



2018

**HUMAN RESOURCES
AND ORGANISATION**

ANNUAL REPORT



 CaixaBank

The 2015-2018 Strategic Plan is concluded with the achievement of the objective of having the most qualified and dynamic team, and laying the groundwork for the transformation of the business model: increasing Store branches, developing the inTouch customer service model (remote service with personal advisor), maintaining the rural network and activating the digital transformation adapted to the omnichannel customer –Global Customer Experience– comprising a change in the way of building value proposals for the customer.

The activity of Human Resources and Organisation has accompanied this process, creating a more qualified team, able to advise our customers better using the technical know-how and with a greater participatory capacity in decision-making.

The Wengage project has been fostered to strengthen the culture of meritocracy and diversity developing internal talent, and the principles and policies of internal appointments have been adapted, creating a shortlist of three suitable candidates to occupy the position. This has enabled an increase in the percentage of women in management positions.

The effort to support the business strategy is highlighted in the creation of dialogue environments provided by the labour agreements negotiated with the union representatives. This has enabled Store advice centres to be deployed and the inTouch remote service model to be developed. Similarly, to generate the best customer experience from an organisational viewpoint, the structures have been adapted and new, more streamlined ways of working have been adopted that are more collaborative with the goals of reducing the time-to-market and the decision-making processes.

The information is presented in 4 major sections in this report: Human Resources and Organisation activity flow from Challenge 5 of the 2015-2018 Strategic Plan, 2018 Keys with the year's most relevant aspects, Details on activity and Separate information by region.

2015-2018 Strategic Plan

Challenge 5. Having the best prepared and most dynamic team possible

| Staff | Contributing to the New Business Model | Through Human Resources management policies and principles | Outputs | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|---|--|-----------|--------------|--|--------|----------------|--------|--------------------|----------|-------------------------------|--------|------|------|---------------------------------|-------|-------|-----------------------------------|-------|-------|----------------------------------|-----|-----|--|-------|-------|---------|--------------|--------|----------|---------|--------------|----------|----------------|-----------|--------------|---|--|
| <p>CaixaBank Group Workforce 37,440</p> <p>CaixaBank Workforce 29.441</p> <hr/> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Male 46%</td> <td style="text-align: center;">Female 54%</td> </tr> </table> <hr/> <p>Workforce from inorganic growth 28%</p> <hr/> <p>Average age 43</p> <hr/> <p>Average length of service 16</p> <hr/> <p>Centralised Services workforce 1,905 - 6.5%</p> <p>Network Support workforce 1,052 - 3.6%</p> <p>Business Network workforce 26,484 - 89.9%</p> <hr/> <p>Number of branches in Spain 4,624</p> <p>Retail Banking branches 4,409</p> <p>Specialised Centres 215</p> | Male 46% | Female 54% | <p>Transformation of the Branch Network</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">Store</th> <th style="text-align: left;">BusinessBank</th> <th style="text-align: left;">inTouch</th> </tr> <tr> <td> dayone</td> <td> imagin bank</td> <td></td> </tr> <tr> <td> AgroBank</td> <td> HolaBank</td> <td></td> </tr> </table> <hr/> <p>Greater specialisation</p> <p>Increase of specialists in all the sectors:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th style="text-align: right;">2014</th> <th style="text-align: right;">2018</th> </tr> </thead> <tbody> <tr> <td>Sales Advisors. 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Business banking | 600 | 716 | Other <small>(Private, Business, CIB and International banking)</small> | 1,683 | 1,728 | Imaging | young people | Family | families | Seniors | older people | AgroBank | primary sector | Hola Bank | non-resident | <p>Diversity Empowering DIVERSITY</p> <p>Gender diversity, generational diversity and functional diversity.</p> <hr/> <p>Professional development</p> <p>Management and Pre-management</p> <p>Development: Rethink</p> <p>Young talent: CaixaBank Experience</p> <hr/> <p>Training</p> <p>CaixaBank Campus</p> <p>Training schools: Finance, Risk, Sales, Leadership and Skills, Sustainable performance.</p> <hr/> <p>Compensation</p> <p>Greater weight of var. remuneration..... 7.7%</p> <hr/> <p>Security, health and corporate well-being</p> <p>Occupational health, occupational risk prevention, training and regulatory compliance guarantee.</p> <hr/> <p>Internal communications</p> <p>Accompany challenges of the Strategic Plan and business, and transmit the CaixaBank values and culture, facilitating two-way dialogue.</p> | <p>Better qualified and more dynamic team:</p> <p>More ability</p> <p>Empowerment BT 70% +5 pp vs. '14 <small>BT = Beneficial Total. Source 2018 Engagement Radar</small></p> <hr/> <p>More satisfied and engaged</p> <p>Global indicator for work climate: BT 75% +5 pp vs. '14 Professional development:..... BT 74% +8 pp vs. '14 Retention of talent:..... 88.8% <small>BT = Beneficial Total. Source 2018 Engagement Radar</small></p> <p>Result of 1st Employee Experience Barometer (BEX)</p> <p>eNPS index:..... 25. Average BEX = 18 <small>Index of employee recommendation of the company</small></p> <p>HR Effort index:..... 7.0. Average BEX = 6.3 <small>Index of the company's effort to improve its employees' experience</small></p> <hr/> <p>Greater diversity and equal opportunities</p> <p>Women in management positions 39.9%</p> <hr/> <p>Better qualified</p> <p>13,772 certified in 2018 - 88% of the key sector</p> <hr/> <p>Acknowledgements and certifications:</p> <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <p><small>certificado en concordancia empresa e igualdad 183 781-20107 DNV</small></p> </div> <div style="text-align: center;"> <p><small>MEMBER OF</small> Dow Jones Sustainability Indices <small>In Collaboration with RobecoSAM</small></p> </div> <div style="text-align: center;"> <p><small>EXCELENCIA EUROPEA 500 EFQM</small></p> </div> </div> <div style="text-align: center; margin-top: 10px;"> </div> |
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| Family | families | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Seniors | older people | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| AgroBank | primary sector | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hola Bank | non-resident | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CaixaBank culture as a transversal axis | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Financial data:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td>ROTE.....</td> <td style="text-align: right;">9.3 %</td> </tr> <tr> <td>Cost-to-income ratio stripping ex. ord. expenses</td> <td style="text-align: right;">52.9 %</td> </tr> <tr> <td>Customers.....</td> <td style="text-align: right;">15.7 m</td> </tr> <tr> <td>Group results.....</td> <td style="text-align: right;">1,985 €m</td> </tr> <tr> <td>Obra Social contribution.....</td> <td style="text-align: right;">520 €m</td> </tr> </table> | | | | ROTE..... | 9.3 % | Cost-to-income ratio stripping ex. ord. expenses | 52.9 % | Customers..... | 15.7 m | Group results..... | 1,985 €m | Obra Social contribution..... | 520 €m | | | | | | | | | | | | | | | | | | | | | | | | | | |
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Strategic Plan: 2018 results and 2021 goals

The 2015-2018 Strategic Plan ended in 2018, **with the achievement of all the goals of the 1st-level metrics associated with Challenge 5: Having the best prepared and most dynamic team possible.**

The priority actions were as follows:

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2018 Goal | | |
|--|------------------|-------|-------|-------|--------------------|-----------|-----|---|
| Developing professional competencies | | | | | | | ●●● | |
| ▪ % of professionals certified in key competencies/segments | 63% | 69% | 71% | 75% | 88% ⁽¹⁾ | 95% | ● | |
| Decentralised management with empowerment | | | | | | | | |
| ▪ Engagement study: average % of positive answers on autonomy, teamwork, communication, delegating responsibilities and taking part in decision-making | 65% | 65% | 70% | 69% | 70% ⁽²⁾ | 70% | ● | |
| Adapting the remuneration structure and professional itineraries | | | | | | | | |
| ▪ % of target variable remuneration compared to fixed remuneration | 6,1% | 6,5% | 7,1% | 7,1% | 7,7% | 7,6% | ● | |
| Strengthening the culture of meritocracy and diversity | | | | | | | | |
| ▪ % of appointments of managers ruled by Talent Committee with shortlist of three | Central Services | --- | 32,1% | 73,4% | 77,5% | 83,8% | 70% | ● |
| | Branch Network | 42,9% | 80,0% | 92,4% | 93,1% | 98,1% | 90% | |
| ▪ % of managers with 180° appraisal | Central Services | 57% | 53% | 89% | 100% | 100% | 80% | ● |
| | Branch Network | --- | --- | 100% | 100% | 100% | 80% | |
| ▪ % of women in positions of managerial responsibility | 34,6% | 35,7% | 37,0% | 39,1% | 39,9% | 38% | ● | |

(1) With the exams that are postponed until January 2019 due to trade union elections we would stand at 95%.

(2) With the results of the 2018 Engagement Radar.

The coming 2019-2021 Strategic Plan features the challenge of “fostering a people-focused culture that is agile and collaborative”, where the main metrics and goals for 2021 are:

Fostering talent and diversity

- **75%** of managers with a positive perception of empowerment.
- **35%** ⁽³⁾ / **43%** ⁽⁴⁾ of women in managerial positions.
- **55%** of professionals certified beyond compulsory MiFID II training.

Deploy the best value proposal for employees

- **45%** of employees with flexibility measures.
- **20%** of employees active on two-way communication platforms.

Fostering the attributes of agility and collaboration

- **75%** of employees with a positive perception of agility and transversality.
- **95%** employees using collaborative tools.

(3) From Store Branch Management.

(4) From Large Branch Deputy.

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2018 Keys

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CaixaBank Experience

CaixaBank Experience was founded in 2017 from the need to change the training proposal for new employees to adapt to the changes in society and to the needs of the new generations, without losing sight of the training and regulatory compliance requirements that allow new additions to the workforce to carry out their work safely, and in response to the need to attract and retain young talent. Having the best committed professionals is fundamental in order to be able to provide the best customer experience, which it is the central axis of the business strategy.

The results after a year's implementation of the programme are very good. With 665 employees participating in 2018, the accumulated turnover rate

has been reduced from 22% in 2017 to 20% in 2018. And the satisfaction of employees with regard to the programme is high, since 68% rate it with a score of 9 or 10. This comes in addition to external acknowledgement gained by the CaixaBank Experience 2018 programme, which took third place as best onboarding programme at the Learning Awards held in London in February 2019.

CaixaBank Experience is a blended learning programme that lasts for two years and which accompanies new employees at all times, facilitating their integration and helping them to feel part of the bank, identifying with its values and goals and offering them high-value training.

The approach adopted by this programme includes incorporating innovative training methodologies, improving the results obtained and the integration of new employees.

The programme is structured into two phases:

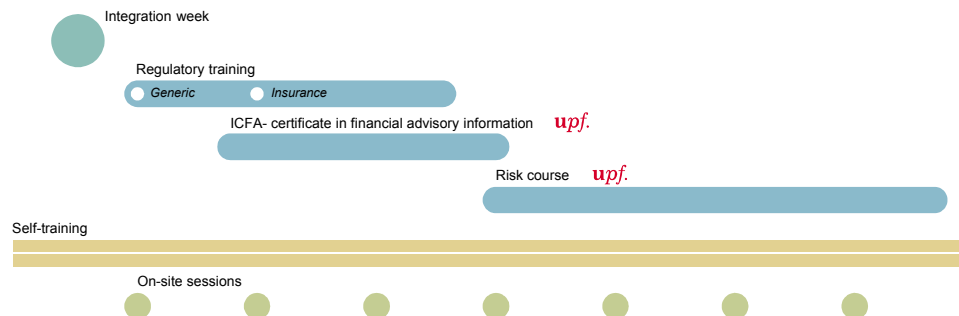
The integration week, where inter-regional groups of employees take on-site training at the Barcelona Central Services, with the aim of welcoming them into the organisation and explaining how it works (culture, brand attributes and organisational model) and the training plan. This phase helps them to share their first experiences and visions of the organisation, to gain an understanding of their new professional career (possibilities for development) and to gain a sense of pride of belonging and community, creating links with the company.

Blended itinerary at Virtaula (our e-learning platform), which contains: the bank's generic regulations, Insurance regulations, a postgraduate course in financial information and advice, a postgraduate course in banking risk.

All this online training is conducted through the use of gamification in the Virtaula platform, which makes it possible to sustain the employees' motivation during the learning process.

This training proposal has enabled the percentage of generic regulatory training conducted up to 6 months to reach 82% of all the training necessary for employees to perform their duties.

CaixaBank's Experience timescale



Corporate Culture - “Somos CaixaBank”

Corporate culture determines the personality of an organisation and the way of working and being of the people that comprise it, in addition to being a key pillar for the implementation of the business strategy. The Culture programme strengthens CaixaBank to address new challenges proposed by changes in business, as well as the expectations and needs of customers and employees.

November 2018 saw the presentation of the programme “Somos CaixaBank”, in which our corporate principles are strengthened and the foundations are laid for the basis that defines how we want to move forward and accompany the strategy, based on the people and talent that comprise the essence of our Company.

The Culture programme places the focus on people –employees, customers and society– and it is based on three pillars:

Above all, people.

CaixaBank, is far more than a benchmark bank, it is an organisation comprised of people that work every day for people, whether they are our colleagues, our customers, our shareholders or the wider society.

Collaboration, our strength.

The diversity of our professionals enriches us, as teamwork is a major strength.

We are cross-cutting labour network, that is close, collaborative and which builds trust, with one path

ahead and shared engagement.

Agility, our attitude.

At present, we cannot be competitive without an agile and innovative attitude. We must anticipate the ongoing changes of the business environment to gain flexibility and speed, thus, we incorporate disruptive thought that gives us energy in our daily work.

Each one of these characteristics is developed in specific behaviour that determines our manner of conducting ourselves.

Some of these behaviours already form part of our DNA: we just have to foster them; others are more aspirational: we have to work to include them. They are essential in order to respond to future challenges and consolidate our leadership.

The behaviour that defines “Somos CaixaBank” includes: committed, close, responsible and demanding, honest and transparent, collaborative, agile and innovative.

“Somos CaixaBank” means adopting the successful legacy of “la Caixa” to gain new momentum to keep on building the CaixaBank of today and, above all, to build the CaixaBank of the future.

At CaixaBank we build culture



Diversity - Wengage Programme

At CaixaBank we know that one of the key levers for promoting a company's leadership is to contribute to the development of talent and equal opportunities. Diversity and equality are part of our culture. For this reason, for years we have worked to be a benchmark company for our people, promoting inclusion and participation with equitable measures and overcoming the obstacles standing in the way of equal opportunities.

The Wengage programme is the bank's diversity programme that includes a triple perspective: gender diversity, functional diversity and generational diversity, highlighting the clear engagement to equality and reconciliation. And that engagement has been materialised in the Diversity Manifesto published

in 2018, which covers the fundamental principles promoted by the organisation with regard to diversity.

Gender diversity is that which is was mainly developed in 2018, through the Wengage Gender Diversity programme, in order to promote the role of the bank's women, and increase the representation of women in management positions linked to meritocracy and talent, as well as to promote the value of diversity in society, helping to break down gender stereotypes.

In 2018, gender equality notably featured:

- The publication and diffusion among the entire workforce of the Guidelines on Egalitarian Communication in order to recognise the communicative






styles of both genders in the teams and break down the existing stereotypes to achieve unbiased communication free from sexism.

- Executive training (at IESE and ESADE Business School) and female mentoring programmes, with around 400 participants.
- The sponsorship of awards: WonnoW. CaixaBank and Microsoft reward female excellence in technical university degrees.
- The launch, on social networks, of the awareness-raising campaign on the value of equality.

The engagement to **functional diversity** is reflected in the Wengage Functional Diversity programme that consists of the awareness-raising, integration and support for employees with functional diversity, based on respect for people and guarantee in equal opportunities and no discrimination.

Lastly, the **generational diversity programme**, Wengage Generational Diversity, has developed an initial diagnosis with the analysis of demographic evolution and impacts on structural indicators, such the socio-professional climate, absenteeism, productivity and engagement, among others. Subsequently, focus groups have been created with professionals from different generations, using collaborative dialogue networks, in which participants shared their knowledge and experiences to design an Action Plan in 2019.

Diversity Manifesto

| | |
|---|---|
|  | Include and promote equal opportunities in all the bank's policies and processes, and promote a culture based on meritocracy and respect for people. |
|  | Contribute to breaking down established stereotypes and limiting beliefs that hinder development and innovation. |
|  | Promote the creation of diverse, cross-cutting and inclusive teams , acknowledging the individuality and heterogeneity of people and eliminating any exclusive and discriminatory conduct. |
|  | Promote awareness-raising actions and measures and social change through: training, mentoring, debates, conferences, awards and sponsorships. |
|  | Spread the value of the diversity among all people, institutions, companies and organisations with which we interact. |

Professional Development

For CaixaBank, it is a priority to reinforce the culture of meritocracy and diversity by fostering and developing professional skills of all its professionals and committing to their development.

Rethink is a model based on the progressive development of leadership skills and general knowledge of its executives, in order to prepare them to face the changes in the sector and in society. 1,383 professionals have undergone this development plan in 2018.

The programme proposes an incremental development according to consolidation in the worker's position, incorporating the concept of "Certification" through universities and business schools, aimed at obtaining certifications of our Corporate Leadership Model.

There are 2 phases for each role, and a third one for high-potential groups:

- Incorporation
- Consolidation
- High-potential development

Incorporation: **C1 Certification**, focused on self-leadership and laying the foundations of the business.

Consolidation: **C2 Certification**, focused on the role of leading others and promoting change and strategy execution. Its purpose is for managers to become inspirational and transformative leaders, capable of foreseeing the future and acting as a lever for change for strategy implementation.

This programme is held in Barcelona and London, and

if given by teachers from the IE Business School, FT-IE Corporate Learning Alliance and Cass Business School.

The academic content of the programme includes aspects related to financial situation and the sector's strategic horizons: a module that develops the basic relational and communicative responsibilities of leadership (self-knowledge, influence, assertiveness, feedback). Similarly, there are modules on decision making, Big Data and Analytics, and positive leadership.

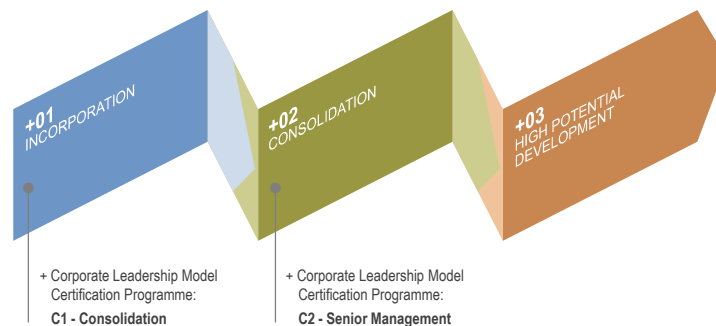
The first edition of the master's degree in Banking Business –Customer Management and Advice– was held during 2018 in collaboration with the Pompeu Fabra University, in which 70 CaixaBank professionals achieved the certificate.

The training itinerary followed by priority advice sectors enables students to acquire significant knowhow in the banking business, through three post-graduate diplomas: Financial Advice, Expert in Saving/Forecast, Banking Risk Analysis.

The Master in Banking Business can be taken at the Pompeu Fabra University with these three diplomas and by taking two additional subjects contributing transverse training, aimed at improving skills applicable to management and acquiring new outlooks on future vision and thought.

This training itinerary enables employees to propose solutions aimed at saving and forecasting to suit the needs of each customer and use criteria to analyse the financing operations that may be necessary.

Phases of the management Development programme



Talent Management

Managing talent is paramount to having the best people at the Company (challenge 5 of the 2015-2018 Strategic Plan) and maximising the use of management talent to contribute to CaixaBank's efficiency.

The Department of Regional Talent and Business Partners detects, assesses, manages and develops the bank's management talent, by preparing talent maps (managers and pre-managers), coverage of executive positions and the management of succession plans. All of this, in a model that is based on three primary axes: meritocracy, transversality and diversity.

The Talent Committee oversees the fulfilment of the

validation of management positions at CaixaBank. It is a collegiate body made up of seven people from the fields of Human Resources and Business, either from Central Services or the Regional Network, and is chaired by the General Manager of Human Resources and Organisation.

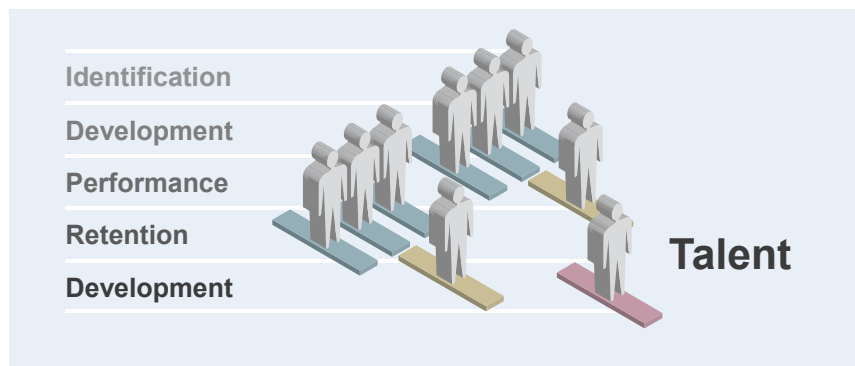
For internal purposes, it is worth highlighting the reorganisation of the department to foster proximity with the different Regional Management bodies. It has evolved towards an active Human Resources management protocol, through the individualisation of the different Regional Management bodies. On the one hand, this individualisation facilitates dialogue with Managers of Human Resources in the region, since

the contact person for swiftly managing any occasional needs is clearly identified and, on the other hand, working under the **business partner** model provides Human Resources experts with an overall view of the day-to-day running to detect needs and promote intervention in the different regions and areas managed. This model has been also replicated in the different Departments of Central Services.

It is worth noting that, in 2018, a **180° manager feedback** process was conducted for **Store Branches** (222 assessments). This is a key function for the development of the CaixaBank business in the coming years. This process enabled managers to gain an understanding of their skill gaps and work, using their teams' vision, on their areas of development.

Another relevant aspect in 2018 is CaixaBank's new **Successions Plan**, adapted to the new legislative and regulatory requirements. As a result of these changes, the Company's "key positions" have been updated. Specifically, these key positions have been increased in the fields of the Regional Network, the Group's companies and in newly created areas of Central Services or those that have increased in relevance during the year, such as Global Customer Experience, Compliance and Corporate and Institutional Banking, among others.

Talent and business partners: preparation of talent maps and succession plans



Support for the change of business model

In a complex environment where the society's and customer's habits are changing, and becoming increasingly demanding and more digital, and where we are required to be more socially responsible, it is necessary to promote transformation of Network's business model: increasing the number of **Store Branches**, developing the **InTouch** customer service model, maintaining the Rural Network and committing to providing the best **customer experience**.

The year 2018 has seen a boost given to the InTouch value proposal, which consists of a new model of omni-channel relationships with customers, who are provided with a remote personal advisor who perso-

nally and directly gives them what they want. This service has an acceptance ratio of over 90%, and the best commercial offer is achieved through predictive models.

To facilitate the deployment of this value proposal, a work labour agreement was signed in 2018 which regulates the activity of the InTouch centres. This agreement establishes the incorporation of a maximum of 900 people and a unique working time table, enabling workers to adapt to the customers' needs, also respecting the working day established in the Collective Bargaining Agreement and Caixa-Bank's labour regulations.

The entrance and permanence of the workforce in these centres is fully voluntary and includes salary improvements. These improvements consist of a series of bonuses received associated with the unique timetable, compensated expenses, and the acceleration of career paths for employees and managers. Furthermore, the allocation of minimum professional levels and accountability or monitoring bonuses for centre management.

At the same time, in 2018, digital training has accelerated with the creation of the Global Customer Experience area, to focus on the customer experience through any channel (branch adviser, InTouch, app, website). This is accompanied by the creation of the Customer Lab, which uses Agile Methodology for greater multi-dimensionality and execution speed. This methodology is structured through squads: work teams focused on developing a specific subject matter (for example: consumer finance). These work teams have a high degree of autonomy and empowerment and they are made up of people from different areas and even from other companies (for example: CaixaBank Digital Business, CaixaBank Consumer Finance, Digital training and Innovation, Human Resources, etc.)

Human Resources and Organisation has supported this project by fostering training in new agile work methodologies and adapting organisational structures or making them more flexible, allowing cross-cutting work teams.

An omni-channel vision that includes the Customer Experience



Success Factors: digital transformation in Human Resources

Innovation at CaixaBank has always been a priority, thus, in the midst of the digital age, the comprehensive transformation of all human resources processes towards new technological solutions is considered strategic.

As from 2006, a plan to transform human resources processes and systems was addressed. This made it possible, two years later, to implement SAP, the market's leading solution at the time. A decade later, as part of the 2015-2018 Strategic Plan, the **Success Factors** cloud solution reached the Human Resources department with the aim of taking the digital transformation plan one step further in this field.

This new project enables the following:

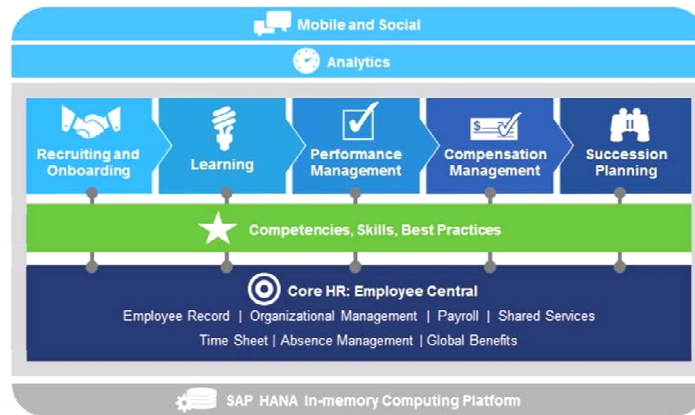
- A user-friendly, intuitive, simple, and useful platform that is always available (mobility) for all employees.
- Improved employee experience, bringing the Company's digital functions in line with the current private use of tools such as: Google, LinkedIn and Whatsapp.
- Promoting collaborative environments that foster innovation, improve internal communication and enable the acknowledgement and development of employees, thus, increasing their satisfaction and engagement.

- The improvement of the current tools, reducing the turnaround times of business needs, making good use of the best practices inherent in the regular assessments of these solutions, simplifying the current systems and providing real-time analytics.

Work has been carried out throughout 2018 on developing the new Employee and Manager web portals in order to launch them at the start of 2019. This new platform, a web solution also available in app format (Android corporate mobiles), features a new, more modern design and more intuitive browsing, allowing increased efficiency in the administrative processes of all employees with the Human Resources department and also featuring a remarkably improved user experience. It also includes, for the first time in CaixaBank, a universally published "People Map" for all employees, where they can view the premises of all the Company's teams.

The new Human Resources solution has also been implemented for managing the Successions Plan for key positions at the Company, as well as the new function for defining assessment of challenges of the Central and Regional Services workforce. Similarly, in 2019 there are also plans to include skill assessment processes (managers and non-managers) and staff recruitment processes.

Success Factors: Comprehensive management of the employee life cycle in the cloud



2018 Activity

2018

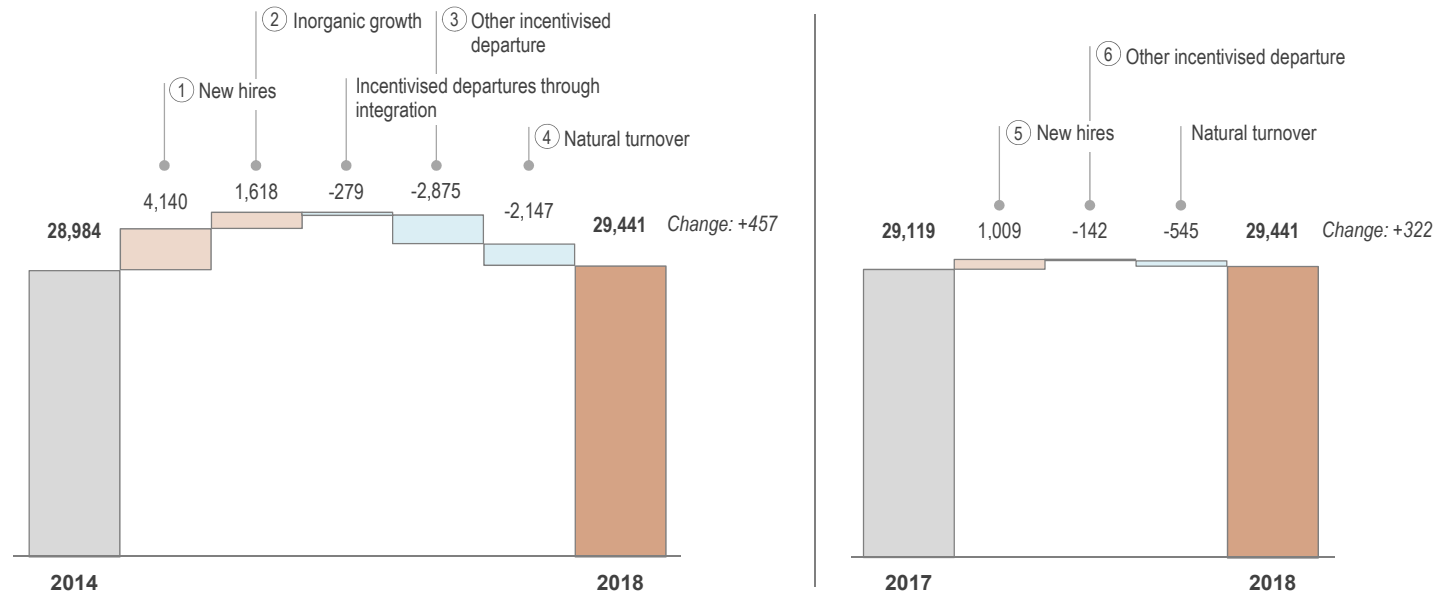
**HUMAN RESOURCES
AND ORGANISATION**

ANNUAL REPORT

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Staff. WORKFORCE EVOLUTION


The CaixaBank workforce increased by 1.6% in the period of the 2015-2018 Strategic Plan (+457 people).

- 2014 - 2018**
- ① Organic growth stood at 4,140 employees, nearly 80% through work-experience contracts in the branch network. These work-experience additions have a turnover rate of around 24.6% (part of natural turnover).
 - ② The integration of Barclays Bank was completed in 2015, entailing the addition of 1,618 employees from the inorganic operation.
 - ③ Different incentivised departure programmes have been carried out (CaixaBank 2015 Restructuring Plan, 2016 Plan for optimisation in surplus areas and DVI (Incentivised Voluntary Leave) programmes), enabling the cost of the Traditional Area (Catalonia and Balearic Islands) to be rejuvenated and optimised, and workforce in the surplus provinces of the Expansion Area (rest of Spain) to be rebalanced.
 - ④ In the second half of 2017, a total of 309 employees took a leave of absence, joining to other Group companies. This was due to the outsourcing of services that could potentially be "internalised", to be provided using internal resources freed from their usual tasks.
-
- 2017 - 2018**
- ⑤ The highest number of additions were carried out in the work-experience programmes (750 people) and in the Barcelona branch network with the aim of covering the workforce deficit in this province.
 - ⑥ In 2018, a total of 142 employees from the generations 1961 and prior have departed by way of DVIs.

Staff. WORKFORCE

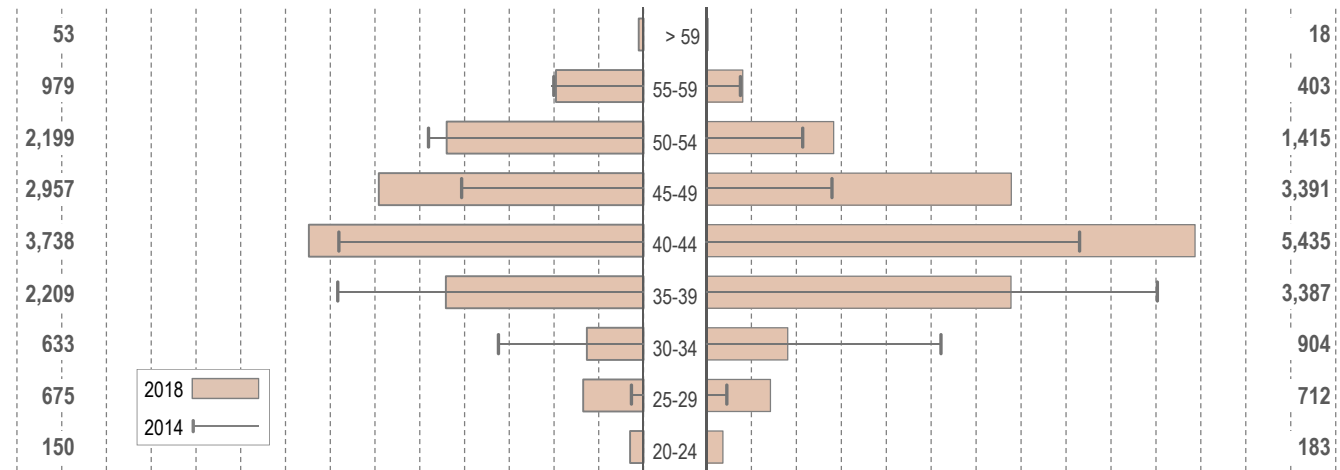
| | 2017 | 2018 | Net change |
|--|---------------|----------------------------------|---------------|
| Active workforce* | 29,119 | 29,441 | 322 |
| Changes in 2018 | | | |
| Additions and readmissions | 1,493 | Departures and absences | -1,171 |
| New hires | 1,009 | Definitive leaves | -591 |
| Central/Regional Services | 188 | Retirement | -3 |
| Personal Banking** | 750 | Deceases | -11 |
| Business Banking and Private Banking | 27 | Dismissals | -73 |
| CIB/Markets | 15 | Voluntary redundancy | -206 |
| Foreign Branches and International Banking | 16 | Contract termination | -92 |
| Special Branches | 4 | Not passed probationary period | -37 |
| Network Support | 9 | Permanent disability | -27 |
| | | Incentivised leave | -142 |
| Reinstatements | 484 | Absences | -580 |
| Leaves of absence | 393 | Leaves of absence | -438 |
| Other | 91 | Other | -142 |
| | | Overall turnover | 2.0% |
| | | Redundancies/Workforce | |
| | | Voluntary turnover | 0.7% |
| | | Voluntary redundancies/Workforce | |

* Workforce hired except disabilities and temporarily unassigned staff.

** Recruitment mainly in work-experience programmes and XIV levels.

Staff. AGE, GENDER AND LENGTH OF SERVICE

| | Male | | Total | | Female | |
|---------------------------|----------------|-----------------------|--------|---------------|----------------|-----------------------|
| | 2014 | 2018 | 2014 | 2018 | 2014 | 2018 |
| staff | 14,079 (48.6%) | 13,593 (46.2%) | 28,984 | 29,441 | 14,905 (51.4%) | 15,848 (53.8%) |
| average age | 44 | 44 | 42 | 43 | 40 | 42 |
| average length of service | 17 | 17 | 15 | 16 | 14 | 16 |


Workforce by origin, 2018 data
Caja de Pensiones/Barcelona: 1,659
Organic growth: 19,553
Inorganic growth:
8,229

Banca Cívica

5,088

Barclays Bank

1,178

Caixa Girona

724

Banco de Valencia

708

Morgan Stanley

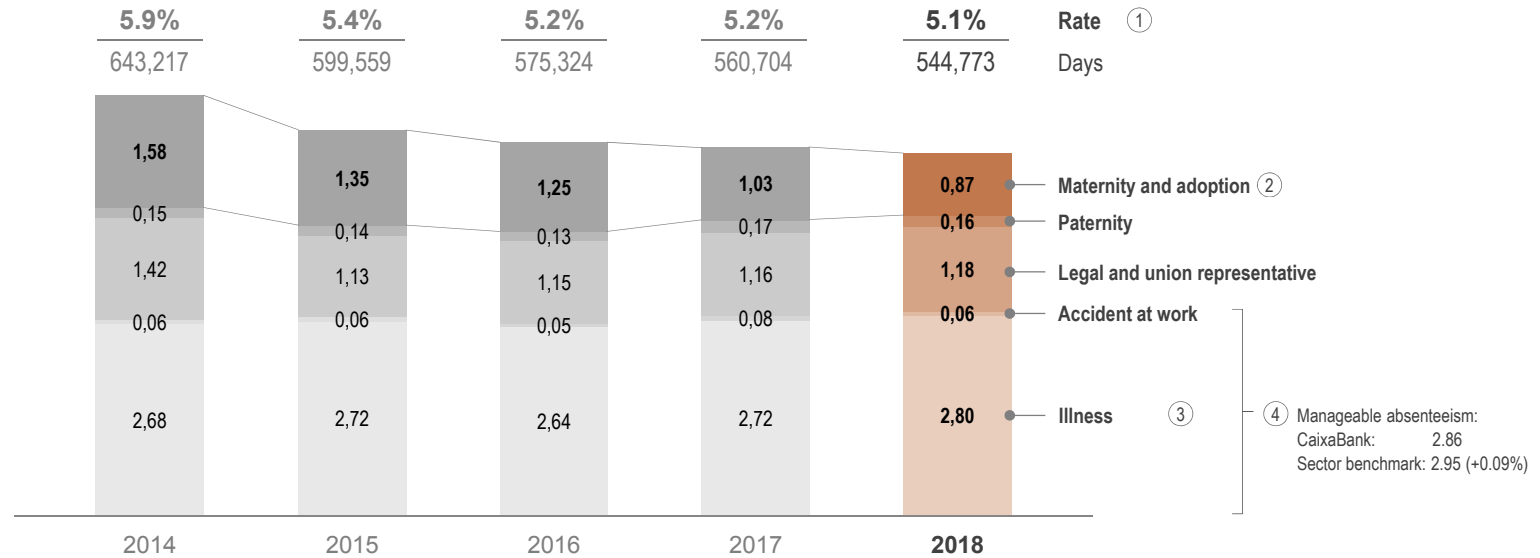
284

Bankpime

89

Other

158

Staff. ABSENCES
Absenteeism rate. Missed days lost/total days:


① The evolution development shows a positive trend, since a sustained decrease of the overall rate can be seen from 2014 (5.9% to 5.1% in 2018).

② The number of births has reduced in the last 4 years, from 2,483 in 2014 to 1,227 in 2018, caused by the displacement of generations in the age pyramid.

③ A light increase is observed in absenteeism due to illness, from 2.68% in 2014 to 2.80% in 2018, partly caused by the aging of the workforce.

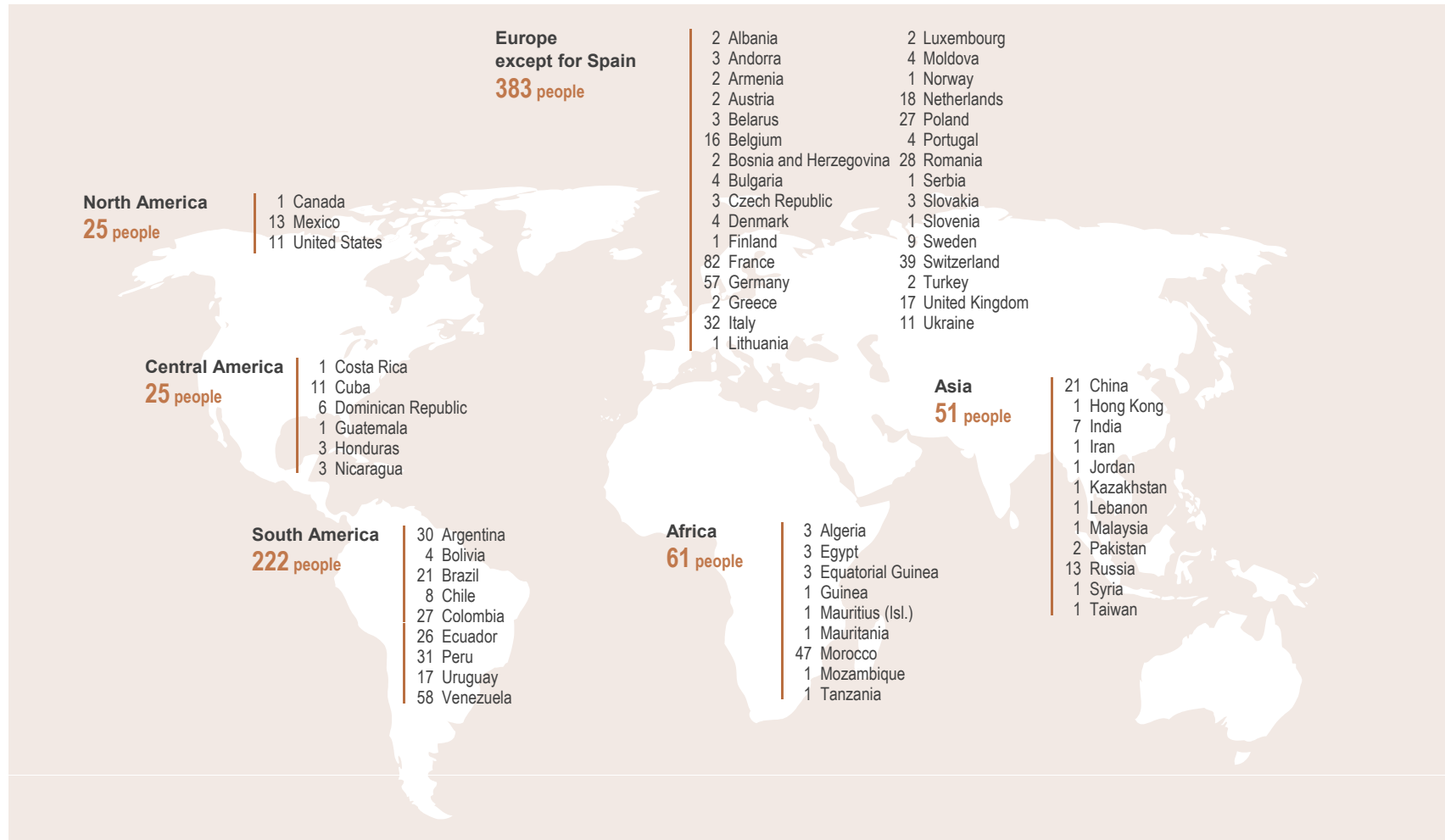
④ CaixaBank's strategic objective, with regard to the absenteeism rate, is to reach lower values than those of the sector. The bank's manageable absenteeism rate in 2018 is 2.86% (2.74% in 2014), significantly lower than the sector's 2.95%.

Action plan

Together with Mutua Universal, Human Resources and Organisation jointly analyse the absenteeism trend each month in each of the 14 regions, in order to manage closely and using knowledge. The beginning of an action plan to contain absenteeism is notable in 2018, which has various activity levers, including: the management of pre-maternity leave to provide measures that allow to this group to work in better conditions (avoiding travel, etc.); the management of persistent absenteeism; the creation of a cross-cutting Human Resources team to underscore manageable absenteeism using long and mid-term prevention and correction measures, adding the concept of active ageing in worker health and safety prevention plans, given that musculoskeletal disorders are the main cause of absenteeism among the oldest group. In addition, the "Healthy Company" project, whose raison d'etre is promoting healthy environments and activities to strengthen the well-being of the workforce, will be used to promote measures to reconcile family and professional life, as well as to foster and foment healthy habits.

Staff. MOSAIC OF CULTURES

767 people from 70 different countries



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Organisational structure. **BRANCH NETWORK**

País Vasco - Cantabria

| | | | | | | |
|-----------|-------|---|---|----|-----|----|
| Branches | 220 | 7 | 1 | 50 | 150 | 12 |
| Workforce | 1,020 | | | | | |

Galicia

| | | | | | | |
|-----------|-----|---|----|----|-----|---|
| Branches | 187 | 5 | -- | 36 | 139 | 7 |
| Workforce | 766 | | | | | |

Castilla y León - Asturias

| | | | | | | |
|-----------|-------|---|---|-----|-----|----|
| Branches | 303 | 7 | 1 | 121 | 162 | 12 |
| Workforce | 1,272 | | | | | |

Madrid

| | | | | | | |
|-----------|-------|----|----|----|-----|----|
| Branches | 482 | 17 | -- | 49 | 391 | 25 |
| Workforce | 2,913 | | | | | |

Castilla La Mancha - Extremadura

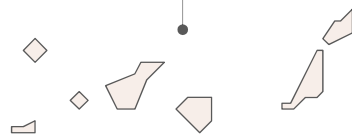
| | | | | | | |
|-----------|-----|---|----|----|-----|----|
| Branches | 215 | 8 | -- | 89 | 108 | 10 |
| Workforce | 919 | | | | | |

Andalucía Occidental

| | | | | | | |
|-----------|-------|----|----|-----|-----|----|
| Branches | 553 | 25 | -- | 134 | 377 | 17 |
| Workforce | 3,037 | | | | | |

Canarias

| | | | | | | |
|-----------|-------|---|---|----|-----|---|
| Branches | 244 | 9 | 1 | 37 | 191 | 6 |
| Workforce | 1,297 | | | | | |



Navarra

| | | | | | | |
|-----------|-----|----|----|----|----|---|
| Branches | 145 | 13 | -- | 84 | 43 | 5 |
| Workforce | 774 | | | | | |

Aragón - La Rioja

| | | | | | | |
|-----------|-----|---|---|----|----|---|
| Branches | 119 | 3 | 1 | 29 | 79 | 7 |
| Workforce | 590 | | | | | |

Barcelona

| | | | | | | |
|-----------|-------|-----|---|----|-----|----|
| Branches | 700 | 121 | 6 | 46 | 495 | 32 |
| Workforce | 4,983 | | | | | |

Cataluña

| | | | | | | |
|-----------|-------|----|----|-----|-----|----|
| Branches | 450 | 40 | -- | 189 | 204 | 17 |
| Workforce | 2,505 | | | | | |

Baleares

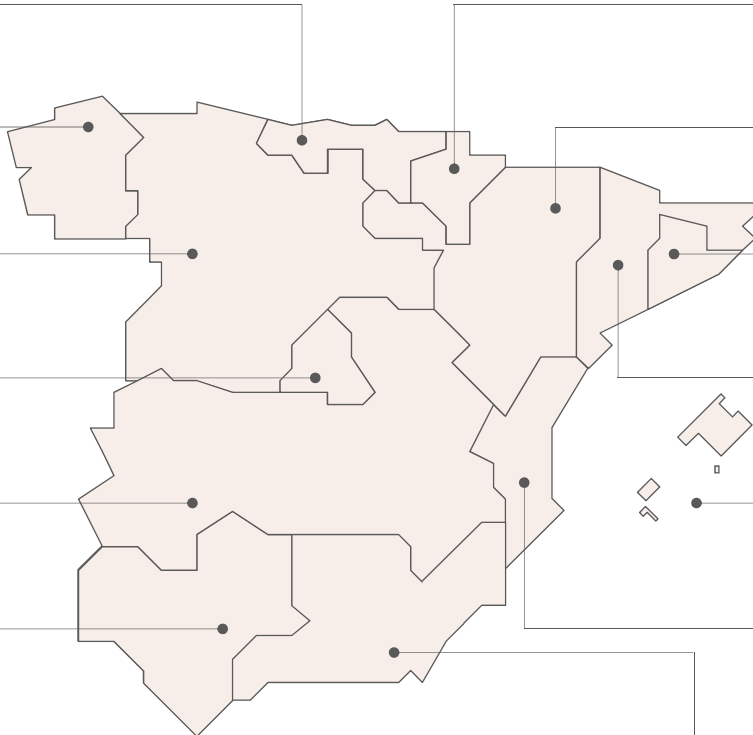
| | | | | | | |
|-----------|-----|----|---|----|-----|---|
| Branches | 174 | 13 | 1 | 37 | 117 | 6 |
| Workforce | 901 | | | | | |

Comunidad Valenciana

| | | | | | | |
|-----------|-------|---|---|----|-----|----|
| Branches | 410 | 8 | 3 | 92 | 290 | 17 |
| Workforce | 2,065 | | | | | |

Andalucía Oriental y Murcia

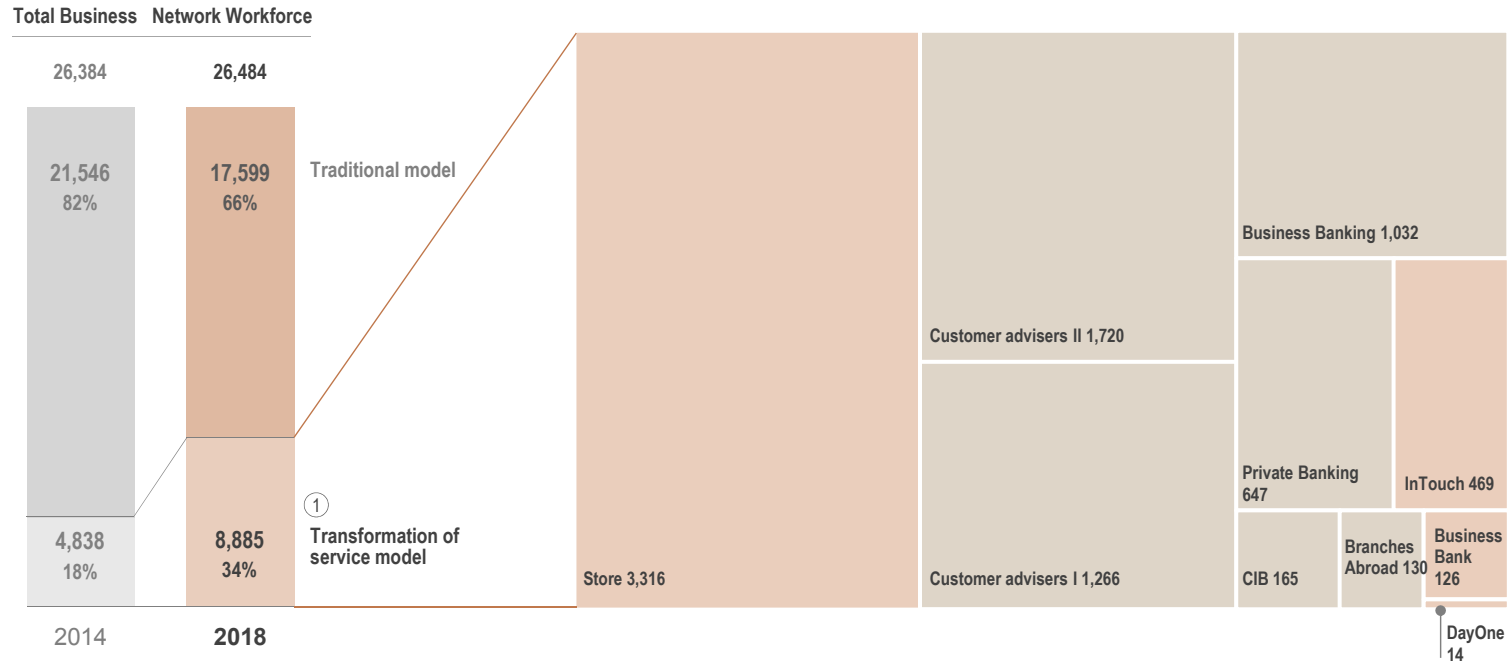
| | | | | | | |
|-----------|-------|---|----|----|-----|----|
| Branches | 396 | 7 | -- | 77 | 296 | 16 |
| Workforce | 1,742 | | | | | |



| | 2014 | 2018 |
|------------------------|--------|--------|
| TOTAL Branches | 5,251 | 4,624 |
| Store | -- | 283 |
| Business Bank | -- | 14 |
| Rural Branches | 1,088 | 1,070 |
| Urban Branches | 4,004 | 3,042 |
| Specialised centres* | 159 | 204 |
| InTouch | -- | 11 |
| TOTAL Workforce | 26,375 | 24,784 |

*Includes the centres: Business, Private, Developers, CIB, Monte de Piedad and others.

Organisational structure. TRANSFORMATION OF THE SERVICE MODEL



① CaixaBank is undergoing an accelerated change of the customer service model, and this highlights the fact that the group of employees of the Network that are included in the new model has almost doubled in the 2015-2018 Strategic Plan, reaching 34% of the same at December 2018.

In December 2018 there were 311 centres associated with the new service model: 283 Store branches, 14 Business Bank branches, 11 inTouch centres and 3 DayOne branches. The group assigned to these centres stands at 3,925 and it is 45% of all employees included in the transformation of the customer service model.

Additionally, the group of advisory specialists is completed with the employees in the Business Banking, Private Banking, CIB (Corporate & Institutional Banking) and International Banking sectors, as well as advisers from Premier Banking and Business advisers. This group makes up the remaining 55% of employees that are part of the transformation of the customer service model.

The 2019-2021 Strategic Plan foresees significant growth of the group assigned to the new service centres: Store, Business Bank and inTouch.

Organisational structure. **CENTRAL SERVICES**
Workforce by areas

| | 2018 |
|---|--------------|
| Chairman's Office | 110 |
| General Secretariat | 125 |
| CEO | 177 |
| DG of Risk | 225 |
| DG of Business | 253 |
| DG of Human Resources and Organisation | 129 |
| DGG of Internal Audit | 154 |
| ED of Resources | 430 |
| ED of Finance | 42 |
| ED of Financial Accounting, Control and Capital | 213 |
| ED of Insurance | 10 |
| ED of International Banking | 37 |
| Total active personnel | 1,905 |

Organisational structure. **INTERNATIONAL PRESENCE**



130 people in the International Network

- 18 Representation Offices
- 5 Operational Branches with 7 branches
- 3 Spanish desks

Strategic alliances:



Activity of the International Human Resources team

- Impact in 22 Countries.
- Support and advice to expatriate staff and local employees.
- Participation in new openings.
- Tax advice.
- Remuneration management.
- Internal and external selection processes.

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Internal growth. PERSONNEL SELECTION

CaixaBank Experience

| | | | Male | Female | Average age (years) | Average length of service (years) | |
|--|---|--|---|---|---------------------|-----------------------------------|----|
| External selection Network | <ul style="list-style-type: none"> New employees: work-experience programme juniors and permanent-contract juniors. Customer Adviser I and II, senior. Other positions in the Network. | Candidacies received: ~11.000 750 contracts 67% in the province of Barcelona | 45% | 55% | 29 | -- | |
| | External selection Central Services and specific positions | <ul style="list-style-type: none"> Juniors in work-experience programmes in Central Services. Specific positions. Management positions. | Managed processes: ~ 300 259 contracts 83% in the province of Barcelona | 55% | 45% | 34 | -- |
| | | Internal selection | <ul style="list-style-type: none"> Processes in the Network and Regional Services. | Managed processes: 978 Average participants: 6.0 | 48% | 52% | 41 |
| <ul style="list-style-type: none"> Processes in Central Services. | Managed processes: 301 Average participants: 6.7 | | 55% | 45% | 42 | 15 | |
| Graduate and work-experience programme | <ul style="list-style-type: none"> Work-experience programmes in Central Services: agreement with universities and WonnoW awards. | Average duration of the work-experience programme: 5 months 42 work-experience employees and 10 WonnoW awards | 63% | 37% | 23 | -- | |
| | <ul style="list-style-type: none"> YMP-Young Management Program: programme aimed at identifying and training future leaders. | CVs received: 3,710 10 participants | 90% | 10% | 32 | -- | |
| | <ul style="list-style-type: none"> NG-New Graduates CIB: second year training and developing young talent for Madrid Investment Banking team. | CVs received: 715 10 participants | 90% | 10% | 23 | -- | |

Internal growth. **KNOWLEDGE MANAGEMENT**

CaixaBank Campus

CaixaBank knowledge management strategy.

Offer of self-training, on-site and online training for customised skills development.

| Training Schools: | Specific itineraries training by segment: | Transversal regulatory training: |
|--|--|--|
| Reference spaces of a field of knowledge | Programmes adapted to specific needs | Compliance with regulatory demands and reputation risk coverage |
| | ESG | ESG |
| <p>EF Finance School</p> <ul style="list-style-type: none"> Advanced CIAF (Postgraduate Course on Financial Information and Advice) ● DAF (Diploma in Financial Advice) ● CISI (Certificate in Wealth Management) | <p>Stores branches</p> <p>AgroBank</p> <p>Private Banking and Premier Banking</p> <p>Business Banking</p> <ul style="list-style-type: none"> Postgraduate Diploma in Business Banking <p>Audit</p> <ul style="list-style-type: none"> Postgraduate Diploma in Internal Audit ● <p>International</p> <ul style="list-style-type: none"> Framework and Principles of International Banking ● Principles of International Banking in Practice ● <p>Businesses Advisers</p> <ul style="list-style-type: none"> University Programme in Business Insurance <p>New Employees</p> <ul style="list-style-type: none"> CaixaBank Experience | <p>MiFID II information and advice</p> <ul style="list-style-type: none"> CIAF: Postgraduate Course on Financial Information and Advice ● <p>Crime Risk Prevention ●</p> <p>Investment Products and Services (MiFID)</p> <p>Occupational Health and Safety ●</p> <p>Cash Management</p> <p>Banking Products and Services</p> <p>Information security</p> <p>General Data Protection Regulation</p> <p>Insurance Policies and Pension Plans</p> <p>Documentary Compliance and Data Quality</p> <p>Suspicious operations (Prevention of Money Laundering) ●</p> <p>Occupational Risk Prevention for Centre Managers ●</p> <p>Information Governance and Data Quality</p> <p>Qualified Intermediary</p> <p>Foreign Exchange Global Code</p> |
| <p>ER Risk School</p> <ul style="list-style-type: none"> Banking Risk basic course ● Postgraduate Diploma in Banking Risk Analysis, Business speciality ● Postgraduate Diploma in Banking Risk Analysis, Retail speciality ● | | |
| <p>EC Commercial School</p> <ul style="list-style-type: none"> Product Sale System, Multiprotection Product Sale System, Salaries and Businesses Product Sale System, Consumer spending | | |
| <p>ELH Skills and Leadership School</p> | | |
| <p>ERS Sustainable Performance School</p> | | |

ESG: Environmental, Social and Governance.

Internal growth. TRAINING ACTIVITY

| | | | Hours of training per employee | |
|-----------------------------|------------------|-------------|--------------------------------|--|
| Total training hours | 2,115,182 | 100% | 71.8 | } 100% of the workforce trained 29,400 people |
| E-learning (Virtaula) | 1,939,993 | 91.7% | 65.9 | |
| Attendance-based training | 175,189 | 8.3% | 5.9 | |

Formal training

| Training Schools: | ER Risk School | EF Finance School | EC Sales School | ELH Leadership and Skills School | ERS Performance School Sustainable |
|---------------------------------|--------------------------|-----------------------------|---------------------------|--|--|
| Number of entrants per school | 25,663 | 10,585 | 27,140 | 15,205 | 2,803 |
| No. of Self-training enrolments | 1,517 | 3,642 | 11,743 | 5,009 | 1,582 |

Certifications

CaixaBank has completed the certification process of all the employees subject to the new training requirements of the II MiFID Guidelines for its customer advisory functions, with **13,772 professionals certified** at the end of 2018. This mainly includes managers, advisers and specialists that offer financial advice to customers of different businesses (Private Banking, Premier Banking, Business Banking, etc.)

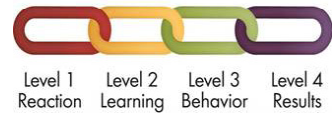
This training and certification programme drives customer service quality and fosters the promotion of employees with a financial advice approach.

Similarly, within the next 2 or 3 years, a plan will be implemented to certify all the employees of the Sales network in financial advice, regardless of the function that they currently undertake.

| | | | | |
|---------------------------------------|-------------|------------------------------|---|-------------------|
| Assessment of participants s/4 | pass rate % | Monthly average connectivity | Total investment in training | In-house trainers |
| Satisfaction 3.3 Applicability 3.2 | 91.3 | 22,746 hours | €12.8m Investment per employee €434 | 1,725 people |

Internal growth. **DEVELOPMENT PROGRAMS ASSESSMENT MODEL**

KIRKPATRICK model



1. At this level the participants assess whether the training was motivating and relevant for their work, and if the training experience was positive.
2. The degree of acquisition of knowledge and skills of the participants is measured at this level.
3. We measure the application what is learnt in their work position at this level. This measurement is taken from 4/6 months after the training is taken.
4. We measure the degree of achievement of the objectives set for the training action at this level.

Assessments of the Development Programmes

| Programme | Benefit | Impact | People |
|--|--|---|---|
| <p>EpC Conversaciones para el Desarrollo (EpC Conversations for Development)</p> <p>Programme intended to promote a space for dialogue and communication between the immediate managers and their collaborators. Its purpose is to identify current strengths, fields of improvement, expectations and proposed actions in the professional Development Plan.</p> | <ul style="list-style-type: none"> • Improvement in the level of agreement in the interview higher than 90%. • A minimum rating of 75% by the person assessed with respect to the feedback received is classed as "Quality". • Improvement in Engagement Study (+2p), in "The skills assessment interview gives me clear and useful information on how to improve my work". | <ul style="list-style-type: none"> • 93% agreement in the interview. • Rating of 90% by the person assessed as regards having received "Quality" feedback. • +3p in Engagement Study, in "The skills assessment interview gives me clear and useful information on how to improve my work". | <p>2,769 Branch Managers</p> |
| <p>C2 Leadership Certificate</p> <p>Programme intended for managers at the time of consolidating their career. Its objective is to develop the CaixaBank values from the perspective of their function as inspirational and transformative leaders, and promoters of change and strategy execution. A major part of the programme is aimed at improving networking, versatility and multi-dimensionality to achieve overall knowledge of the Company.</p> | <ul style="list-style-type: none"> • 20% of participants have changed department/regional organisational unit or have been promoted. • Improvement in the 180° assessment. • At least 80% of participants recommend the course. • Assessment of the conduct related to managing teams in the 2018 Engagement Study: score higher than 70 points. | <ul style="list-style-type: none"> • 31% of participants have changed department/regional organisational unit or have been promoted in the last year. • 86% improvement in the 180° assessment. • Over 95% of participants recommend the course. • 2018 Engagement Study with a score of 79 points in the rating of aspects linked to the conduct related to the management of teams. | <p>52 Managers from different fields</p> |

Internal growth. EXECUTIVE DEVELOPMENT



A model based on the progressive development of leadership skills and general knowledge that all managers need to face the deep and swift changes in the sector and in society.

Pre - Executive

| | | |
|--|---|---|
| <ul style="list-style-type: none"> Progress Programme, Network and Central Services | <ul style="list-style-type: none"> Programme for identifying potential and pre-executive development. C.S.: results-oriented and strategic vision thereof. Innovation and management of change. Network for improved competency of executive role and team leadership. | <ul style="list-style-type: none"> 57 Managers and Team Coordinators. 80 Branch management, 40 Branch asst. management. 30 Business Banking management, 19 Private Banking management. |
|--|---|---|

Incorporation

| | | |
|---|---|--|
| <ul style="list-style-type: none"> Coaching Processes Leadership Certification-C1 GPS Programme (DAN and Central Services) PWOA Programme (DAN) | <ul style="list-style-type: none"> Programmes and tools with the aim of providing the transition to management positions. Backed by the Strategic Plan, culture, leadership and skills model of the Organisation. Corporate leadership model certification programme. Good practices of the DAN (Business Area Management) sales team (supporting the new function). Sales system and organisation; visit to the branch; schedule management. | <ul style="list-style-type: none"> Transition Coaching: 139 processes begun. 71 participants. 39 DAN, 51 Central Services. 40 DAN. |
|---|---|--|

Consolidation

| | | |
|---|--|--|
| <ul style="list-style-type: none"> Leadership Certification-C2 Coaching Processes | <ul style="list-style-type: none"> Senior certificate in leadership. Accompaniment in the function's transition process. | <ul style="list-style-type: none"> 90 participants 28 participants |
|---|--|--|

Transversal actions

| | | |
|--|--|--|
| <ul style="list-style-type: none"> On-site management Self-training: Focused Programmes Mentoring Processes Training sessions for Regional Skills Asmt. Updates (Store branch management) Leadership and Skills School Online self-training | <ul style="list-style-type: none"> Voluntary monographic workshops to complement itineraries according to needs: management of high-performance teams, Negotiation, Digital Transformation, Influence, Impact and Networking. Development of people's potential, based on transferring knowledge and on learning through experience. Training to optimise Skills Assessment. On-site programmes. Support for the CaixaBank strategy. | <ul style="list-style-type: none"> 264 participants. 335 participants 3,337 participants 52 participants |
|--|--|--|

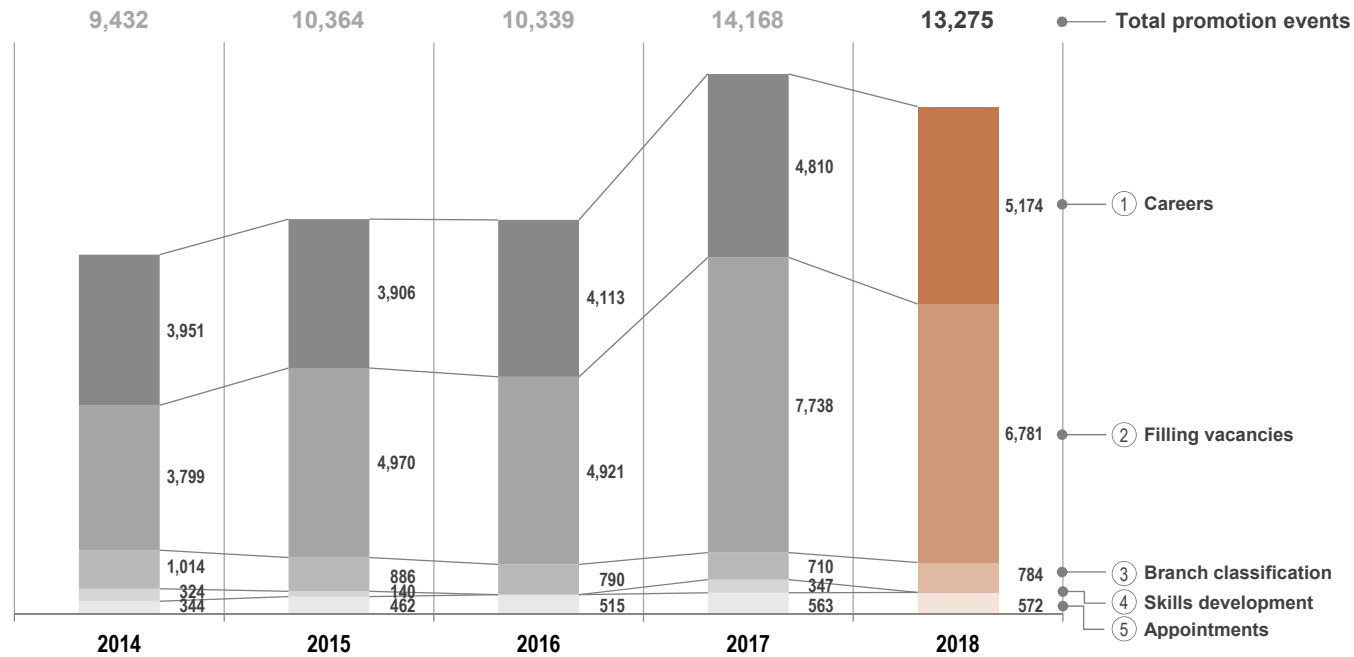
Potential Development Programmes

| | |
|---|---|
| <ul style="list-style-type: none"> Transformational Leadership – ICLD Discovery Events- IMD Global Leadership in the Cloud – IMD Aspen Seminar - Aspen Institute España | <ul style="list-style-type: none"> Institute for Management Development – IMD CxO Roundtables - IMD Promotion Programme for women - ESADE Programme for developing female talent - IESE |
|---|---|

Internal growth. PROMOTIONS

All employees have a career by experience, associated with time, which enables them to evolve from level XIV to level VII in 23 years. 2,835 people have changed professional level due to past experience in 2018.

There are other opportunities for faster promotion associated with performance, which are shown in the following chart.



- ① It includes: GC1 career: Promotion to Level VII in 14 years / GC2 career: Promotion to Level V in 15 years / ABP career: Promotion to Level VI in 11 years.
- ② Coverage of a vacancy in the Network (Management, Asst. Management/GCII second branch manager, management of Private Banking and Business Banking centres, etc).
- ③ Annual ranking of branches that determines the promotion of managers and asst. branch managers, based on the category of their branch.
- ④ Passing skill tests, promotion to Levels VIII and X (according to Agreement every 2 years) and promotion to Level VII (CaixaBank agreement every 3 years).
- ⑤ Promotion of groups from Central Services, Support and Network Support.

Internal growth. **ASSESSMENT METHODS**

The entire CaixaBank workforce is assessed annually, in terms of behaviour and performance.

Management level

| | |
|---|--|
| ① Talent Management Appraisal | No. of assessments |
| | 2018 675 2015-2018 Strategic Plan 2,626 |
| ② Management Competency-based appraisal | No. of assessments |
| | 2018 32 2015-2018 Strategic Plan 2,009 |
| ③ 180° feedback | No. of assessments |
| | 2018 384 2015-2018 Strategic Plan 1,125 |
| ④ Performance Assessment | Received bonus in 2018 |
| | People 1,633 |

Behaviour

- ① Ad-hoc reports from an external expert bringing objectivity and independence.
- ② Tool to identify/contrast internal talent and management skills. Assessment by the hierarchical manager.
- ③ Gathering of the team's perceptions to identify skill gaps.

Performance

- ④ Central Services challenges programme (annual)
ILP programme (long-term incentives - Strategic Plan period).

Non-management level

| | |
|---------------------------------|--|
| ① Conversations for development | No. of assessments |
| | 2018 24,458 2015-2018 Strategic Plan 95,038 |
| ② Performance Assessment | Received bonus in 2018 |
| | People 23,774 |

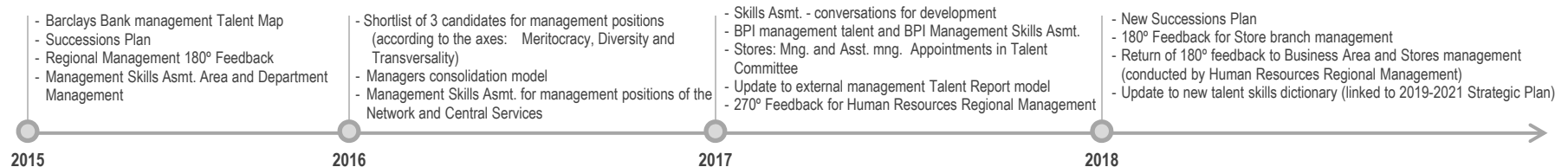
Behaviour

- ① Tool for objectively addressing the performance assessment, analysing the professional skills.
Space for dialogue between the immediate managers and their identified collaborators.

Performance

- ② Objective and transparent model for assessing the achievement of individual challenges, and team/corporate challenges, generating motivation and stimulating team cooperation.
-Central Services and Regional Services challenges programme.
-Network Bonus Programme, scheme adapted to each business sector.
-Incentive Programme.

Timescale of most relevant facts of the period of the 2015-2018 Strategic Plan



Internal growth. DETECTING AND APPRAISING TALENT


| | | |
|--|---|--|
| Talent Committee | <ul style="list-style-type: none"> Detection and filling of management positions. Overseeing the fulfilment of the 3 key principles of the process: Meritocracy, Diversity, Transversality. Presentation of shortlist of 3 candidates in all candidacies. | <ul style="list-style-type: none"> 42 internal Talent Committees. 82 C.S. appointments, 35% women. 483 Network appointments, 49% women. |
| Talent Management appraisal | <ul style="list-style-type: none"> Management assessment and appointments. <i>Ad-hoc</i> reports from an external expert guaranteeing objectivity and independence. Monitoring of new appointments and management consolidation. Design and implementation of new consolidation processes. | <ul style="list-style-type: none"> 675 processes. 100 in C.S, 41% women, and 575 in the Regional Network, 49% women. 1,657 assessments / 565 appointments. 85 consolidation processes. |
| 180° feedback | <ul style="list-style-type: none"> Gathering of management evidence based on the team's perceptions. Identification of skill gaps. Contrasting information with the CaixaBank skills. | <ul style="list-style-type: none"> 296 in Regional Network: 64 DAN, 2 Business centre mng., 8 Private Banking Centre mng. and 222 Store branch mng. 88 in C.S.: 81 Area Mng./ Department Mng./Managing director, 1 Executive Management and 6 Corporate Management |
| Managerial Competency-based appraisal | <ul style="list-style-type: none"> Tool to contrast, identify and promote internal talent and management skills and create function-defined profiles. Assessment and feedback by the hierarchical manager, on an annual basis. Establishing individualised improvement plans. Integration of the Skills Asmt. model in the Performance Management system. | <ul style="list-style-type: none"> 32 Network management consolidation Skills Asmt. |
| Coaching | <ul style="list-style-type: none"> Accompanying managers to facilitate their professional development individually and collectively. Executive Coaching: incorporation in the management function or change of degree of responsibility. Team Coaching: collective accompaniment for the creation of new teams or a change of team. | <ul style="list-style-type: none"> Executive Coaching: 25 processes. Team Coaching: 7 processes, with 141 participants. |
| Succession Plan | <ul style="list-style-type: none"> The Successions Plan was completed in 2018 with the identification of all the key management positions of CaixaBank. | <ul style="list-style-type: none"> 188 key positions identified in CaixaBank as well as the applicable criteria and standard. |

Internal growth. **COMPETENCY-BASED APPRAISAL**

EpC Conversaciones para el desarrollo

Appraisal process the objective of which is the diagnosis and development of the professional competences of all the people of the Entity. It is a tool designed to objectify the evaluation of performance and responds to the commitment of CaixaBank with the continuous development of its professionals.

The behaviour established in the EPC have been defined in coherence with the three pillars of CaixaBank: Values & Principles, Strategic Plan and Leadership Model.

The EPC is a space for dialogue between the immediate managers and their collaborators with the aim of identifying strong points, areas of improvement and proposing actions in the Professional Development Plan.

It provides the managers with information about the competence level of the team members, facilitates communication, enables them to know their expectations and motivate them. In addition, it provides the Entity with efficient planning of actions aimed at the professional development of people.

2018 Activity

| | Total appraisals |
|---|------------------|
| Branch Executives | 3,935 |
| Branch Managers / Second Mgr. | 2,882 |
| Business/Institutional Banking Management | 686 |
| Customer Advisers/Private Banking Consultants | 3,763 |
| Branch employees | 6,577 |
| Other employees and other situations | 6,615 |
| Total | 24,458 |

Training associated with the *EpC Conversaciones para el desarrollo* program

2018 Target Groups

Branch management: 189 groups, 3,271 people

Other functions: 4 groups, 66 people

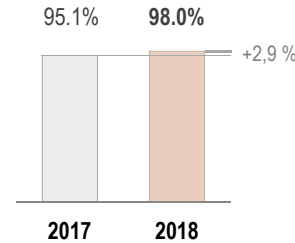
Participation

People summoned 3,337
Attendance 2,825 84.7%

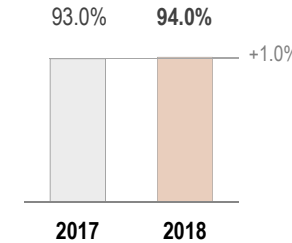
Average score  **4.67 out of 5**

Main impact indicators in the Branch Management Skills Assessment

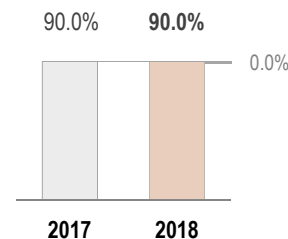
Participation: 95.1% (2017) to 98.0% (2018) **+2,9 %**



Agreement level in the Skills Assessment interview: 93.0% (2017) to 94.0% (2018) **+1.0%**



Has received quality feedback: 90.0% (2017) to 90.0% (2018) **0.0%**



Internal growth. PERFORMANCE ASSESSMENT

Assessment of Challenges

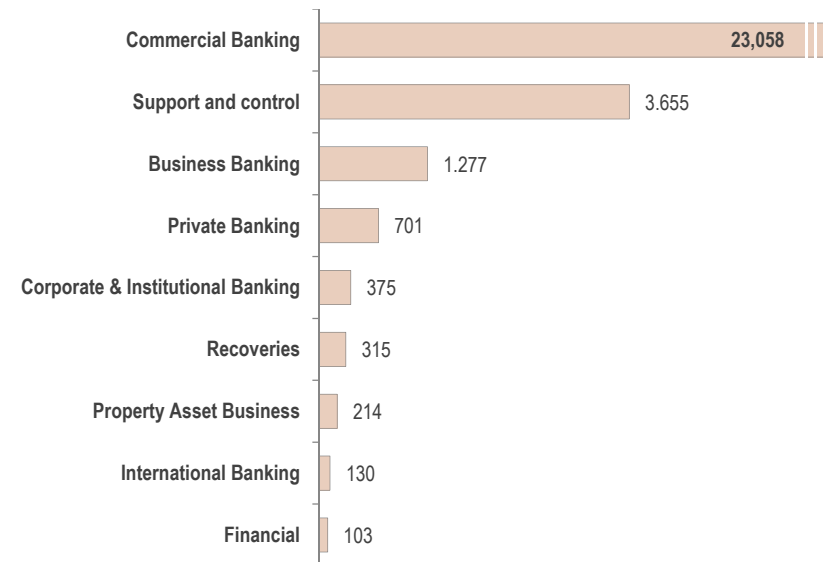
According to the General Principles of the CaixaBank Remuneration Policy, the compensation policy is geared to encouraging conduct that will ensure long-term value generation and sustainability of results over time. To assess the performance of the workforce and determine the variable remuneration, the policy considers not only the achievement of challenges (the what) but also the way in which these are reached (the how).

Wage bands are defined for each function that serve as a reference to establish a target bonus amount for all staff. The value of this target Bonus according to the Performance Assessment, complemented by the behavioural assessment, makes it possible to manage the annual variable remuneration.

There are two assessment models:

- **Assessment based on achieving business challenges**, with different business plans according to the business sector. Employees can conduct online monthly monitoring with the updated result of their achievements.
- **Assessments for employees from the Support and Control areas for the achievement of challenges associated with the Operational Plan.** They are agreed between the employee and the manager at the beginning of the year and the 65% of the Bonus depends on their individual performance, while 35% depends on a series of organisational metrics.

Potential groups



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2018 HUMAN RESOURCES AND ORGANISATION




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Environment. CORPORATE CULTURE

The Corporate Culture programme was presented in November 2018, which puts people first with the development and well-being of the Company staff, customer service, and engagement to society. The Corporate Culture plan aims to strengthen what we do well and incorporate what is necessary for the future.

In 2018 development began on the Culture Programme in three lines of action.

Pillars:

| | | | | | | | |
|--|--|--|---|---|---|--|---|
| <p>1</p> <p>Communication Plan</p> |  |  |  | <p>What are we like?</p> <p>We are committed, close, responsible and demanding, honest and transparent, collaborative, agile and innovative.</p> | | | |
| <p>2</p> <p>Development of proposals for improvement</p> | <p>Proposed initiatives:</p> <ul style="list-style-type: none"> ▪ Give autonomy to the branch management. ▪ Add more efficient ways of working at the branch. ▪ Promote cross-cutting projects and agility in decision-making and implementation. ▪ Promote participation and innovation (attitude). | | | <p>54 improvements proposed to be implemented during the 2019-2021 Strategic Plan.</p> | | | |
| <p>3</p> <p>Presentation Employee Journey</p> | <ul style="list-style-type: none"> ▪ Definition of the Employee Value Proposal (desired experience) and analysis of the current experience and identification of gaps in moments of truth, identifying priority aspects upon which to act. ▪ Adapt policies, processes and organisational practices to align them with the CaixaBank Culture Model. ▪ Incorporating attributes in Leadership Model and Skills Assessment. <p>Main Gains</p> <table border="0"> <tr> <td data-bbox="555 1177 875 1308"> <p>Moments in which a highly positive emotion is experienced</p> </td> <td data-bbox="887 1177 1229 1308"> <p>Attracting and recruiting phases:</p> <ul style="list-style-type: none"> - I am interested - I apply for offers - I am hired </td> <td data-bbox="1240 1177 1583 1308"> <p>Linking phases:</p> <ul style="list-style-type: none"> - I am paid - I am supported at vital times </td> <td data-bbox="1594 1177 1919 1308"> <p>Finishing phases:</p> <ul style="list-style-type: none"> - Areas as a customer - Dissociation </td> </tr> </table> | | | <p>Moments in which a highly positive emotion is experienced</p> | <p>Attracting and recruiting phases:</p> <ul style="list-style-type: none"> - I am interested - I apply for offers - I am hired | <p>Linking phases:</p> <ul style="list-style-type: none"> - I am paid - I am supported at vital times | <p>Finishing phases:</p> <ul style="list-style-type: none"> - Areas as a customer - Dissociation |
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Environment. **GENDER DIVERSITY**



The Wengage diversity programme includes a triple perspective: **gender diversity, functional diversity and generational diversity**, demonstrating the Company's clear engagement to equality and reconciliation.

CaixaBank's Diversity Manifesto defined and published in 2018 sets out its engagement in terms of diversity principles.

Wengage "Gender Diversity"

Meeting the challenges of increasing the representation of women in management positions at CaixaBank (39.9% in Dec'18), to establish the Company's stance on diversity and to have an external impact to achieve a more diverse society by helping to break down gender stereotypes.

Internal viewpoint

Strengthen the role of women at the Company

- Executive training with IESE and ESADE Business Schools.
- Female mentoring programmes at Regional and Central Services management.

Raise awareness and involve everyone

- Communicating the project in Regional and Central Services management through after-work and networking events.
- Publishing and promoting the Egalitarian Communication Guidelines, written by Estrella Montolio, a doctor and professor of Hispanic linguistics at the University of Barcelona.

Contribute from Human Resources processes

- Remote working. Trial in Human Resources and Organisation, Intervention and Control of Management and Capital.
- Equality agents in each Regional Management body, responsible for guaranteeing the implementation of the established equality policies and actions.

External viewpoint

Promote the value of diversity in society

- DialogA programme - opportunities for debate and reflection: talks, female talent breakfasts to share best practices and experience, inclusive reflection sessions with Aspen Institute, Diversity Talks at international meetings.
- External sponsorships: FEDEPE, Top 100 Women Leaders, and the e-Woman awards, recognising the success of women in the field of digital and technological entrepreneurship. Internal sponsorships: IWE - Award to acknowledge professional excellence of business women, and the WonnoW awards, with Microsoft, acknowledging outstanding technical university degrees.
- Awareness campaign through social media about the value of equality. The campaign is based around a generic video focusing on three areas (education, access to jobs, and co-responsibility), portraying everyday situations in which gender inequality still exists and which CaixaBank aims to improve.

Accessions



2018 main indicators

Participants in the programmes:

| | | | | | |
|---------------------------|--------|----------------------------------|-------------------|---|---|
| Mentoring | 337 | 13 Programme presentation events | Flexibility trial | Social network awareness-raising campaign | <ul style="list-style-type: none"> • Acquisition of the certification Efr - B+ (proactive company) • Intrama Award - Top Diversity • Women in management positions: 39.9% |
| IESE Women and Leadership | 40 | | | | |
| DialogA | +1,000 | | | | |
| ASPEN Institute | 142 | 2,500 participants | 407 participants | +2m views | |
| Diversity Talks | 720 | | | | |

Environment. **FUNCTIONAL AND GENERATIONAL DIVERSITY**



Wengage “Functional Diversity”

This involves raising awareness, integration and support for employees with disabilities, based on respect for people and ensuring equal opportunities and no discrimination.

Internal viewpoint

Contribute by way of Human Resources processes

- Internal communication campaigns to foster respect and diversity.
- Diffusing the social benefits for this group.
- Approval of 15 positions in Central Services by the Steering Committee.
- Work-experience programme.
- Hiring providers through Special Employment Centres.

External viewpoint

Promote the value of diversity in society

- Donations and sponsorships with different organisations involved in the area of functional diversity, such as the ONCE Foundation, Decentralised Social Action, the Incorpora Programme of the "la Caixa" Foundation, and sponsoring wheelchair basketball.

Wengage “Generational Diversity”

The scope of demographic evolution in CaixaBank shows a growth of the senior group. There are studies that demonstrate the strengths of this group:

- The experience/knowledge pairing has the potential to contribute to greater productivity to that of the youngest employees.
- This is a group that is committed to the business project with a high degree of responsibility.

Internal viewpoint

Contribute using Human Resources processes

- An initial diagnosis has been developed with the analysis of the demographic evolution and impact on structural indicators, such as social and work climate, absenteeism, productivity, engagement, as well as other key indicators.
- A focus group with employees of the Company from different generations using the collaborative dialogue method to address relevant issues and share knowledge and experience to design an Action Plan in 2019.

External viewpoint

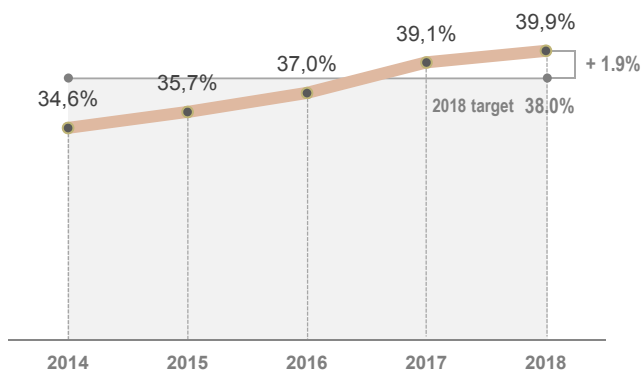
Promote the value of diversity in society

- CaixaBank forms part of the Generation and Talent Observatory, whose main objective is to promote the management of generational diversity in organisations.

Environment. **EQUALITY AND WORK-LIFE BALANCE**

Management positions held by women
(from Branch assist. Mgmt. of A and B category branches)

2015-2018 Strategic Plan



Work-life balance - measures in 2018 (total workforce)

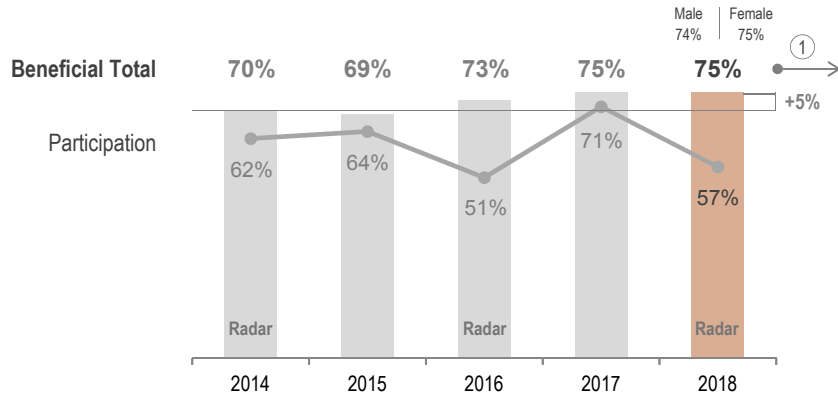
| Paid leave | Cases | Male | Female |
|----------------------------|--------------|--------------|--------------|
| Maternity/Adoption | 936 | 2.0% | 98.0% |
| Paternity | 585 | 99.7% | 0.3% |
| Extending maternity | 712 | 1.3% | 98.7% |
| Breastfeeding accumulation | 761 | 5.7% | 94.3% |
| Total | 2,994 | 21.8% | 78.2% |

| Reduction of working hours | Cases | Male | Female |
|---|--------------|-------------|--------------|
| Caring for children | 1,167 | 7.0% | 93.0% |
| Caring for a relative (up to 2 nd degr.) | 6 | 16.7% | 83.3% |
| Caring for ill child | 55 | 10.9% | 89.1% |
| Total | 1,228 | 7.2% | 92.8% |

| Leaves of absence | Cases | Male | Female |
|------------------------------|------------|-------------|--------------|
| Caring for children | 489 | 3.5% | 96.5% |
| Caring for a relative | 24 | 25.0% | 75.0% |
| Caring for dependants | 1 | 100.0% | 0.0% |
| Maintaining cohabitation: | 33 | 9.1% | 90.9% |
| Training | 15 | 0.5% | 0.9% |
| Solidarity | 2 | 0.0% | 100.0% |
| Unspecified personal reasons | 28 | 39.3% | 60.7% |
| Gender violence | 1 | 0.0% | 100.0% |
| Total | 593 | 7.6% | 92.4% |

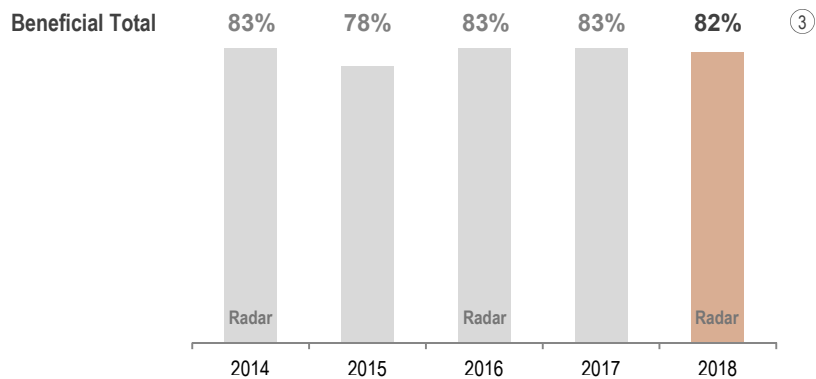
Environment. **ENGAGEMENT STUDY.**

Changes of the global indicator



Overall engagement question

Considering all the aspects, how do you feel as an employee?



Results for 2018 vs 2014 figures



The Engagement Survey is conducted every two years and is intended for all staff. A survey is conducted in the years in-between on a significant statistical sample (Radar) of approximately 2,500 employees, the purpose of which is to verify the effect of the action plans carried out and observe the trend of each of the figures questioned.

- ① Good results: changes in beneficial empl. in the period of the 2015-2018 Strategic Plan.
- ② Rise in the engagement of employees +3 pp from 2015.
- ③ The overall satisfaction remains at acceptance levels > 80%.

BT = Beneficial Total:
Percentage of "Fully agree" and "Agree"

Environment. **ENGAGEMENT STUDY: ACTION PLAN**

Based on the priorities and aspects for improvement obtained from the engagement study, 47 professionals from different fields of the Company have worked on proposing 43 initiatives regarding 4 specific subject matters, to be developed in the 2019-2021 Strategic Plan.

| | |
|---|---|
| <p>1 Giving autonomy to the branch management</p> | <p>Several of its facets are addressed, ranging from leadership to risk management, involving giving it more autonomy as owner of the branch and of course improving the means available to improve the sales efficiency. All of this will enable it to be more streamlined in generating and contributing to business.</p> |
| <p>2 Adding more efficient ways of working at the branch</p> | <p>Through "One day in the branch" work, areas are tackled including sales management (to improve the knowledge of the customer, to be more flexible and agile), administrative processes (to optimise resources and dedicate efforts to contributing greater value) and, resources and means available to the branch (to promote innovation and quality of the tools that facilitate work).</p> |
| <p>3 Promoting cross-cutting projects and agility in decision-making and implementation</p> | <p>A proposal is put forward to adapt the way of working with an approach and structure aimed at project work, strengthening the empowerment of all employees. The work covers a basis of 3 axes: staff viewpoint (managing the impact on people), process viewpoint (adapting CaixaBank's way of working) and dynamic viewpoint (boosting the change management of professionals).</p> |
| <p>4 Foster participation and innovation (attitude)</p> | <p>Work is carried out on fostering an active attitude of participation and innovation among CaixaBank professionals to efficiently meet the business objectives. The way in which this evolution is sought is included in the leadership model, proposing practices with the teams that create these routines and spaces, improving the corporate channels, fostering more participatory execution from Human Resources and fostering the acknowledgement of participation and innovation.</p> |

Action plan initiative status

| | | | |
|--|--|--|---|
| <p>Proposed improvements 43</p> | <p>Approved 38 Under study 5</p> | <p>Currently being processed 21</p> | <p>Monitoring:</p> <ul style="list-style-type: none"> ▪ Half-yearly monitoring of the progress and development by the Culture Committee. ▪ Quarterly: Individual meetings with project leaders in coordination with Strategic Planning (comparison session). |
|--|--|--|---|

Environment. ORGANISATION AND PRODUCTIVITY

The Organisation and Productivity department ensures efficient organisational structures and optimum sizing for Central Services, identifying and executing initiatives to improve productivity in the company, modelling the sizing of teams and productivities, coordinating cross-cutting projects and providing a vision of internal consultancy and agile coaching.

Reengineering the processes of Central Services and evolution of productivity indicators:

- Study and improvement of certain current processes in Human Resources and other support areas (services rendered to Business branches, individual risk acceptance, risks companies, etc.).

Evolution of the Organisational Structure

Reviewing the sizing models of CaixaBank and the Group's subsidiaries

- Evolution in the annual budgetisation of the resources of Central Services and the Group's subsidiaries: negotiation and agreement with the Areas and Subsidiaries on the needs of staff.
- Evolution of the Network modelling and creation of new specialist figures.
- Ad-hoc sizing projects through the integration of branches and increasing Store and inTouch branches.

Cross-Cutting Projects

- Update of the regulatory field (Control Environment Model - 3 Lines of Defence).
- Support for the corporate model, with synergistic gains in resources and cost efficiencies (Inbound Call Centers, Purchasing, etc.).
- New models for rendering services to the Network through specialist middle office and increased advice.

Incorporation and progress in methodologies to support management

- Progress in processing information through HR Analytics and Big Data processes.
- Coaching teams in agile methodology.
- Project Technical Branch with cross-cutting vision and in order to acquire synergies.

2018 main indicators

Materialised cost saving

EUR 78 m

Set of opportunities identified

EUR ~35 m

Evolution of the productivity indicators for Central Services and Subsidiaries with an impact on

~3.000 FTEs

Environment. PEOPLE MANAGEMENT

The People Management department oversees the management and administration processes of all the CaixaBank staff. In 2018, its main goal is focused on developing the structures and procedures necessary to improve the service rendered to employees. To do so, it has provided them with all the resources to enable Human Resources processes to be accessible from the new Employee web portal, in the website version as well as the mobile version (corporate mobile). This new web portal is the result of the project that began in 2018, to provide CaixaBank with Success Factors cloud solution, which will improve the employees' overall experience.

Success Factors

The start of the Human Resources information system transformation plan, with the implementation of Success Factors, the market's leading solution to improve the experience of employees and offer the best practices. The main new features in 2018 include: personal information, the organisation people map, Challenges and the managers are notified of birthdays. Migration from the Employee Web Portal to the Success Factors platform and expansion of functions in maternity and paternity operations (the latter was new in 2018).

Cognitive Call Center

The new Cognitive Call Center project, equipped with artificial intelligence (Watson), to offer people a better service to resolve their queries, within the CaixaBank Digital Transformation Plan.

Adaptation of Human Resources processes to the labour agreements

InTouch Labour Agreement of April 2018, regulating the activity of this remote service with individual attention, which will include the addition of 900 people. Acceleration of careers for the group of employees with unique working hours (Store, InTouch, BusinessBank). Improvement of the agreement-regulated allowance compensation process, allowing employees to change the payment method between money or the restaurant card.

Workforce Restructuration

Management of the Company's comprehensive incentivised leave process in 2018 and of the processes deriving from the Group's leave of absences to GDS CUSA.

General Data Protection Regulation (GDPR)

In order to comply with the new regulation (May 2018), all Human Resources processes and documents have been reviewed and adapted.

Other managed aspects

One-off payment deposit associated with results, article 41 of the Collective Bargaining Agreement (lump sum payment associated with profits and ROE) and review with the Spanish Tax Agency (AEAT) of the valuation of loans to employees as payment in kind.

2018 main indicators

| Changes in the workforce additions/departures/leave of absences | Level change promotions | Salary Deposits (assets and liabilities) | Temp. Agenc. People/year <i>Full Time Employee</i> |
|---|-------------------------|---|---|
| 2,664 | 5,929 | ~753.000 | 626 |

Environment. COMPENSATION

Total Compensation model in CaixaBank

Monitoring the adaptation and update to the Remunerations Policies to the regulation in force

Amendments to the Policy of the Identified Group have been approved during the second half of 2018, to correctly explain and regulate all the Company's work experience programmes. This comes in addition to the proposed amendment to Remunerations Policy of the Board of Directors for the General Shareholders' Meeting of 2019.

Fixed remuneration

Maintenance of the wage bands, internal wage statistics, internal equity studies and connection with career paths.

Variable remuneration

Achievement of the strategic objective of placing the weight of the variable remuneration (target) on fixed remuneration above 7.6%.

Long-term incentives (ILP): following on from the Long-Term Incentive that was finalised in 2018, a new retribution system has been designed, indexed to a multi-annual framework and linked to the new 2019-2021 Strategic Plan, adapted to the new regulation and to the trends of comparable credit institutions. The new Plan is based on a programme of overlapping 3-year cycles that are initiated consecutively during the three years of the Strategic Plan in 2019, 2020 and 2021. These cycles combine the use of short-term metrics with long-term-based quantitative and comparative ex-post adjustment metrics.

Monitoring the adaptation and update to the Remunerations Policies to the regulation in force

According to the principles of CaixaBank's Remuneration Policy, which aims for the amount of the fixed remuneration plus social benefits to be competitive, during 2018, emphasis was continued to be placed on this vision within the Total Compensation.

The main social benefit is social security, in which the Employment Pension Plan has a position of more than 5.6 billion euros

2018 main indicators

| Variable remuneration: fixed remuneration target | People that have received variable remuneration | People with variable remuneration linked to service quality | Different Bonus Scheme | Social Benefits on staff expenses | Contribution to the Pension System |
|--|---|---|------------------------|-----------------------------------|------------------------------------|
| 7.7% + 0.1% of objective | 86% | 99% | 16 | 12.1% | EUR 137m |

Environment. INTERNAL COMMUNICATION: STRATEGIC TOOL

Internal communication focuses on recognition as a lever raise awareness around the professional best practices, thus, driving the example, motivation and pride of belonging to the Company. 'Personas' (People) is the channel through which this good practice of employees is fostered.

There are chiefly six lines of communication that support this recognition:



Better Sales Teams (BST)

Internal communication and the Business Area jointly organise recognition events for all the Personal Banking network. The Managing Director of Business and the respective Regional Manager participate in all the BST galas.

Internal recognition of the Areas

Events and conventions to acknowledge the best teams and professionals in each area. The coverage of these events focuses on acknowledgement as lever to set the example and motivation.

Good Practice

Internal Communication uses 'Personas' (people) to promote the best practices of the Business Network teams.

Excellence of Service Awards

Diffusion of the annual recognition given to the company's best teams for quality of service at the Managers' Convention, through a special article posted on "Personas" with photographs of all the winning teams.

25/35 years tribute

Annual diffusion through "Personas" of the event to pay tribute to the careers of employees reaching 25 or 35 years of service at the Company.

CanalCaixa Magazine

A monographic publication focusing on the professionals at the Company. Three editions were published in 2018: one focusing on diversity made up of people within the CaixaBank Group, names "Somos Así" (We are like this) and two commemorative editions looking back at ten years of business expertise of Business Banking and Premier Banking, respectively.

2018 main indicators

| Best Sales Teams | Internal recognitions of the areas | "Good practice" recognitions | "Excellence of Service Awards" recognitions | "25/35 years tribute" recognitions | CanalCaixa Magazine publications: |
|---|--|------------------------------|---|------------------------------------|-----------------------------------|
| 1,251 people recognised 15 events held | 469 people recognised 14 articles published | 23 teams | 22 teams | 291 people | 3 issues |

Environment. LABOUR RELATIONS

Internal viewpoint

Trade Union Elections

Management of the electoral process throughout the Company.

InTouch Branches Labour Agreement

New unique working times to adapt the schedule of the InTouch centres to the entire Company's organisational needs.

Addition of measures such as legal coverage and legal liability of the workforce, regulation arranging meetings and other activities outside of working hours.

Offer of vacancies in a new GDS Cusa (company of the Group) centre in Pamplona-Navarre and in the GDS Cusa Seville centre.

Agreement to amend specifications of the employee pension plan

Regulation of a new additional alternative to ways of receiving the provision in the event of disability and amendment of the contributions according to age.

External vision, CECA - Spanish Confederation of Savings Banks

Joint Committees of the Sector's Collective Bargaining Agreement

In the framework of negotiating the Sector's Collective Bargaining Agreement, a Joint Committee has been created (Employer Association and Worker Representation), with the aim of interpreting aspects of the Agreement that are unclear or deciding on matters that are proposed by the companies or trade unions.

Negotiation Committee of the revised text of the Collective Bargaining Agreement

The purpose of this negotiating table was to establish a single text of the Agreement that regulates the sector.

2018 main indicators

| | | | | | |
|--|---------------|---|--|--|---|
| Participation in trade union elections | Voting routes | Total number of members of the Company Work Council | Total number of companies within the agreement | CECABANK CaixaBank Unicaja Ibercaja Caixa Pollença | Caixa Ontinyent Liberbank Abanca CajaSur Bankia |
| 89% | 384 | 759 | 10 | | |

Environment. UNION REPRESENTATION AS OF 31-12-2018

| | OC | SECB | UGT | SIB | FEC | CGT | CIC | LAB-ELA | TOTAL |
|--|---------------|---------------|---------------|--------------|---------------------------------------|--------------|--------------|--------------|-------------|
| Representation | 40.58% | 37.42% | 17.92% | 1.45% | 1.45% | 0.66% | 0.26% | 0.26% | 100% |
| <hr/> | | | | | | | | | |
| Works Committee | | | | | | | | | |
| Members | 308 | 284 | 136 | 11 | 11 | 5 | 2 | 2 | 759 |
| <hr/> | | | | | | | | | |
| Other | | | | | | | | | |
| Employee Pension Fund Control Committee | 5 | 5 | 1 | - | - | - | - | - | 11 |
| Associated Plan Pension Fund Control Committee | 4 | 4 | 1 | - | - | - | - | - | 9 |
| Occupational Health Committee | 4 | 4 | 2 | 1 | 1 participant with no voting right | - | - | - | 11 |

Environment. **CORPORATE SAFETY, HEALTH AND WELL-BEING. ENGAGEMENTS**

One of the fundamental pillars in people management at CaixaBank is the health and safety of its workforce. CaixaBank goes one step further than the legislation. Rather than talking about Occupational Risk Prevention, it focuses on Corporate **Health, Safety and Well-being**.

Following on from this, **the Company shows its firm engagement in:**

Fostering a culture of prevention at all levels of the organisation.

Ensuring compliance with the applicable law, initiatives and voluntary engagements to which it subscribes.

Funnelling the preventive action directly to the root of the issue.

Implementing continuous improvement measures.

Raising awareness and training staff.

Implementing an Occupational Risk Prevention system in accordance with the requirements of the standard OHSAS 18001.

In accordance with these engagements with regard to corporate safety, health and well-being of the workforce, **CaixaBank acts in different fields:**

- Training activities for the entire workforce: health and safety, road safety, security in branches and for users of data visualisation screens and the creation of a cross-cutting work team with the corporate safety, health and well-being benchmarks of each Regional Management body.
- Monitoring psychosocial risk indicators.
- Healthy Company, a project created in 2018 with a wide range of initiatives and with the inauguration of a versatile room to carry out healthy activities in Central Services.
- Fostering voluntary flexibility initiatives. Flexibility of the work timetable in Central Services and Regional Services of up to 2 hours and the possibility of working from home or a nearby centre.
- Risk assessments in new centres or those modified with refurbishments in 619 branches and 11 singular buildings.
- Reviewing of the emergency plans of singular buildings, training emergency teams and raising awareness among the workforce by carrying out simulations.
- Security to prevent robberies. Modernisation campaign of security installations in 400 centres during 2018.
- Improvement and control of conditions in the work centres; noise, humidity, temperature and lighting. CaixaBank has a specialised company for the implementation of preventive and corrective actions in addition to initiatives to benefit the comfort and well-being of the workforce: replacement/renewal of climate and lighting equipment, as well as the incorporation of improvements in the sound attenuation of work equipment, etc. Furthermore, specialised external advice is regularly received on initiatives to improve the internal air quality, which are subsequently implemented by the Company.

Occupational Risk Prevention Management System Certificate



SPRL – 022/2005

GESTIÓN DE LA SEGURIDAD Y SALUD LABORAL
OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT
OHSAS 18001:2007

Occupational Risk Prevention System Certificate



AR – 280/2008

CERTIFICADO DE EMPRESA AUDITADA
AUDITED FIRM CERTIFICATE
R.D. 39/1997

2018 main indicators

People have taken the Health and Safety course during 2018

28,132

Branches modernised to prevent robberies

400

Work centres assessed for risks

630

Centre maintenance and review activities and initiatives

6,258

Environment. CORPORATE SAFETY, HEALTH AND WELL-BEING. INITIATIVES

Between 2015 and 2018, the Strategic Plan has helped to consolidate the operation and modernise the management system. It has also boosted processes related to occupation health and safety. The following initiatives and actions carried out in 2018 in the different fields are highlighted:

Training:

- Specific "Benchmark corporate health, safety and well-being" events, for the group of managers of each Regional Management and the creation of a cross-cutting working group in order to promote and implement measures in this subject matter.
- Update of the Occupational Health and Safety course and inclusion of training content related to ergonomics and the use of screens.
- Communication campaign on the company intranet with preventive advice in the areas of first aid, road safety, semicircular lipoatrophy, and self-medication.

Psychosocial Risks:

- After the 2017 assessment, different focus groups have been conducted in 2018 to obtain qualitative information that complements the results obtained in the assessment and to prepare a preventive action plan developed in conjunction with the workers' legal representation.

Healthy Company:

- Initiatives in the field of the Corporate Health and Well-being through the inter-departmental working group C.S. has developed different initiatives in order to foster healthy environments and activities to strengthen the well-being of the workforce.
- Launch of a versatile room equipped with sports material, giving classes (stretching, functional exercises, relaxation, etc.) and briefing sessions related to sports nutrition and training methods.

Report on preventive activities

Preventive processes and initiatives from the year are gathered on an annual basis in the "Report on preventive activities", a public document posted on the corporate website. These activities are determined in the annual planning of preventive activities, and are developed in accordance with the principles established in the prevention plan. With the coordination of Human Resources and the Single Health and Safety Committee, the La Caixa Group's Joint Prevention service oversees the management of prevention, advising and guaranteeing health, safety and well-being. Additionally, for the speciality of Occupational Medicine, CaixaBank opted for the collaboration of the Quirón Prevención External Prevention Service.

2018 main indicators

Health improvement campaigns carried out

14

Training courses in security and robberies

726 participants

Of accidents that occurred in 2018 were classed as minor

100%

Environment. **HEALTH AND SAFETY: HEALTHY COMPANY**

The **CaixaBank Healthy Company Project** was launched in 2018 with the aim of promoting healthy environments and activities to improve the well-being of the workforce and, thus, consolidate CaixaBank in this field for the period that includes the 2019-2021 Strategic Plan. It is also worth noting the launch of a **new versatile room to carry out health and fitness exercises in Central Services**.

The "Healthy Company" project advocates:

The culture of the Company

Focused on people, fostering engagement and driving satisfaction and motivation.

Health, safety the improvement of well-being

All of this is intended to reach the excellence with regard to promoting the health and well-being of the working environment. Providing tools and resources related to healthy habits and awareness-raising and having a positive impact on absenteeism index.

Engagement to society

By acquiring certifications and recognition as a "Healthy Company", establishing CaixaBank among the best external ratings, driving the brand reputation and social engagement.

Initiatives developed during 2018 related to the fostering the health and well-being of the working environment:

- Themed campaigns on promoting health and healthy habits.
- Running exercise and fitness sessions in the new versatile room at Central Services, posture exercises, muscular strengthening, yoga, meditation, cardio power and resistance.
- Consolidation of the healthy web portal, #equiposaludable (healthy team), for all the workforce through which they will manage to improve and monitor their healthy habits and practices.



2018 main indicators

Activities in the versatile room at Central Services

270 participants

Registration on the online platform #equiposaludable

11,876 users

Photographs posted on the platform #equiposaludable (healthy team)

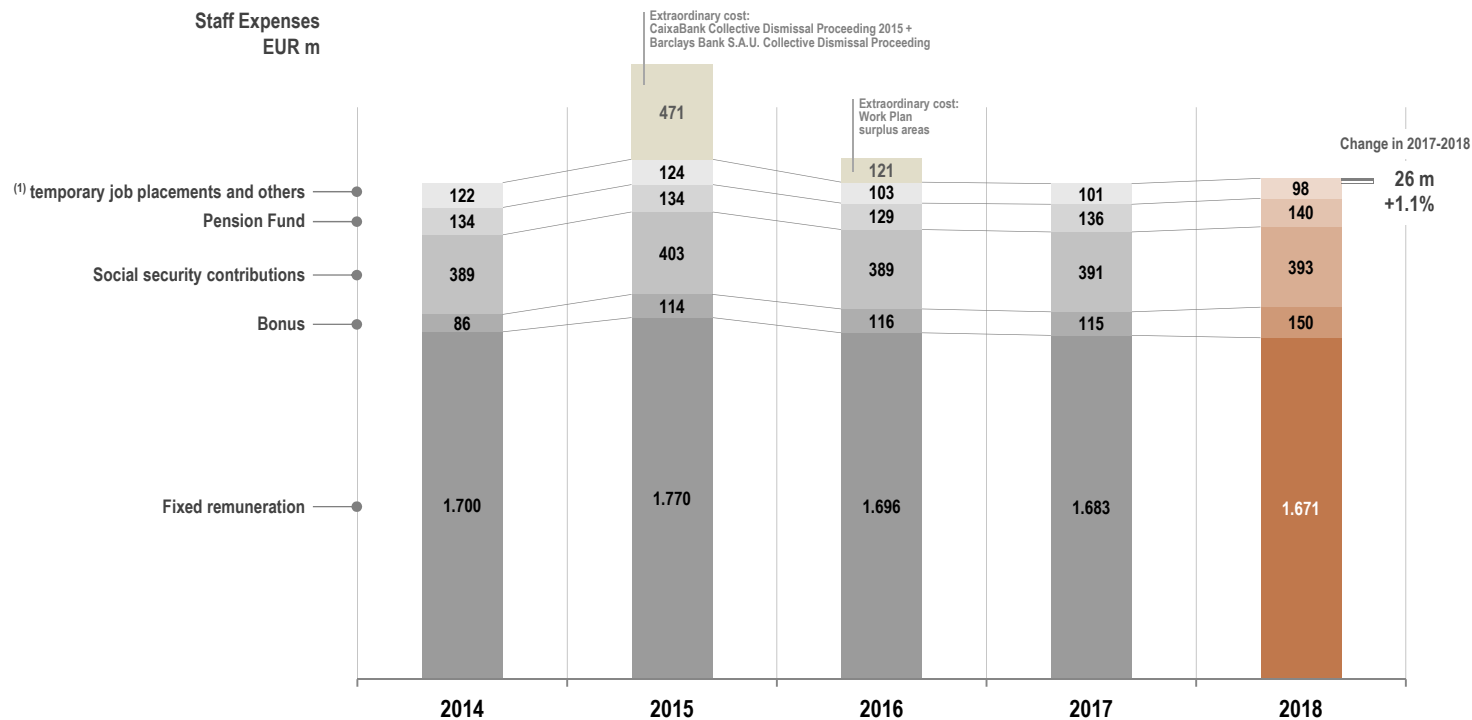
1,418 photographs

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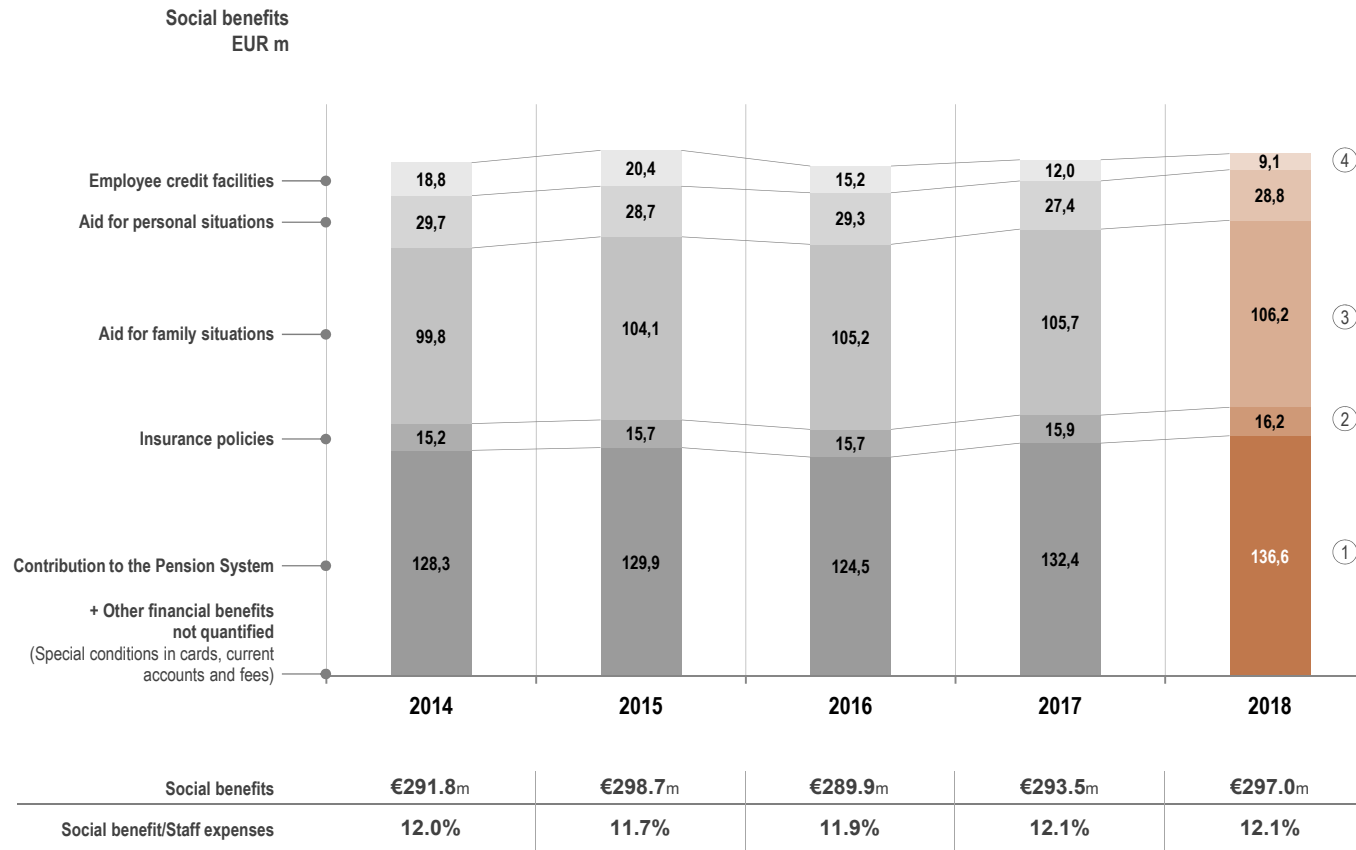
Economic data. **CHANGES IN STAFF EXPENSES**



| | | | | | |
|---|---|--|---|---|---|
| Staff Expenses | €2,431m | €3,016m | €2,554m | €2,426m | €2,452m |
| Recurring staff expenses | €2,431m | €2,545m | €2,433m | €2,426m | €2,452m |
| | | Including BBSAU expenditure from January 2015 | | | |
| Labour measures of workforce departures | Incentivised Voluntary Leave, generation 1957 and prior CaixaBank Collective Dismissal Proceeding 2013 (2nd year exits) | CaixaBank Collective Dismissal Proceeding 2015 | Incentivised Voluntary Leave, generation 1958 and prior Labour Plan for Surplus Areas | Incentivised Voluntary Leave, generation 1961 and prior | Incentivised Voluntary Leave, generation 1961 and prior |

(1) Other includes: Training assistance, credit facilities, Adeslas policy, training and recruitment, compensation, special pay (birth and death) and others.

Economic data. **CHANGES IN SOCIAL BENEFITS**



- ① Increase in the risk premium caused by a higher accident rate.
- ② Renewal of the policy negotiated every 2 years. Moderate premium increases have been achieved and new coverages have been added.
- ③ As a result of the supplement Aid for children (5% wage).
- ④ The decreasing trend of the Euribor causes reduced expenditure.

Economic data. FINANCIAL BENEFITS. BREAKDOWN AND BENEFICIARIES

| Benefits | 2014 €m | Staff benefiting | 2015 €m | Staff benefiting | 2016 €m | Staff benefiting | 2017 €m | Staff benefiting | 2018 €m | Staff benefiting |
|--|--------------|------------------|--------------|------------------|--------------|------------------|--------------|------------------|--------------|------------------|
| Contribution to the Pension System | | | | | | | | | | |
| (1) Savings contributions | 110.8 | | 110.2 | | 107.7 | | 108.8 | | 111.7 | |
| (2) Risk premium | 17.5 | 35,938 | 19.8 | 38,697 | 16.8 | 38,242 | 23.6 | 37,353 | 24.9 | 36,995 |
| Insurance | | | | | | | | | | |
| (3) Adeslas healthcare policy | 15.1 | 32,578 | 15.6 | 33,402 | 15.6 | 33,528 | 15.8 | 33,049 | 16.1 | 32,612 |
| (4) Car - service management | 0.1 | | 0.1 | | 0.1 | | 0.1 | | 0.1 | |
| Aid for family situations | | | | | | | | | | |
| (5) Birth bonus | 4.6 | 2,120 | 3.9 | 1,774 | 3.8 | 1,698 | 3.1 | 1,410 | 2.6 | 1,164 |
| (6) Death aid | 0.9 | 387 | 0.9 | 460 | 0.8 | 376 | 0.9 | 374 | 0.9 | 379 |
| (7) Study aid - nurseries | 6.3 | 5,798 | 6.1 | 5,648 | 5.5 | 5,161 | 4.7 | 4,430 | 4.1 | 3,865 |
| (8) Study aid - descendants | 18.4 | 18,452 | 19.9 | 19,820 | 20.4 | 20,136 | 21.3 | 20,764 | 21.9 | 21,137 |
| (9) Aid for children - 5% wage | 66.4 | 19,561 | 70.4 | 21,137 | 72.2 | 20,407 | 73.5 | 20,454 | 74.4 | 20,102 |
| (10) Maternity/paternity supplements | 3.1 | 2,091 | 2.8 | 2,189 | 2.5 | 1,701 | 2.3 | 1,479 | 2.3 | 1,275 |
| Aid for personal situations | | | | | | | | | | |
| (11) Length of service bonus | 4.3 | 1,232 | 1.4 | 410 | 3.9 | 1,128 | 1.1 | 348 | 1.0 | 292 |
| (12) Study aid - employees | 1.9 | 2,323 | 1.7 | 2,205 | 1.6 | 1,971 | 1.9 | 2,121 | 1.9 | 2,135 |
| (13) Supplement for illness and work-related injury | 23.5 | 6,543 | 25.6 | 7,258 | 23.9 | 6,942 | 24.4 | 7,027 | 26.0 | 7,866 |
| Credit facilities made available to employees | | | | | | | | | | |
| (14) Loans with special terms and conditions | 18.8 | 28,161 | 20.4 | 28,571 | 15.2 | 28,266 | 12.0 | 28,147 | 9.1 | 28,076 |
| (15) Other financial benefits, not quantified | | | | | | | | | | |
| Social benefits €m | 291.8 | | 298.7 | | 289.9 | | 293.5 | | 297.0 | |
| Social benefits/Staff expenses | 12.0% | | 11.7% | | 11.9% | | 12.1% | | 12.1% | |

- (1) Retirement contributions
- (2) Provisions to cover risk of disability and death
- (3) Free healthcare policy, which can be extended to direct family mem. at a very reasonable price
- (4) Supplementary own-vehicle insurance for travel in service management
- (5) Financial bonus for child's birth
- (6) Expenses derived from death of a first degree family member
- (7) Compensation for children under three years old
- (8) Financial compensation for children under 25 years old who are students

- (9) Wage concept of 5% of the received wage for each child, up to the time the child reaches 18 years old
- (10) Supplement of up to 100% of salary for maternity/paternity
- (11) Financial bonus at 25 and 35 years of service
- (12) Compensation of up to 90% of university study enrolment
- (13) Supplement of up to 100 % of salary for temporary disability situation and work accident
- (14) Subsidised interest rates for mortgages and personal loans
- (15) Special conditions in cards, current accounts and fees

Economic data. PENSION PLAN

More significant events in 2018

1. CaixaBank employee pension plan Control Committee

- Achievement of the investment objective: annual return higher than 3-month Euribor + 2.75% measured in a 5-year period.
- The Pension fund remains the leader in assets and return at 1, 5, 10 and 15 years, among the largest national employment pension funds.
- Approval of the 2019 Management Mandate (central bands: 30% Eq., 51% Fix. Inc. and 19% Alternative).
- The pension fund is a finalist, among the top 5 in Europe at the 2018 IPE Awards in the GOLD categories in "Long-Term Investment Strategy" and "Pensions Governance & Administration".
- Approval of the 2018-2020 Strategic Plan, of the Socially Responsible Investment beliefs and of the Pension Fund Good Governance Manual
- As a result of the Labour Agreement of 15 June 2018, completion dates of saving and risk contributions are homogenised; adding a new way of collecting consolidated rights of risk benefits for permanent disability (total, absolute or severe disability); and the regulatory changes established in Royal Decree 62/2018 are included.

2. Human Resources - Social Benefits

- Implementation of an inflation hedge swap to cover the future revaluation of the provisions caused by disability and death.
- Tasks to coordinate, support and set criteria to assess and, where applicable, cover the engagements for pensions and the healthcare coverage at international level (Paris Branch, Portugal Branch, Banco BPI, etc.)
- Ongoing improvement of visualisation of information on insurance policies via CaixaBank Now

Financial data at 31/12/2018

CaixaBank Employment Pension Plan

Unit holders:

| | |
|-----------|--------|
| Subplan A | 36,824 |
| Subplan B | 171 |

Beneficiaries:

| | | |
|--|-------|------------|
| | 6,739 | Retirement |
| | 1,044 | Disability |
| | 2,634 | Death |

Pension fund position account in €m:

| | |
|-----------|----------|
| Subplan A | 5,574.72 |
| Subplan B | 50.12 |

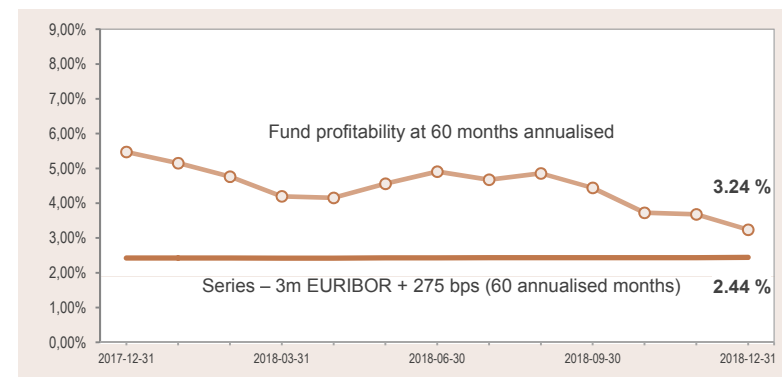
Contributions €m:

| | |
|--------|------------|
| 133.14 | Retirement |
| 35.59 | Risk |

Provisions €m:

| | |
|--------|------------|
| 275.02 | Retirement |
| 29.35 | Disability |
| 25.09 | Death |

Profitability



Supplementary Pension Policies (€m)

| | | |
|------------------------|--------|-------------------------|
| Other Pension policies | 715.55 | Mathematical provisions |
|------------------------|--------|-------------------------|

2018 HUMAN RESOURCES AND ORGANISATION ANNUAL REPORT



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