements in the indicator, the reference values used, both on the date immediately preceding the start of the Measurement Period (31 December 2014) and on the end date of the Measurement Period (31 December 2018), will be the arithmetic mean price rounded to three decimal places of the closing prices of the shares in 31 stock market sessions. These 31 sessions will comprise the 31 December session and the 15 sessions immediately preceding and following this date.

As explained in section A.1, due to the review of the Strategic Plan and of its objectives carried out by the Board of Directors on 1 February, the ROTE and the Cost-to-Income Ratio objectives for 2017 and 2018 were modified, bringing them in line with that review.

2. ROTE: return on tangible equity during the Measurement Period. This formula does not include intangible assets or goodwill as part of the Company's equity.

A coefficient of between 0 and 1.2 will be used for the ROTE metric, based on the following scales:

1 January 2015 to 31 December 2016:

If the ROTE 2018 is > 14: ROTE coefficient = 1.2  
If the ROTE 2018 = 12: ROTE coefficient = 1  
If the ROTE 2018 = 10: ROTE coefficient = 0.8  
If the ROTE 2018 is < 10: ROTE coefficient = 0.

1 January 2017 to 31 December 2018: If the ROTE

2018 is > 9: ROTE coefficient = 1.2  
If the ROTE 2018 = 8: ROTE coefficient = 1  
If the ROTE 2018 = 7: ROTE coefficient = 0.8  
If the ROTE 2018 is < 7: ROTE coefficient = 0.

The degree of achievement of the incentive arising from the ROTE target will be calculated, following the above tables, by linear interpolation for each period.

In both cases, average ROTE will be calculated between 31 December 2017 and 31 December 2018.

3. CIR: percentage of income consumed by costs. This is calculated as the percentage ratio between ordinary operating income and costs.

A coefficient of between 0 and 1.2 will be used for the CIR metric, based on the following scales:

1 January 2015 to 31 December 2016:

If 2018 CIR < 43: CIR coefficient = 1.2  
If 2018 CIR = 45: CIR coefficient = 1  
If 2018 CIR = 47: CIR coefficient = 0.8  
If 2018 CIR > 47: CIR coefficient = 0.

1 January 2017 to 31 December 2018:

If 2018 CIR < 53: CIR coefficient = 1.2

If 2018 CIR = 55: CIR coefficient = 1

If 2018 CIR = 57: CIR coefficient = 0.8

If 2018 CIR > 57: CIR coefficient = 0.

The degree of achievement of the incentive arising from the CIR target will be calculated, following the above tables, by linear interpolation for each period.

In both cases for the CIR metric, the value at 31 December 2018 will be used.

The degree of fulfilment of the incentive shall be determined with the following formula and its weightings:

$$DFI = CTSR \times 34\% + CROTE \times 33\% + CRE \times 33\%$$

Where:

DFI = Degree of fulfilment of the incentive expressed as a percentage.

CTSR = Coefficient reached with regard to the TSR target, according to the scale established for the TSR target.

CROTE = Coefficient reached with regard to the ROTE target, according to the scale established for the ROTE target.

CER = Coefficient reached with regard to the CIR target, according to the scale established for the CIR target.

The TSR metric will be calculated by an independent expert of recognised renown at the end of the Plan, at the request of the Entity.

The Entity will determine the ROTE and CIR metrics, which will be subject to audit of the Entity's financial statements.

- Requirements for obtaining shares

The requirements for the beneficiary to receive shares under the Plan are:

1. They must comply with the objectives set for them under the Plan, subject to the terms and conditions set out in the Plan regulations.

2. The beneficiary must remain part of the Company until the End Date of the Plan, except in special circumstances, such as death, permanent disability, retirement, and others as set out in the Plan regulations, which must be approved by the Company's Board of Directors. Therefore, the Beneficiary will forfeit their entitlement to shares under the Plan in the event of resignation or fair dismissal.

The shares will be delivered in all cases on the date established for Beneficiaries of the Plan, in accordance with the requirements and procedures laid out in the Plan.

The Plan will only be settled and the shares delivered if this is sustainable and justified given CaixaBank's situation and results.

The shares under this Plan will not be delivered to the beneficiaries - who will lose any right to receive them - in the event that CaixaBank makes a loss, does not distribute a dividend or does not pass the stress tests required by the European Banking Authority, in the year of the Plan End Date or Settlement Date.

- Scenarios of early settlement or amendment of the Plan

The Plan may be terminated ahead of schedule or modified in the event of change of control in the Company or in the light of events that, in the opinion of the Board of Directors, significantly impact the Plan.

### III. Deduction and recovery scenarios for variable remuneration

- Reductions.

Pursuant to the LOSS, the amounts of variable remuneration paid to executive directors shall be totally or partially reduced, including the amounts pending payment, whether cash or share-based payments, in the event of a poor financial performance by CaixaBank overall or by one of its divisions or areas, or because of any material exposure generated. In this regard, CaixaBank must compare the assessed performance with the subsequent performance of the variables that helped meet the targets.

The scenarios entailing deductions from variable remuneration are as follows:

- Material failures in risk management by CaixaBank, or by a business unit or risk control unit, including any qualified opinions in the external auditor's report or circumstances which would impair the financial parameters used as a basis to calculate variable remuneration.
- An increase in the capital requirements of CaixaBank or by one of its business units which was not foreseen at the time exposures were generated.
- Regulatory sanctions or adverse legal rulings attributable to the unit or the employee responsible for them and to the Executive Director.
- Breaches of regulations or internal codes of conduct at the Entity, especially the following:

(i) Any serious or very serious regulatory breaches attributable to them.

(ii) Any serious or very serious breaches of internal regulations.

(iii) Regulatory breaches for which they are responsible, irrespective of whether they cause losses that jeopardise the solvency of a business line, and, in general, any involvement in, or responsibility for, behaviour that causes significant losses.

- Individual or collective irregular conduct, with specific consideration of the adverse effects of the sale of unsuitable products and the responsibility of Executive Directors in taking such decisions.
- Fair dismissal or, in the case of business contracts, with just cause by the Entity (in this case a full deduction shall be made). Just cause shall be understood as any serious and culpable breach of the duties of loyalty, diligence and good faith pursuant to which Executive Directors must discharge their duties at the CaixaBank Group, as well as any other serious and culpable breach of the duties undertaken in their contract, or any other organic or service relationships which the individual and the CaixaBank Group may enter into.
- Where payment or consolidation of these amounts is not sustainable in the light of CaixaBank's overall situation, or where payment cannot be justified in view of the results of CaixaBank as a whole, the business unit, or the Director concerned.
- Any other circumstances expressly stipulated in the contracts concerned.
- Any other circumstances established by the legislation applicable or by the regulatory authorities in the exercise of their powers of implementation through regulations, executive powers or powers of interpretation of regulations.

- Clawback situations

In cases where any of the aforementioned situations may have occurred prior to payment of any amount of the variable remuneration so that, had this situation been taken into account, partial or full payment would not have been made, the executive director shall repay CaixaBank the part of the variable remuneration erroneously received, along with any returns paid out. This reimbursement must be made in cash or shares, as applicable.

Scenarios in which the executive director has made a major contribution to poor or negative financial results will be regarded as being particularly serious, as shall cases of fraud or other instances of fraudulent behaviour or gross negligence leading to significant losses.

The Remuneration Committee shall table a proposal to the Board of Directors to apply the deduction or the loss to the entitlement to receive the amounts deferred, or total or partial recovery, depending on the characteristics and circumstances of each specific case.

Pursuant to the provisions of the EBA Guidelines, scenarios of deductions from variable remuneration shall be applicable throughout the entire deferral period for the variable remuneration concerned. Scenarios for recovery of variable remuneration shall apply over a period of one year from payment of the variable remuneration, except in the event of fraud or gross negligence, in which case the provisions of civil or employment legislation in relation to statutory limitations shall be generally applicable.

iv. Guaranteed variable remuneration

Executive Directors shall not be paid any guaranteed variable remuneration. However, in exceptional circumstances the Entity may consider this advisable in the event of new appointments or new hires, provided it has a healthy solid capital base and the remuneration is applied to the first year of the contract.

c) Variable components of remuneration for executive Directors in 2018.

i. Variable remuneration in the form of bonuses.

Mr. Gonzalo Gortázar Rotaeché:

The target bonus for 2018 is set at EUR 708,800. The degree of fulfilment shall be measured according to a 50% weighting of corporate targets and a 50% weighting of individual targets.

Corporate targets (50%) comprise the following parameters:

- ROTE, with a weighting of 10%, a minimum degree of fulfilment of 80% and a maximum degree of fulfilment of 120%.
- Core Cost to Income Ratio, with a weighting of 10% and a minimum degree of fulfilment of 80% and a maximum of 120%. Calculated as a ratio between Recurrent Expenses and Core Income (net interest income, fees and commissions, and insurance-linked income).
- Variation in Non Performing Assets, with a weighting of 10% and a minimum degree of fulfilment of 80% and a maximum of 120%.
- Risk Appetite Framework: with a weighting of 10%, is subject to minimum degree of fulfilment of 80% and a maximum degree of fulfilment of 120%.
- Know Your Customer (KYC): % customers with Digitalised KYC. Target related to "Culture" under Regulatory Compliance and to the strategic target of Process Digitalisation, with a weighting of 5%, is subject to minimum degree of fulfilment of 80% and a maximum degree of fulfilment of 120%.
- CaixaBank Quality, with a weighting of 5%, is subject to a minimum degree of fulfilment of 80% and a maximum degree of fulfilment of 120%.

The degree of fulfilment will be obtained from the level of compliance with the preceding indicators, depending on certain scales of fulfilment approved by the Board of Directors following a proposal from the Remuneration Committee.

The payment range for corporate targets has an established minimum of 80% and a maximum of 120%.

Meanwhile, individual targets (50%) shall have a minimum degree of fulfilment of 60% and a maximum of 120%, and shall be distributed overall between targets linked to CaixaBank's strategy. The final valuation carried out by the Remuneration Committee, based on consultations with the Chairman, may vary +/-25% with regard to the target evaluation of individual targets, in order to include the quantitative evaluation of the Executive Director's performance. Any exceptional achievements during the year which were not contemplated at the outset shall also be taken into account.

In all cases, the bonus will only be paid if the regulatory training approved for the CEO has been completed. Also, should the minimum degree of fulfilment not be attained, a zero bonus shall be accrued for each of the indicators or individual targets.

Mr. Tomás Muniesa Arantegui:

The target bonus for 2018 is set at EUR 127,160. The degree of fulfilment shall be measured according to a 50% weighting of corporate targets and a 50% weighting of individual targets.

Corporate targets (50%) comprise the following parameters:

- ROTE, with a weighting of 10%, a minimum degree of fulfilment of 80% and a maximum degree of fulfilment of 120%.
- Core Cost to Income Ratio, with a weighting of 10% and a minimum degree of fulfilment of 80% and a maximum of 120%. Calculated as a ratio between Recurrent Expenses and Core Income (net interest income, fees and commissions, and insurance-linked income).
- Variation in Non Performing Assets, with a weighting of 10% and a minimum degree of fulfilment of 80% and a maximum of 120%.
- Risk Appetite Framework: with a weighting of 10%, is subject to minimum degree of fulfilment of 80% and a maximum degree of fulfilment of 120%.
- Know Your Customer (KYC): % customers with Digitalised KYC. Target related to "Culture" under Regulatory Compliance and to the strategic target of Process Digitalisation, with a weighting of 5%, is subject to minimum degree of fulfilment of 80% and a maximum degree of fulfilment of 120%.
- CaixaBank Quality, with a weighting of 5%, is subject to a minimum degree of fulfilment of 80% and a maximum degree of fulfilment of 120%.

The degree of fulfilment will be obtained from the level of compliance with the preceding indicators, depending on certain scales of fulfilment approved by the Board of Directors following a proposal from the Remuneration Committee.

The payment range for corporate targets has an established minimum of 80% and a maximum of 120%.

Meanwhile, individual targets (50%) shall have a minimum degree of fulfilment of 60% and a maximum of 120%, and shall be distributed overall between targets linked to CaixaBank's strategy. The final valuation carried out by the Remuneration Committee, based on consultations with the Chairman, may vary +/-25% with regard to the target evaluation of individual targets, in order to include the quantitative evaluation of the Executive Director's performance. Any exceptional achievements during the year which were not contemplated at the outset shall also be taken into account.

In all cases, the bonus will only be paid if the regulatory training approved for the CEO has been completed. Also, should the minimum degree of fulfilment not be attained, a zero bonus shall be accrued for each of the indicators or individual targets.

ii. ILP Plan

The Target Amount during the entire 2015-2018 plan is set at EUR 800,000 for Mr. Gonzalo Gortázar Rotaeché. The Target Amount for the 2015-2018 was set at EUR 500,000 for Antonio Massanell Lavilla; so that the definitive target for the 2015-2017 period has been set at EUR 375,000.

Tomás Muniesa Arantegui was already a beneficiary of the Plan in his position as General Manager. The Target Amount for the 2015-2018 period was set at EUR 500,000 for the 2015-2018 period. A modification to the Board Remuneration Policy proposing to maintain his participation in the Plan for 2018, with the same Target Amount, will be presented for approval to the 2018 General Meeting.

iii. Mandatory variable-base contributions

Pursuant to the provisions of Circular 2/2016, 15% of the agreed contributions to pension plans or insurance schemes shall be considered the target amount to which an appraisal system shall be applied to determine the quantity stipulated in section A.5.

d) Variable components of remuneration for Directors in the years ahead

We cannot rule out changes in future years in the proportion of variable remuneration in the form of bonuses compared to fixed components. In any case, any change to the amount or the structure of the variable components of Directors' remuneration in future years shall be made according to the provisions of the LOSS.

SECTION A.5 CONTINUED

c) Long-term savings schemes for Executive Directors in 2018

Mr. Gonzalo Gortázar Rotaeché:

In 2018, a total defined contribution of EUR 330,000 was agreed to cover retirement, death or total, absolute or serious permanent disability, broken down as follows:

- 85% forms part of the fixed components of remuneration, and this stands at EUR 280,500.
- 15% of the contribution, EUR 49,500, is considered the target amount of mandatory variable-base contributions.

Since achievement of individual targets in 2017 was 109%, the variable-base contribution for 2018 shall be EUR 53,955. In addition to the above, another policy has been arranged to include cover in the event of death or total, absolute or serious permanent disability in the amount of two annual payments of fixed remuneration at the time the event occurs. We have estimated that the premium for this coverage for 2018 is approximately EUR 43,000.

Mr. Tomás Muniesa Arantegui:

In 2018, a total defined contribution of EUR 102,954 was agreed to cover retirement, death or total, absolute or serious permanent disability, broken down as follows:

- 85% forms part of the fixed components of remuneration, and this stands at EUR 87,510.90.
- 15% of the contribution, EUR 15,443.10, is considered the target amount of mandatory variable-base contributions.

Since achievement of individual targets in 2017 was 100%, the variable-base contribution for 2018 shall be EUR 15,443.

d) Long-term savings schemes for Directors in the years ahead

Any change to the amount or the structure of long-term savings schemes for Directors in the years ahead shall be made according to the principles of the LOSS.

This annual report on remuneration was approved by the company's Board of Directors at its meeting on 22 February 2018.

List whether any Directors voted against or abstained from voting on the approval of this Report.

Yes

No

# CAIXABANK, S.A.

## APPENDIX TO THE 2017 ARDR REPORT

A.7 Indicate the conditions applicable to the contracts of those in senior management roles, such as executive directors. Among these, disclose the duration, limits on the amount of termination payments, seniority requirements, notice periods, payments related to the duration of a notice period (“garden leave”) and any other clauses covering hiring bonuses, as well as indemnities or “golden parachutes” in the event of early termination of the contractual arrangement between the company and the executive director. Include, inter alia, non-competition, exclusivity, seniority or loyalty, and post-contractual non-competition agreements or arrangements.

### **Explain the conditions of employment contracts for executive directors**

#### a) General conditions of contracts

##### i. Nature of contracts.

Executive Directors generally hold commercial or employment contracts which are determined by the level of duties carried out above and beyond those of Director, pursuant to prevailing legislation and Supreme Court case-law concerning the so-called “relationship theory”.

##### ii. Term of contracts

In general, contracts shall be drawn up for an indefinite term.

##### iii. Description of duties, dedication, exclusivity and incompatibilities

Contracts shall contain a clear description of the duties and responsibilities to be undertaken and the functional location and reporting levels within the organisational and governance structure at CaixaBank; likewise, they shall also stipulate the duty of exclusive dedication to the Group, without prejudice to other authorised activities in the interests of the CaixaBank Group or certain teaching activities and participation in conferences or responsibilities in own businesses or family-run businesses, provided these activities do not prevent the Director from exercising their duties diligently and loyally at CaixaBank or pose a conflict of interests with the Entity.

Other continuity conditions which are in CaixaBank's best interests may also be agreed in the contracts.

Executive Directors shall be subject to the regime of incompatibilities laid down in laws governing credit institutions.

##### iv. Compliance with duties and confidentiality

Without prejudice to the law covering directorships at corporations, Director's contracts shall contain strict obligations to comply with the duties inherent to their position as Director and obligations regarding any confidential information they may have access to during their tenure at CaixaBank or its Group.



v. Civil liability coverage and compensation

Executive Directors are covered by the civil liability policy for Directors and executives of the CaixaBank Group to cover any third-party liabilities they may incur when carrying out their duties.

Likewise, the contracts may state that CaixaBank shall hold Executive Directors harmless of any losses or damages arising from claims by third parties, unless the Executive Directors have acted negligently or with wilful deceit.

vi. Post-contractual non-competition agreements

Contracts shall contain non-competition agreements for financial activities in general, which should last no less than one year following termination of the contract. Unless otherwise justified, compensation for non-competition agreements shall be set as the sum of the fixed components of remuneration which the Executive Director received during the term of the agreement; the amount of compensation shall be divided into future periodic instalments, payable during the term of the non-competition agreement.

Likewise, should the non-competition agreement not be honoured, CaixaBank shall be entitled to receive compensation from the Executive Directors in an amount in proportion to the compensation paid to the Director.

vii. Early termination clauses

Contracts shall establish the scenarios in which Executive Directors may terminate their contract with the right to compensation. These may include non-compliance on the part of CaixaBank, unfair dismissal or a change of control at the Entity.

Likewise, contracts shall recognise CaixaBank's right to terminate the contract in the event of non-compliance by the Executive Director, with no compensation due to the Director.

In the event any contract is terminated, CaixaBank shall have the right to request that the Executive Director give up any other position or duty carried out within the CaixaBank Group or companies in the interest of CaixaBank.

Contracts shall also include reasonable notice periods in the event of termination of the contract, and appropriate compensation in the event of non-compliance, proportional to the fixed remuneration to be accrued during the years not served.

The amount of compensation to be paid for termination of Executive Directors' contracts shall be established at all times in such a way that it does not exceed the limits legally established in terms of maximum ratios of variable remuneration, in due consideration of the criteria stipulated in the EBA Guidelines. Payments for early termination must be based on the results secured over time, and must not compensate poor results or undue conduct.

The amount of payments for early termination which, pursuant to the provisions of the regulations applicable and the EBA Guidelines, is considered as variable remuneration, shall be deferred and paid in the manner stipulated for variable remuneration in Section A.4 and shall be subject to the same scenarios for deductions and recovery described therein, including application of deferred payments pending payment.

viii. Payments for cancellation of previous contracts

In cases where remuneration packages are agreed with the Executive Director involving hiring bonuses or other forms of compensation or payments for cancellation of previous employment contracts, these must be in the Entity's long-term interests,

establishing, pursuant to the LOSS, provisions regarding withholdings, deferrals, performance and recoveries consistent with the principles established in the Remuneration Policy.

ix. Other contractual conditions

Executive Directors' contracts may contain other common contractual clauses which are compatible with the LOSS, the Corporate Enterprises Act, other prevailing legislation and the Remuneration Policy.

b) Terms and conditions of Mr. Gonzalo Gortázar Rotaeché's contract as Chief Executive Officer

- General aspects

The current Chief Executive Officer service level agreement entered into with Mr. Gonzalo Gortázar Rotaeché is of a commercial nature and for an indefinite period; it contains a clear description of the duties and responsibilities and the duty to exclusively devote his attention to CaixaBank, in the terms described above. It also contains clauses regarding compliance with duties, confidentiality and liability coverage in accordance with the above. The contract does not contain any seniority agreements.

The contract contains provisions to be integrated in the Remuneration Policy and any amendments thereto, as well as possible adaptations to any future regulatory requirements.

- Post-contractual non-competition agreement.

The contract contains a post-contractual non-competition agreement of one year from termination, which encompasses any direct or indirect activity within the financial sector.

The amount for the non-competition agreement is established as one year of the fixed components of his remuneration, and it shall be reduced by any sums received from Companies in the Group or at which he represents CaixaBank by way of compensation for post-contractual non-competition obligations.

Compensation shall be paid in twelve equal monthly instalments, the first of which shall be payable at the end of the calendar month in which the Service Contract is terminated, with the remaining eleven instalments payable at the end of each of the eleven calendar months following.

Should Mr. Gonzalo Gortázar breach the post-contractual non-competition agreement, he shall pay CaixaBank an amount equivalent to one year of his fixed remuneration.

- Termination of the contract.

Notwithstanding compensation due to the non-competition agreement, Mr. Gonzalo Gortázar shall be entitled to compensation consisting of one year of his fixed remuneration in the event of dismissal and termination of the Service Contract for any of the following reasons:

- unilateral termination by Mr. Gonzalo Gortázar due to a serious breach by CaixaBank of the obligations set out in the Service Contract.
- unilateral termination by the Company without due cause;
- removal from or non-renewal of his post as a Director of the Company and his duties as Chief Executive Officer with no just cause; or
- acquisition of a controlling stake in the Company by an entity other than "la Caixa" Banking Foundation pursuant to Article 42 of Spain's Commercial Code,

or the transfer of all or a relevant part of its activity or its assets and liabilities to a third party or its integration in another business group obtaining control of the Company.

To gain entitlement to the compensation described here, Mr. Gonzalo Gortázar must simultaneously give up all posts of representation and management at other CaixaBank group companies with Company interests, or at any other unrelated companies in representation of CaixaBank.

The amount of compensation shall also be reduced by any of the amounts received from the Companies stipulated in the preceding paragraph by way of compensation.

Any positive amount of compensation resulting from the provisions of the above clauses will be subject to the limits, and must be made effective in the manner and under the terms established at all times by prevailing legislation and the Remuneration Policy regarding payments for early termination, including rules on malus and clawback and on withholding the instruments delivered as a result of the same.

The Company may remove Mr. Gonzalo Gortázar from his post as Chief Executive Officer and terminate the Service Contract with just cause, which shall be understood as follows:

- any serious and culpable breach of the duties of loyalty, diligence and good faith under which Gonzalo Gortázar is required to perform his duties at CaixaBank and any other Group companies;
- where Gonzalo Gortázar becomes unfit for his post for reasons attributable to himself; or
- any other serious and culpable breach of the obligations assumed under the service contract, or any other organic or service relationships that may be established between Gonzalo Gortázar and the respective entities at which he represents CaixaBank.

If the Service Contract is terminated with just cause or voluntarily by Mr. Gonzalo Gortázar for reasons other than those stipulated above, he shall not be entitled to the compensation described in this section.

c) Conditions of Mr. Tomás Muniesa Arantegui's contract for carrying out executive duties

- General aspects

The current service contract entered into with Mr. Tomás Muniesa is of a commercial nature and for an indefinite period; it contains a clear description of the duties and responsibilities and the duty to exclusively devote his attention to CaixaBank, in the terms described in section A.7. It also contains clauses regarding compliance with duties, confidentiality and liability coverage in accordance with section A.7. The contract does not contain any seniority agreements.

The contract contains provisions to be integrated in the Remuneration Policy and any amendments thereto, as well as possible adaptations to any future regulatory requirements.

- Post-contractual non-competition agreement.

The contract contains a post-contractual non-competition agreement of one year from termination, which encompasses any direct or indirect activity within the financial sector.

The amount for the non-competition agreement is established as one year of the fixed components of his remuneration, and it shall be reduced by any sums received from Companies in the Group or at which he represents CaixaBank by way of compensation for post-contractual non-competition obligations.

Compensation shall be paid in twelve equal monthly instalments, the first of which shall be payable at the end of the calendar month in which the Service Contract is terminated, with the remaining eleven instalments payable at the end of each of the eleven calendar months following.

Should Mr. Tomás Muniesa breach the post-contractual non-competition agreement, he shall pay CaixaBank an amount equivalent to one year of his fixed remuneration.

- Termination of the contract.

With the exception of compensation pursuant to the non-competition agreement, Mr. Tomás Muniesa shall not be entitled to any compensation whatsoever in the event of dismissal and termination of the Service Contract.