



**REPORT ON THE REMUNERATION POLICY OF THE
BOARD OF DIRECTORS OF CRITERIA CAIXACORP, S.A.**

Object of the Report

This report lays out the remuneration policy of Criteria CaixaCorp, S.A. as regards to the members of the Board of Directors, subject to the principles of transparency and information.

The report contains the general principles applicable to the remuneration of the Directors, remuneration system provided in company documentation, remuneration policy of the company for the current year and an outline of how the remuneration policy was applied during the financial year 2010, with details of individual remuneration earned by each director.

In accordance with article 61 ter of the Spanish Securities Market Act, this report will be distributed and voted upon, on a consultative basis, as a separate item on the agenda of the Annual General Meeting.

General principles of the remuneration policy of Directors

The remuneration policy of Criteria CaixaCorp, S.A. has been made in line with the Articles of Association and the Board Regulation.

In accordance with article 4.3 b) of the Board of Directors' Regulation, it is the responsibility of the Board in full session to approve within the established system of the Articles of Association, the remuneration of the Directors, and also, with regard to the executives, the additional remuneration for their executive role.

Also, in article 14 of the said Regulation, the responsibility of the Appointments and Remuneration Committee is established to propose to the Board of Directors the system and the amount of annual remuneration corresponding to the Directors, as well as the individual remuneration of the executive Directors and their other contractual conditions.

The criteria used to determine the remuneration of the Board of Directors of Criteria CaixaCorp, S.A. is stipulated in article 23 of the Board of Directors' Regulation:

- The Board will try to ensure that the remuneration is moderated in accordance with the market demands.

- In particular, the Board of Directors will adopt all measures within their reach to ensure that the remuneration of external Directors, including that which may also be received by members of the Committees, is adjusted in line with the following guidelines:
 - external directors will be remunerated in accordance with any work carried out; and
 - the remuneration of external directors must be calculated so that it should offer incentives for commitment, but should not compromise or hinder independence.

Structure of the remuneration system

The remuneration system of the Directors, as provided in the Articles of Association and Board regulation, will be in line with the basic rules concerning the remuneration of directors established in article 218 of the Corporate Enterprises Act Act (*Ley de Sociedades de Capital*).

In this way, article 34 of the Articles of Association states that the annual remuneration of its directors will consist of a share in the consolidated profit, once the general expenses, interests, taxes and other sums which may be used for restructuring and amortisation are deducted and having offered the shareholders a 4% dividend on the paid out share capital.

The remuneration of directors exercising executive functions will be made up of a fixed sum, a variable complimentary sum, and also an incentives system as well as a supplementary part which may include insurance and forecasting systems and, if appropriate, social security. In the case of removal not owing to the incomplete fulfilment of his duties, he may have a right to indemnity.

With prior resolution of the General Board of Shareholders, the Directors may be remunerated with shares in the Company or any other quoted company in the group to which it may belong, options within the same or binding instruments on its quoted price.

Company remuneration policy for 2011

The company remuneration policy for the current year is consistent with the general principles of the remuneration policy of Directors aforementioned.

For financial year 2011, at the proposal of the Appointments and Remuneration Committee, the Board of Directors resolved in its meeting held on February 24, 2011 to maintain the remuneration of the Directors and the members of the Committees agreed for 2010, which was determined as follow:

- (i) (i) €90,000 p.a. to be paid to each member of the Board of Directors.
- (ii) (ii) €30,000 p.a. to be paid to each member of the Executive Committee, the Audit and Control Committee and the Appointments and Remuneration Committee.

- (iii) iii) The remuneration indicated in points (i) and (ii) above is not conditional on attendance at meetings.

In that meeting, the Board resolved to maintain remuneration payable in 2011 to the Chairman of the Board of Directors, also in accordance with the proposal of the Appointments and Remuneration Committee, at 2010 levels, consisting of an amount of €1,000,000 p.a. in addition to the remuneration paid to him as a member of the Board of Directors of Criteria CaixaCorp or that which he may receive as a member of any of its Committees, as indicated previously.

Likewise, the Board agreed that these amounts shall be subject to revision during the present year once the restructuring being carried out in the “la Caixa” Group is complete, bearing in mind the new corporate purpose Criteria CaixaCorp will have as a bank and the new duties and dedication required of the Board of Directors.

This review will be based on European Commission recommendations regarding directors' compensation in the financial sector in particular, and listed companies in general, as well as on Bank of Spain rules and recommendations, which include those of the Financial Stability Board (FSB) and the Committee of European Banking Supervisors (CEBS).

As for remuneration of the Director Chief Executive Officer, according to the proposal of the Appointments and Remuneration Committee, the Board agreed to increase his remuneration in 2011, raising the fixed remuneration by 1.5% and the pension plan contribution by 2%, providing express authorization to the Chairman so that he may establish a bonus, to be reported to the Appointments and Remuneration Committee.

Remuneration of the Board of Directors for the financial period 2010

For the performance of collective supervision and decision-making duties, at proposal of the Appointments and Remuneration Committee, the Board of Directors, in its meeting held on January 10, 2010, set the remuneration for the Directors and members of the Executive Committee, the Audit and Control Committee and the Appointments and Remuneration Committee at the same level as fiscal year 2009. Likewise, it was established an additional remuneration for the President of the Board.

As regards the Director Chief Executive Officer, the remuneration received by the Director Chief Executive Officer in 2010 was a fixed amount and a contribution to a pension plan. The essential terms and conditions contained in his contract, in addition to his remuneration conditions, refer to the duration, periods of prior notice and indemnities:

- In relation to the duration of the contract, as Chief Executive Officer, is for an indefinite term.
- The period for prior notice for the termination of the relationship being a minimum the three months.
- In the event of termination of the contract due to relinquishment by the company, unless it was due to material breach or negligent or willful misconduct, this would give an entitlement to the payment of an indemnity.

Otherwise, although the Articles of the Association foresee the possibility of the directors to be paid by being given shares in the Company or another listed company in the group to which it belongs, options over them or instruments linked to their share price, at present there is no programme by means of which the directors receive remuneration for those concepts. Neither have they received indemnity payments during the financial year.

The aggregate remuneration of the members of the Board of Directors, for the financial period 2010, was €3,785,000 corresponding to the Board of the Company and €643,000 corresponding to the other directors of the board of administration of the group companies.

By “group companies” it is understood to mean those companies whose control is exercised by Criteria CaixaCorp, S.A., therefore, the remuneration that may be received by the members in their capacity as Directors of companies will not be included – quoted or not – in which the Company is involved, but not controlled by it.

Glossary of the global group remuneration for the financial period 2010 regarding the class of Director:

Imports in Euros

Class	By company	By group
Executives	1,240,000	139,000
External appointed by shareholders (<i>externos dominicales</i>)	1,810,000	504,000
External independent	600,000	
Other external	135,000	
Total:	3,785,000	643,000

Breakdown of individual remuneration earned by directors:

Imports in euros

Name	By company	Por By group
D. Isidre Fainé Casas	1,120,000	
D. Juan María Nin Génova	150,000	90,000
D ^a . Isabel Estapé Tous	120,000	
D. Salvador Gabarró Serra	90,000	
D ^{ña} . Susana Gallardo Torrededía	120,000	
D. Javier Godó Muntañola	90,000	90,000
D. Gonzalo Gortázar Rotaache	1,090,000	49,000
D ^a . Immaculada Juan Franch	90,000	49,000
D. David K. P. Li	90,000	

D ^a Maria Dolors Llobet Maria	120,000	
D. Jorge Mercader Miró	120,000	315,000
D. Alain Minc	120,000	
D. Miquel Noguer Planas	90,000	50,000
D. Leopoldo Rodés Castañé	90,000	
D. Juan Rosell Lastortras	120,000	
D. Carlos Slim Helú	45,000	
D. Xavier Vives Torrents	120,000	
Total	3,785,000	643,000

ADVICE OF THE APPOINTMENT COMMISSION

In all of the procedures for adopting their respective decisions, the Appointments and Remuneration Committee have been to contrast the relevant data with information corresponding to the markets and comparable entities, taking into account the size, features and activities of the Company.

Barcelona, the 21st of March of 2011.

WARNING: *The English version is only a translation of the original in Spanish for information purposes. In case of a discrepancy, the Spanish version prevails.*



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