



## Strategic Plan 20**19** – 20**21**

27 November 2018, London

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## 2015-18 Strategic Plan: strong delivery



**Reinforcement of our leadership**

**BPI acquisition**

**Profitability above the cost of equity**

**Increased focus on our core business**

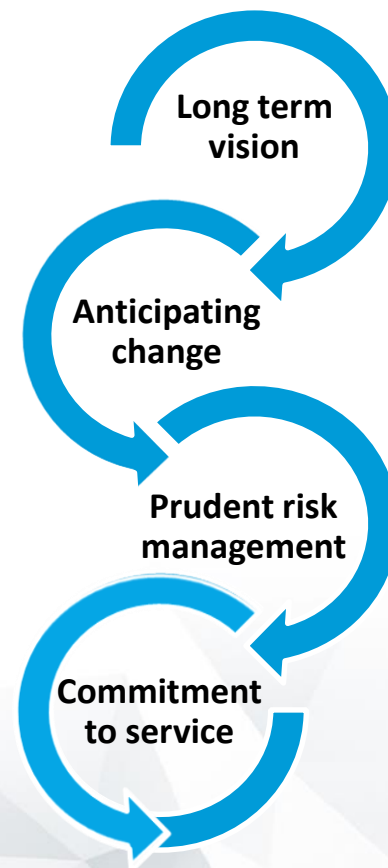
**Reorganisation of the Group**

***Successful completion of the 2015-2018 Strategic Plan***

## 114 years managing the business distinctively



***Creating value for all stakeholders:***  
*Clients, employees, investors, society*



## Our mission



***Contribute to the financial wellbeing of our customers and to the progress of society***



## Our values

*Quality*



*Trust*



*Social  
commitment*



## Our strategic vision

**2019-2021**

**A leading and innovative financial Group, with the best customer service and a benchmark in responsible banking**

**1**

## **2015-18 Review**

---

**2**

## **2019-21: Strategic priorities**




## Excellent commercial performance: reinforcement of the leading retail-banking franchise

### The “bank of choice” for Spanish retail clients...

### ... with the highest digital penetration

Retail client penetration in Spain<sup>(1)</sup>, %



Peer 1  16% *-1.8 pp*

Peer 2  16% *-2.0 pp*

Peer 3  13% *-2.1 pp*

Peer 4  7% *-0.1 pp*



**Best bank in Spain  
2018**

Penetration digital clients in Spain<sup>(2)</sup>, %



Peer 1  23% *+7.5 pp<sup>(4)</sup>*

Peer 2  22% *-0.5 pp*

Peer 3  14% *+0.7 pp*

Peer 4  13% *+0.2 pp*



**Best digital bank in  
Western Europe  
2018**

**A one-stop distribution  
model for lifetime finance  
and insurance needs**



**Scale and capillarity**



**IT and digitalisation**



**Advisory and proximity**



**Comprehensive offering**

(1) Retail client in Spain aged 18 or above. Evolution versus 2014 on organic basis. Peer group includes: Banco Santander (including Banco Popular), BBVA, Banco Sabadell and Bankia. Source: FRS Inmark 2018.

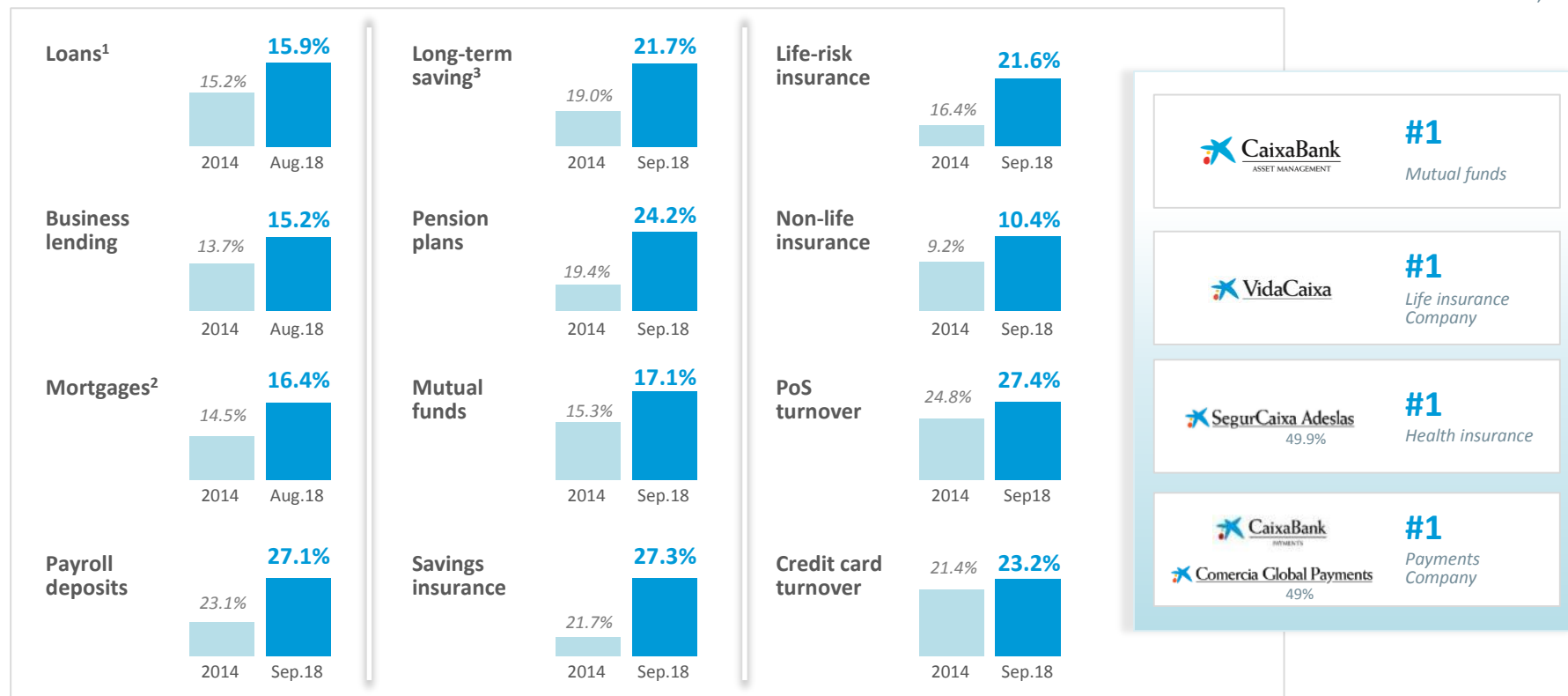
(2) 12 month average, latest available data (September 2018). Peer group includes: Banco Santander, BBVA, Banco Sabadell and Bankia. Source: Comscore.

(3) Evolution versus March 2015, as historical figures prior to that date are not comparable (methodological change by Comscore).

(4) Includes inorganic growth.

## Building on a long-term track record of growth and market share gains

Market shares, in%



(1) Loans to other resident sectors, as per Bank of Spain data

(2) Home purchase loans

(3) Market share for own mutual funds, pension plans and life-saving insurance.

Sources: Social Security, BoS, INVERCO, ICEA and Cards and Payments System. Latest data available

## A streamlined structure facilitates full attention on our bancassurance model

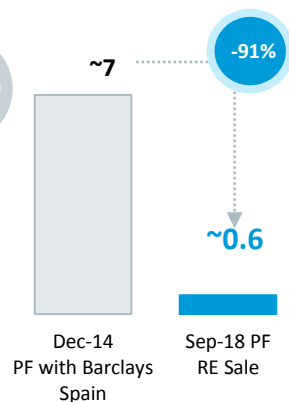
### Decreasing the weight of non-strategic assets

- Boursorama (2015)
- BEA and Inbursa (2016)
- Repsol (2018)

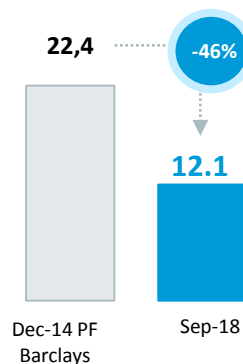


### NPA exposure drastically reduced: €22bn (-65%)<sup>1</sup>

OREO portfolio available for sale net of provisions (CABK ex BPI), in €Bn



NPL stock, in €Bn<sup>(4)</sup>



### Taking control of BPI

- BPI fully integrated into our bancassurance activity
- An opportunity to replicate CaixaBank model in Portugal

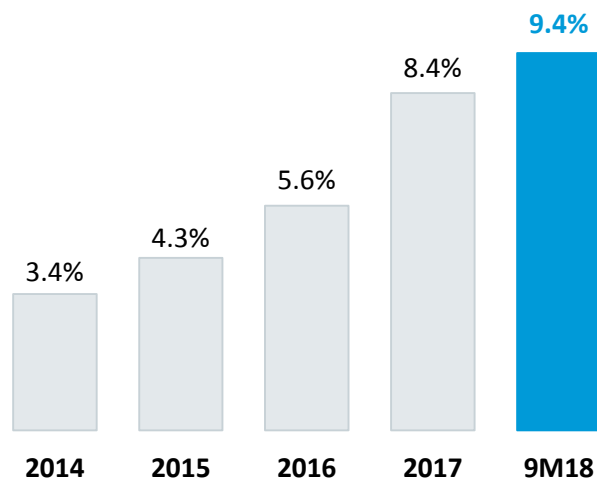


(1) September 2018 (CABK, exBPI) vs 2014PF Barclays Spain. Gross values.

## Delivering on strategic financial targets (Strategic Plan 2015-2018)

### Profitability now covers the cost of capital

RoTE <sup>(2)</sup>, in %



		Objetivo 2018 <sup>(1)</sup>	SEP-18
Profitability	RoTE <sup>(2)</sup>	9-11%	9.4%
	Recurrent C/I ratio <sup>(3)</sup>	~55%	53%
	Core revenues CABK <sup>(4)</sup>	~4% CAGR 2017-18	6%
	Rec. operating exp. CABK <sup>(5)</sup>	Flat 2014	~0%
	Cost of risk <sup>(6)</sup>	<40 pbs	20 pbs
Capital	CET1 FL %	11-12%	11.4% <sup>(7)</sup>
	Total Capital FL %	>14,5%	15,2%
Cash dividend pay-out		≥50%	56% Avg. 2015-17



**Building our 2019-21 Strategic Plan on solid foundations**



1

2015-18 Review

2

**2019-21: Strategic priorities**



There are five strategic priorities for 2019-21



1

Offer the best customer experience



2

Accelerate digital transformation to boost efficiency and flexibility



3

Foster a people-centric, agile and collaborative culture



4

Attractive shareholder returns and solid financials



5

A benchmark in responsible banking and social commitment



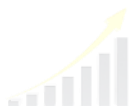
1

**Offer the best customer experience**

2

**Accelerate digital transformation to boost efficiency and flexibility**

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**Foster a people-centric, agile and collaborative culture**

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**Attractive shareholder returns and solid financials**

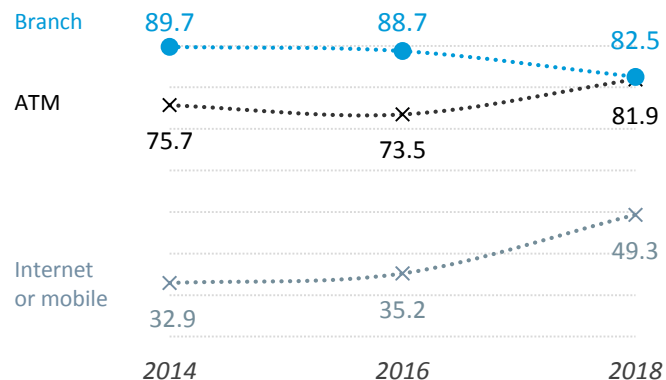
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**A benchmark in responsible management and social commitment**

## Customer behavior is changing rapidly

### Digital channels grow but branches continue to play a key role

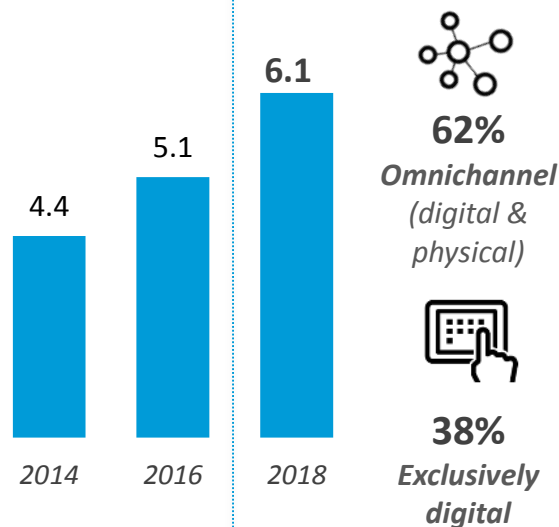
**Market– Spain.** % of customers using each channel with primary bank over the past 12 months



Source: FRS Inmark 2018

### Digital clients grow steadily, particularly through mobile

**CABK- Spain.** Digital clients, million



**84%**  
Digital clients use  
mobile

**47%**  
Annual growth in  
mobile  
transactions








## Transactionality shifts to digital channels while branches improve value-added service

Double-digit growth in number of transactions through digital channels

Total transactions 2018E **>10bn** *CAGR 15-18 14%*

**Distribution** *CAGR 15-18*

<b>5%</b>	Branches		<i>~0%</i>
<b>6%</b>	ATMs		<i>~1%</i>
<b>24%</b>	Internet		<i>~5%</i>
<b>33%</b>	Mobile		<i>~47%</i>
<b>32%</b>	Cards/ PoS/ automated		<i>~12%</i>

**Branch transactions: stable number-wise  
but higher value-added for customers**

**Drastic decline in  
transactional operations**

*E.g.:*

	<i>2018 vs. 2014</i>
▪ Payments and cheque deposits	-52%
▪ Cash deposits & withdrawals	-42%
▪ Transaction updates	-52%
▪ Wire transfers	-35%

**Time spent on financial  
planning and customer  
interaction grows**

*% branch time dedicated to advisory and sales*

**75%** 2014

**79.6%** 2018

**More time for planning and  
customer relationships**

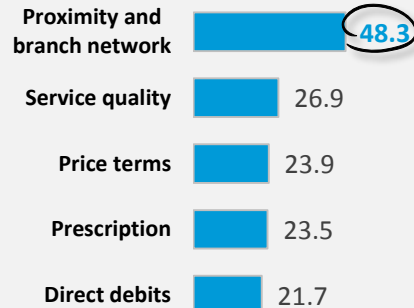


## Customers are omnichannel

**Proximity continues to be the most important determinant for choosing a primary bank**

### Market- Spain

Main factor in choosing primary bank, (%)



Source: FRS Inmark 2018

***Omnichannel clients show higher loyalty and profitability***



Number of products per client

Digital only  
**6.2**

Omnichannel  
**7.8**

# monthly interactions per client

Digital only  
**18.9**

Omnichannel  
**28.5**

Omnichannel customers close twice the number of transactions through digital channels than digital only customers

***Use of channel to close a purchase***

Digital only

**X2**  
Omnichannel

Source: CaixaBank



## We have a unique omnichannel distribution platform

### The largest physical footprint in Spain

Branches

**4,482** retail branches in Spain

**18%** market share

**100%** employees with smartPCs



# 15.7

MILLION CUSTOMERS IN  
SPAIN AND PORTUGAL



ATMs

**9,446** ATMs

**18%** market share

**85%** absorption rate



### Leader in digital channels in Spain

Banca digital

**58%** digital clients in Spain

**32%** digital penetration<sup>1</sup>

**24%** transactions



Mobile banking

**5.2 M** mobile clients

**33%** transactions

**~47%** CAGR 2015-2018



That will be further enhanced to anticipate customer needs and preferences

*Strategic Plan 2019-21***Levers to fuel growth and drive our *Customer Experience* strategy****1**

Continue to transform the distribution network to provide higher added value to the customer

**2**

Strengthen the remote and digital customer relationship model

**3**

Partnerships to broaden offering and build an ecosystem “beyond banking”

**4**

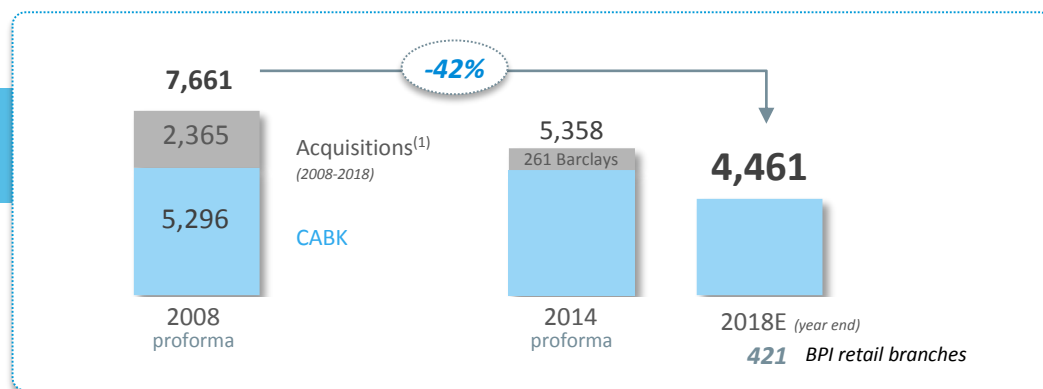
Segmentation and focus on customer journey

## Ten years of specialising and rightsizing the distribution network

1

Constant evolution of the distribution network: concentration of retail branches, creation of specialised branches and development of the best digital network

Retail branches  
in Spain



Specialised branches/  
managers in Spain



Store **AgroBank** **HolaBank** **dayone**  
**CaixaNegocios** **BusinessBank**


+ Digital and remote channel development (e.g., CaixaBankNow, imaginBank, inTouch)



(1) BCIV, Barclays Spain, Banco de Valencia, Caixa Girona

## 2019-2021: an opportunity to continue transforming the distribution network

1



**We will continue to promote our specialised offering in combination with a wider product range and the best digital service**

*Priorities*

- Expand the “**Store**” model in urban areas (**>600 by 2021**)
- Consolidate and promote the **AgroBank** model in rural areas
- Build on our remote account manager (“**inTouch**”) relationship model

## Our Store branches: a benchmark in urban areas

1

### Store

### Transforming branches into advisory hubs

#### ► Closer to the customer

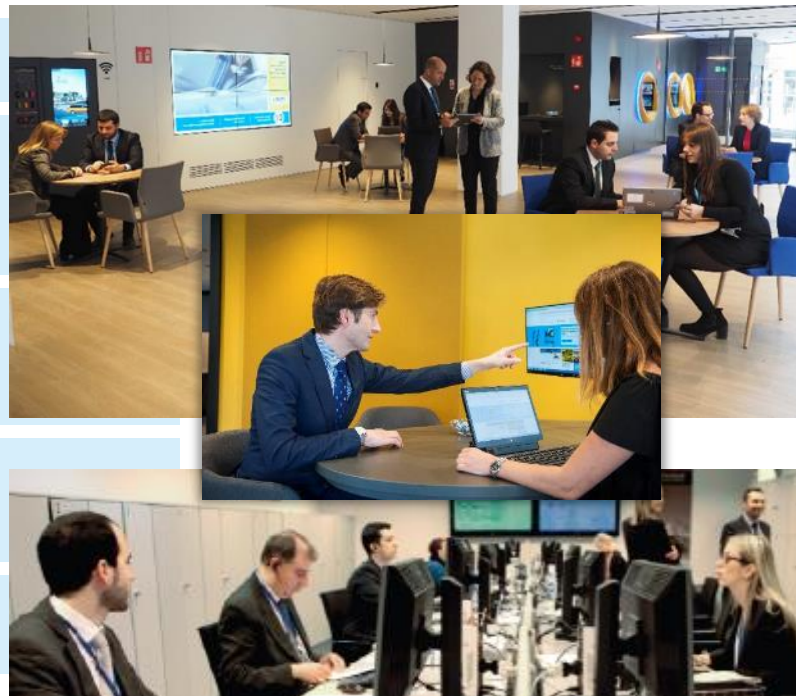
#### ► Specialisation and greater service capabilities

*Specialised account managers  
(affluent and business)*      *Longer opening  
hours*      *No cash  
till*

#### ► Tech-supported customer intimacy: *transparency and bespoke service*

#### ► More efficiently organised: *open spaces, new teams, shared sales agenda, agile and dynamic work methods*

#### ► Higher proactivity



***Positive assessment from both customers and employees***



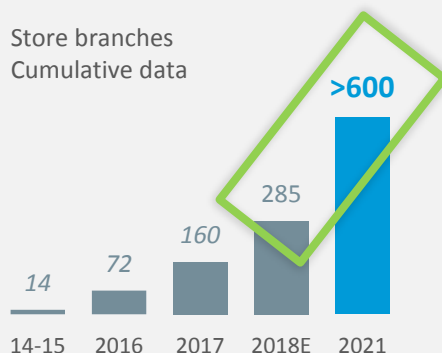
## Leading to an improvement in commercial efficiency and productivity

1

### Store



Store branches  
Cumulative data



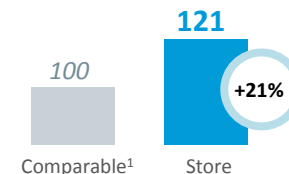
### Current Store branch

Employees/ branch	12.1	x2.8 vs other retail branches
Customers/ branch	~7,800	

### More productive

Core income/employee

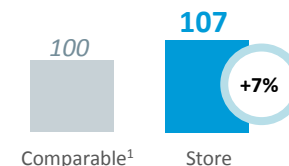
Figures Rebased. Comparable=100



### Faster commercial pace

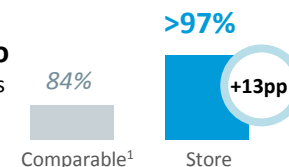
Core income of new business per  
employee 9M18

Figures Rebased. Comparable=100



### Higher ATM absorption ratio

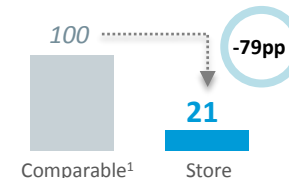
Absorption ratio during opening hours  
(Sept.18)



### Less cash activity

Monthly transactions/  
100 customers (Sep.18)

Figures Rebased. Comparable=100



## Rural areas: promoting the AgroBank model for a better service

1

**AgroBank**

Launched Sept 2014

- ▶ **~1,100 rural branches<sup>1</sup> (24% of network)**  
→ 2.8 employees/branch

- ▶ **Account manager mobility and training are key for excellent service**

- ▶ **Loyal customer base**

- ▶ **Contributing to a highly specialised sector (Training, meetings...)**

### Primary bank penetration

Agribusiness

14.3%



2014

17.5%



2018

+3.2pp

### Share in self-employed agribusiness

Agribusiness

22.4%



Sep-14

27.2%



2018

+4.8pp

**AgroBank**

### Business volume

(loans + customer funds)

Figures Rebased. 2014=100

100



2014

132



2018

+32%

**We are perceived by the agriculture sector as a specialised institution**

## A sector which requires specialisation and high customer interaction

1

### **AgroBank**

- Ad hoc thematic designs for branch layout
- Creating support and community networks for the sector
- Contributing to sector awareness and sharing of best practices



## Promoting new digital and remote relationship models through inTouch

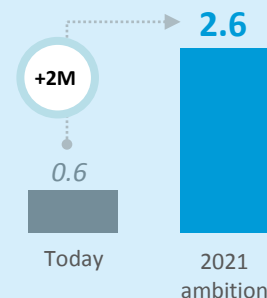
1

inTouch

Customer with a digital profile, infrequent branch access and limited time availability

- ▶ Remote relationship model with benefit of own account manager
- ▶ Longer opening hours
- ▶ Focus on customer relationship and commercial drive

Customers using this service, In millions



**Critical mass and new sales systems result in significant productivity improvement while offering a high quality service**

***Opportunity to seize new growth through a hybrid model***

## 2019-2021: an opportunity to continue transforming the distribution network

1

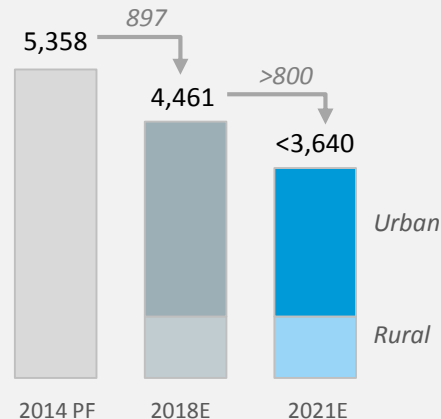
We will continue to promote our specialised offering in combination with a wider product range and the best digital service

### Priorities

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- Consolidate and promote the **AgroBank** model in rural areas
- Build on our remote account manager (“**inTouch**”) relationship model

### Transformation of the network is expected to result in...

Expected evolution of retail branches. Spain



- Optimise the urban network*
- Maintain rural network*
- Less headcount*

### OBJECTIVES

- Further improve customer service**
- Maintain rural network (financial inclusion)**

**Negotiations will be initiated**



*Strategic Plan 2019-21***Levers to fuel growth and drive our *Customer Experience* strategy**

1

Continue to transform the distribution network to provide higher added value to the customer

2

Strengthen the remote and digital customer relationship model

3

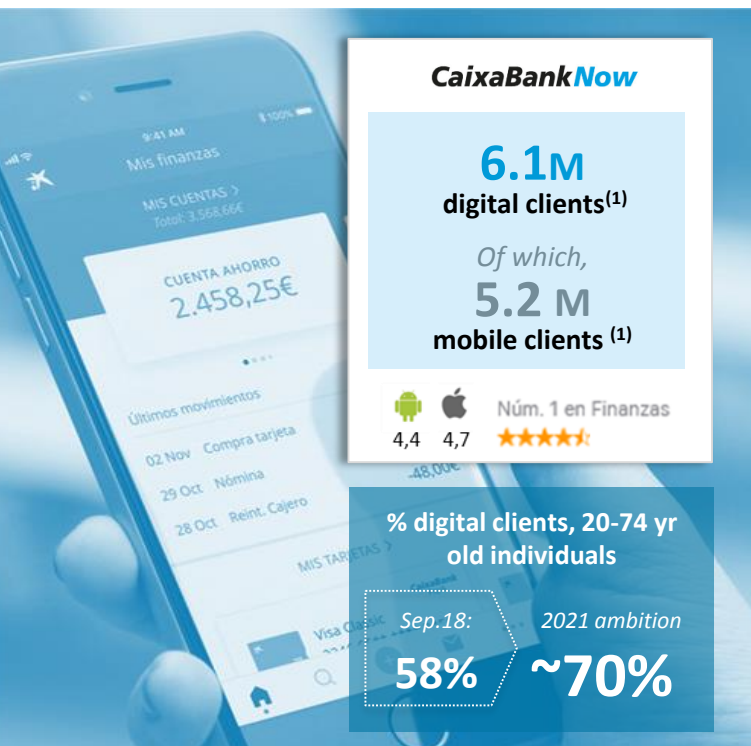
Partnerships to broaden offering and build an ecosystem “beyond banking”

4

Segmentation and focus on customer journey

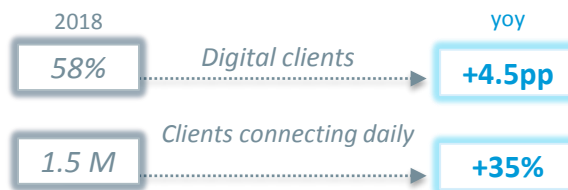
## Digital channels: a complement that result in improved customer experience

2



### Powerful relationship channel...

### ... becoming a sales channel



20% of clients have purchased through Now

### Increasing own and third-party value-added services

**Mis Finanzas**  
3.8M customers

**Aggregator** Especially valuable for affluent clients

**Booking.com**  
Launched July18

**Plan A** New financial planning process for affluent and private banking customers

**Smart Money** (roboadvisor) Launch of roboadvisor for retail segment based (7k portfolios in 7 months)



Best technology project in mobile category 2018



Best mobile banking app in Western Europe 2018



"Innovative touch-points & connected experiences" award 2018

(1) Individual clients 20-74 years old. As of September 30<sup>th</sup> 2018.

## imaginBank: our “mobile only” bank

2



**#1 mobile-only bank in Spain**

*Launched  
Jan 2016*

**1.2 M customers**

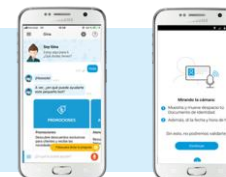
**o/w 60%** with recurrent income

*Average age of  
customers is 23*

*Customers engage every  
3 days with the bank*

**Constant product and  
functionality developments**

*“Gina” Chatbot , instant  
loans, insurance...*



*One of the best financial apps rated by  
customers, aligned with best fintech solutions*

- **Strong customer base and further plans to grow in insurance and consumer lending**

Partnerships with third parties

**eCooltra**

**zatro**

**JUSTEAT**

**tuenti**

*Strategic Plan 2019-21***Levers to fuel growth and drive our *Customer Experience* strategy**

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Transform the distribution network to provide higher added value to the customer

2

Strengthen the remote and digital customer relationship model

3

Partnerships to broaden offering and build an ecosystem “beyond banking”

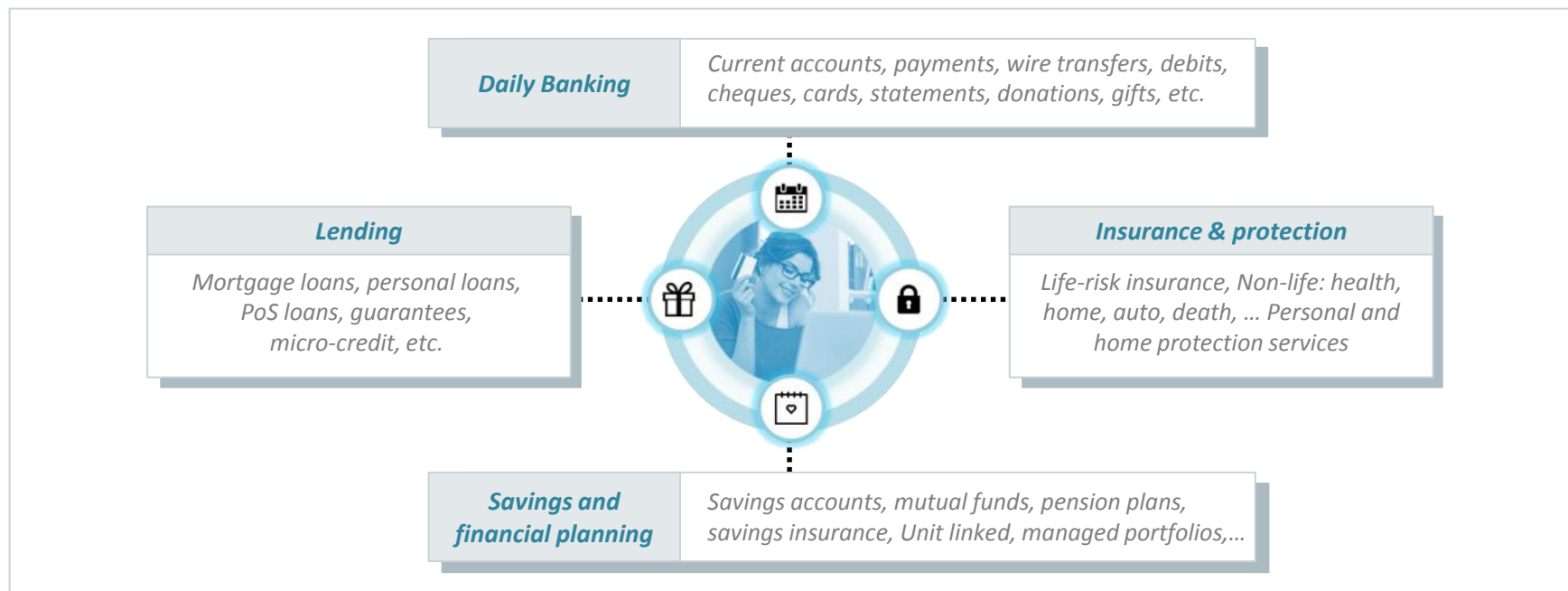
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Segmentation and focus on customer journey

## We have developed a banking and insurance ecosystem

3

### Full coverage of all customer needs

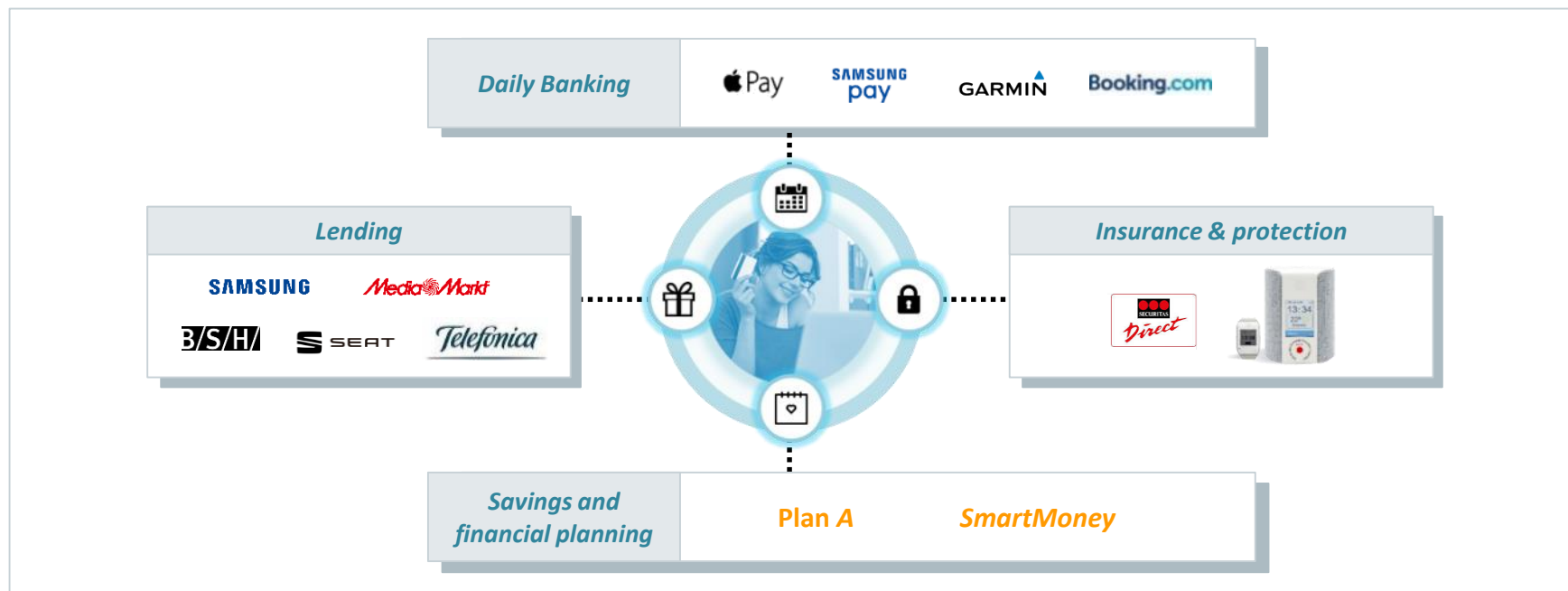


## We have developed a banking and insurance ecosystem

3

Full coverage of all customer needs

We are enriching the ecosystem in collaboration with world-class partners



High growth and high potential observed

*Strategic Plan 2019-21***Levers to fuel growth and drive our *Customer Experience* strategy**

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Segmentation and focus on customer journey



We are evolving the customer experience to meet new standards with a client-centric focus

4

## Where we are?

### Optimize processes and usability to provide the best customer experience

- Focus on customer needs and optimize end-to-end processes
- Ensure omnichannel relationship from start
- Implement transparent tracking of the process.

### Example: I-want-to-buy-a-property journey



Esta es tu hipoteca ideal

MÁXIMO VIVIENDA	HIPOTECA HASTA	PLAZO MÁXIMO
135.000€	108.000€	30 años

Para la compra de una vivienda habitual:

- El importe de la hipoteca puede cubrir hasta un **80% del valor** de tasación de la misma.
- Deberás aportar de tus ahorros el **20% restante**.

Puedes modificar la aportación inicial y recalcular tu hipoteca ideal

HIPOTECA HASTA	APORTACIÓN INICIAL
108.000€	27.000€ <a href="#">Recalcular</a>

80% 20%

- Anticipate conditions of the mortgage
- Lead sent to the branch or remote centre
- Full tracking available to both customer and branch

**NPS\* at 60% as of OCT-18**



1

Offer the best customer experience



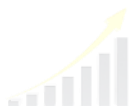
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**Accelerate digital transformation to boost efficiency and flexibility**



3

Foster a people-centric, agile and collaborative culture



4

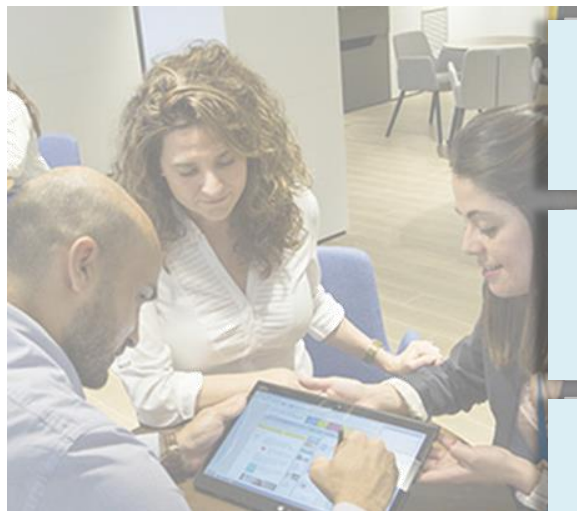
Attractive shareholder returns with solid financials



5

A benchmark in responsible management and social commitment

## Digitalisation: transformational lever to gain in efficiency and unique competencies



### Process digitalisation



*~100% processes are digitalised<sup>1</sup>*

- Greater agility
- Simpler documentation
- Traceability and ease of filing

### Mobility



*All employees operate a Smart PC (tablets)*

- Greater commercial and operating efficiency
- Focus on results vs presence

### Digital signature



*>70 million digital signatures (latest 12 months)*

- Improvement in commercial effectiveness and interaction
- Facilitates compliance

### Other technologies being implemented to generate efficiencies

*Artificial Intelligence  
(IBM-Watson)*

*Robotics to support  
process automation*

*Biometrics to support  
digital onboarding*

<sup>(1)</sup> >99% of documentation related to the closing of products which have been digitalised

## We are also digitalising our internal processes

### *Where we are?*

**We will continue to improve flexibility, scalability and efficiency of IT infrastructures**

- Continue shifting to cloud processing and solutions
- Extend scope and use of agile methodology
- Continue to invest in cybersecurity
- Build an additional Data Centre

**Systematic application of Data Analytics shows great potential throughout**

- We possess an excellent infrastructure (a single datapool)
- We process a large amount of data (>10bn transactions/year)
- We are getting good results with potential for more



1

Offer the best customer experience



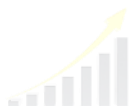
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Accelerate digital transformation to boost efficiency and flexibility



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**Foster a people-centric, agile and collaborative culture**



4

Attractive shareholder returns with solid financials



5

A benchmark in responsible management and social commitment

## We have the best team

**We have been heavily investing in talent development**

Masters in Advisory

School of Risk Mgmt

Leadership capabilities

School of Leadership

**~14,000**  
EMPLOYEES

**A significant proportion of employees has been reskilled**

- Business managers
- Affluent managers
- Private Bank managers

- CIB managers
- “Intouch”

**~6,400**  
EMPLOYEES

**We have redesigned processes to favour meritocracy and attract and develop talent**

Promotion, incentives, appraisal, communication

**100%**  
EMPLOYEES



### *Continue investing in:*

- Developing skills
- Continue building financial advisory skills
- Promote diversity: gender, functional and age
- *Empower staff*

## Foster a people-centric, agile and collaborative culture

### Where we are?



- Flatten and simplify structure (levels, committees, etc.), to be closer to customers
- Foster horizontal collaboration and communication (by reinforcing management & HR processes and tools)
- Increase agile teams focused on business solutions
- Reward and encourage innovation

### Example



**neX**  
INSPIRE TOGETHER

*Global Customer Experience*

RETAIL BANKING: From a divisional organization, to a customer centered unit

#### SOLUTIONS

Enjoy  
Protect  
Daily banking  
Commerce  
Payments

#### SEGMENTS

HolaBank  
AgroBank  
Small businesses  
Senior/ Young  
Rest of retail

SUPPORT Marketing & IT

Reorganising  
retail banking

Reinforcing client  
centricity

New ways of  
working





1

Offer the best customer experience



2

Accelerate digital transformation to boost efficiency and flexibility



3

Foster a people-centric, agile and collaborative culture



4

**Attractive shareholder returns with solid financials**



5

A benchmark in responsible management and social commitment

RoTE <sup>(1)</sup>

>12%

2021E Ambition

1

## Core revenue grow underpinned by activity.

*Key drives:*

Long-term savings

Consumer finance

Business Banking

Protection insurance

Payments

BPI

2

## Investing and transforming

3

## De-risking

4

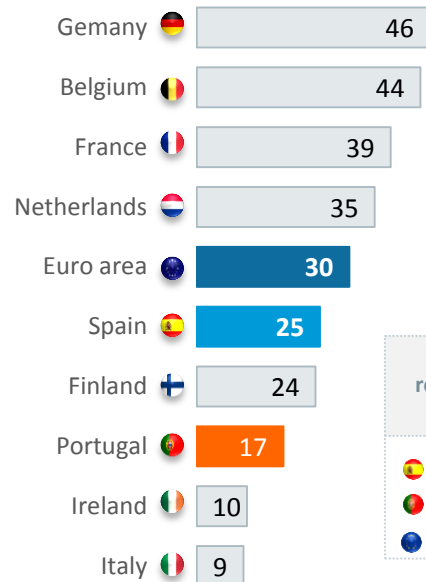
## Strong capital position

## Growth through untapped potential in long-term saving

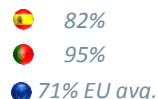
1

### Spain among the countries with the least penetration of pension plans

Private savings insurance and pension plans penetration, % of households <sup>(1)</sup>

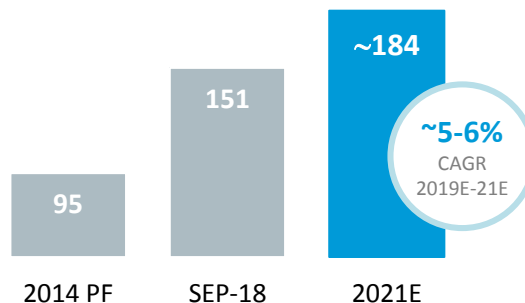


Pension replacement rate <sup>(2)</sup>



### CaixaBank is the Spanish leader in long-term savings management

CABK: Long-term savings (AuM + life-saving insurance), in €Bn



Market share in long term savings (Spain)



RK<sup>(3)</sup>: 13.3% Peer 1  
11.9% Peer 2

Long-term savings  
~5-6%  
CAGR 2019E-21E

(1) Source: ECB based on household financial survey.

(2) Net pension replacement rate: individual net pension entitlement divided by net pre-retirement earnings for an average wage earner (2016). Source: OECD.

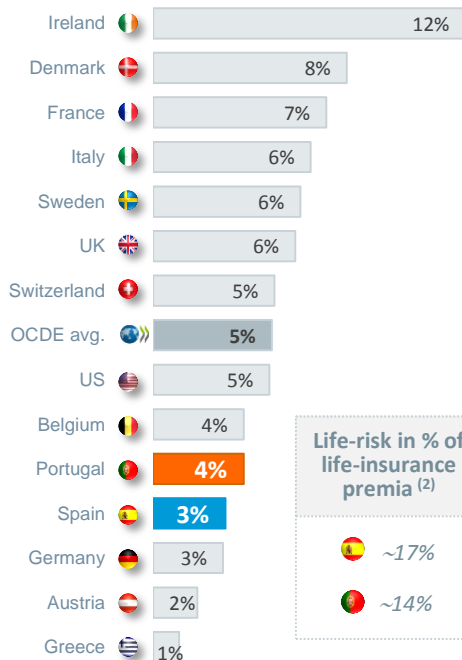
(3) Peer group includes BBVA and Santander.

## Life-risk insurance also set for growth

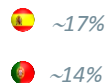
1

### Life-risk insurance

Total (gross) premia in % of GDP <sup>(1)</sup>, 2016



Life-risk in % of life-insurance premia <sup>(2)</sup>

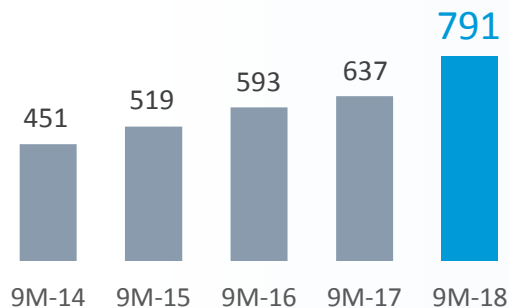


 VidaCaixa

Market share in life-risk insurance (by premia) <sup>(3)</sup>

16.4% → 21.6%  
2014 SEP-18

Life-risk premia production in €M



 PRI Principles for Responsible Investment  
 VidaCaixa

Life-risk insurance (net premia)  
~9-10%  
CAGR 2019E-21E

(1) (1) Source: OECD.

(2) Latest available data: 2018 ytd for Spain; 2016 Portugal.

(3) Source: ICEA

## Consumer lending: Close to clients to offer agile solutions

1

### Full coverage of the consumer lending ecosystem

- Preauthorised loans “with 1 – click only”
- Strategic alliances and commercial agreements

**Compra Estrella**  
**938,000** since 2015  
 TV, cell phones... al 0%



**B/S/H/**  
*Telefonica*  
**SAMSUNG**

**30,000**

Cars commercialized  
 at the branch in 2017-18



**Consumer  
 lending**

**~6-7%**  
 CAGR 2019E-21E

**FamilyIlusiones**

## Strong leader in payments. Opportunity to grow and capture value in e-commerce

1



Market share in  
credit card turnover

23%

Credit cards stored in mobiles

860,000 SEP-18

x3.3 yoy



Market share in  
PoS turnover

27%

Fast growing sector (~20%yoy),  
particularly among small and  
medium sized businesses (~60% yoy)



Market share in  
e-commerce  
turnover

32%

*The best omnichannel solution in  
the market*

Agreements  
with partners

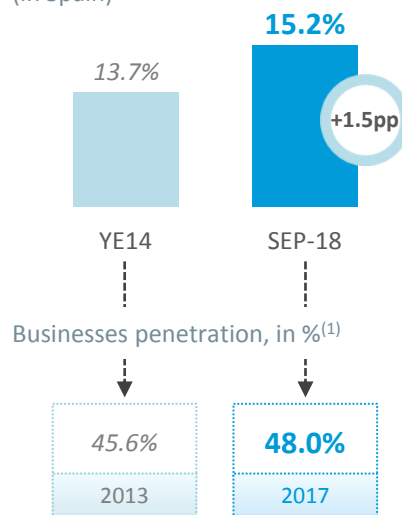




## Businesses and corporate banking face a structural growth cycle

1

Market share in business lending  
(in Spain)



**Significant investments made in recent years  
to be closer to customers**

- **124** Business Branches// **~1,500** employees
- Specialist network
- New products & services: sector solutions & international expansion (international branch and rep office network)
- Continuous innovation and adoption of new technologies

**High penetration with  
success of recent value  
propositions**

**Potential to expand service  
to international clients**

**Lending to businesses**

**~2-3%  
CAGR 2019E-21E**

**Segmentation and specialisation are key advantages**



**BusinessBank**

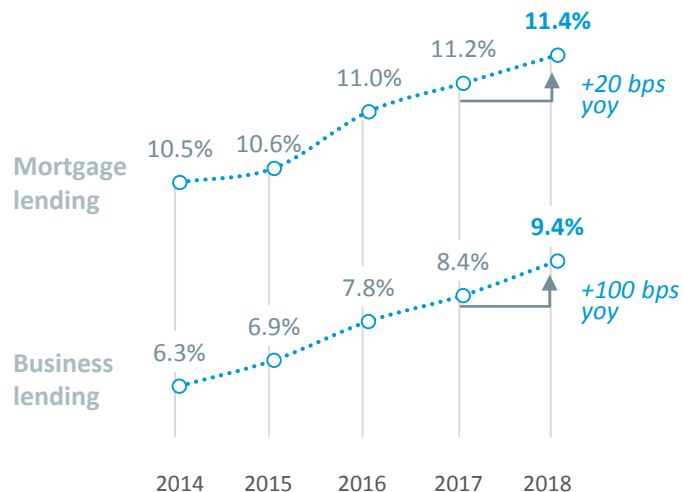


## An opportunity to replicate CABK bancassurance model in Portugal

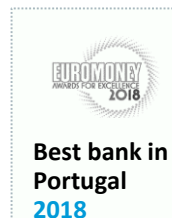
1

### Market share gains

Market shares (as reported by BPI), in %



- Improving commercial with Seizing market share
- Better risk than peers
- Growing profitability
- €120M synergies by 2020+



#### Rating upgrades 2018

MOODY'S

+2 notch

Baa2 Stable

S&P Global

+outlook

BBB- Positive

FitchRatings

+1 notch

BBB Stable



Strategic ambition

RoTE recurrent

~11% 2021E



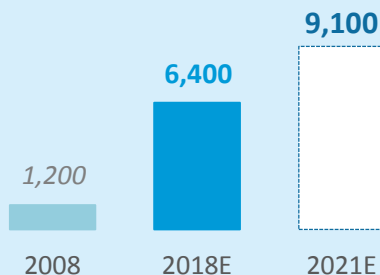
Sharing best practices to deliver revenue → higher BPI contribution

## We have been consistently transforming the organisation

2

### Transformation of employee profile

# of staff in new roles  
CABK stand-alone data



### Creation and development of new roles in the organisation

*Private Banking, Business Banking and CIB, Small businesses, Affluent, inTouch and others in HQ (Labs, Agile, Quants, etc.),*

- Since the beginning of the crisis investment **has been made in changing the organisational profile**, combining internal and external talent with a view to generate sustainable returns.
- Further specialisation and new role development** is expected in the 19-21 strategic plan period

***Reinforcement of the franchise has been constant and will continue***

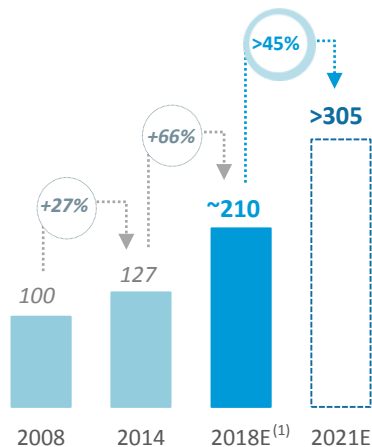


## The service delivered and revenue per employee have been improving as a result

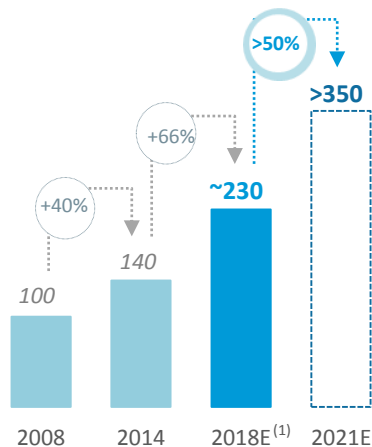
2

### Transactions per customer and employee have doubled in the last ten years with more vigorous growth in recent years

Annual transactions per customer.  
2008 value =100

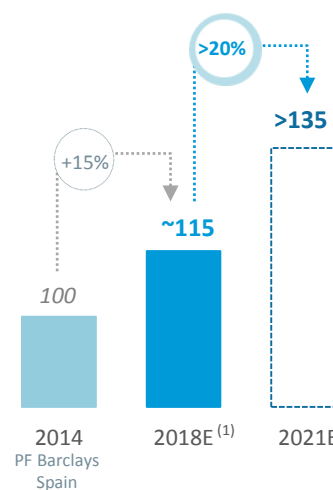


Annual transactions per employee.  
2008 value =100



### Our capabilities imply that revenue per employee will progressively increase

Core revenues per employee. CaixaBank Group, ex-BPI  
2014 value =100



Core C/I ratio<sup>(2)</sup>  
**<55 pps**  
2021E

(1) Figures as September 2018. Trailing 12 months

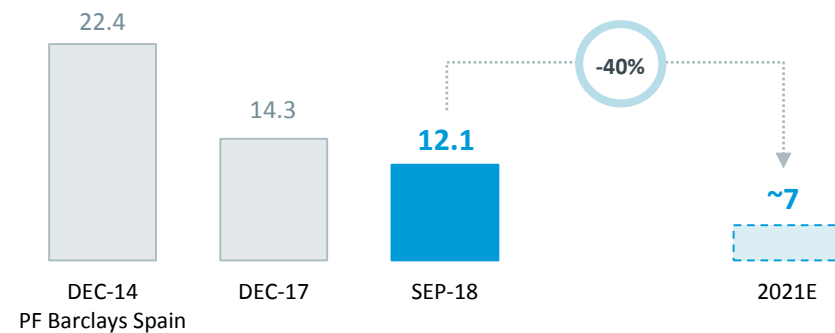
(2) Core C/I ratio: recurrent operating expenses/ core revenues

## Constant NPA reduction

3

### Steady NPA reduction

NPL stock, in €Bn



Residual OREO exposure  
post RE business disposal

**€0.6bn**

OREO (net)  
Sep 2018 PF  
disposal deal



## Strong capital position to be reinforced through 2019-2021E

4

% CET1 target

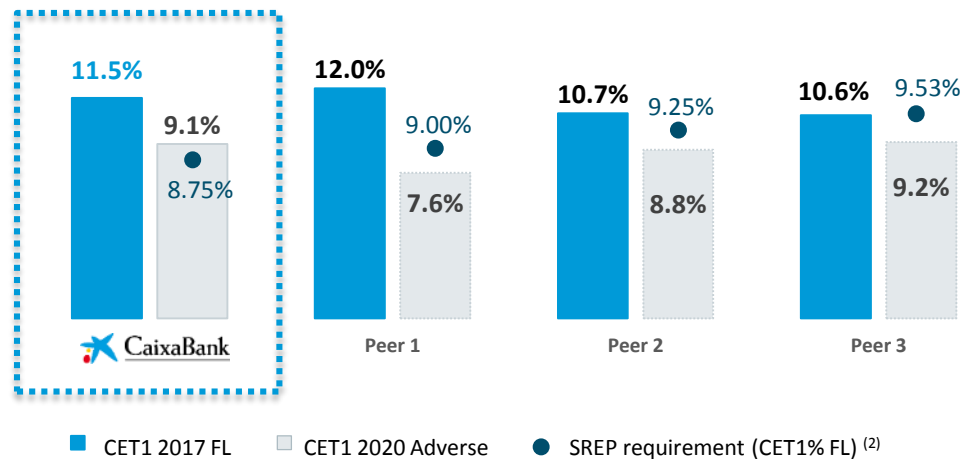
~12%

2019E-21E

+ 1 pp buffer by  
2021E

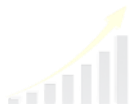
### Recent stress test proved our resilience in adverse scenarios

CET1 ratios for Spanish banks vs. SREP requirement FL<sup>(1)</sup>, in %



(1) Peer group includes: Banco Sabadell, BBVA and Santander.

(2) SREP 2018. Including Pillar 1 + Pillar 2R + CCB + CCyB+ G-SIB/O-SII buffer.

**1****Offer the best customer experience****2****Accelerate digital transformation to boost efficiency and flexibility****3****Foster a people-centric, agile and collaborative culture****4****Attractive shareholder returns with solid financials****5****A benchmark in responsible management and social commitment**



Given our origin, our activity cannot be conceived without a strong social commitment

## Inclusive banking

- **Universal banking:** bank for everyone.
- **Capillarity:** we strive to provide the most widespread coverage in Spain
- **Accessibility:** maximum degree of accessibility in all of our channels
- **A benchmark** for activities targeted at **financial wellbeing** and **progress of society**:
  - Microcredit → **#1 in Europe**
  - Long-term savings and retirement planning → **#1 in Spain**
  - Sector support beyond banking (e.g. networking, innovation) → **#1 in Spain through AgroBank**



## Social awareness in our financial activity

- More than **350,000 loans restructurings**
- More than **25,000 deeds in lieu of foreclosure**
- Stock of social housing of more than **27,000 homes**
- Mechanisms for **consumer support** & protection e.g. SACH<sup>1</sup>

1 Servicio de Atención al Cliente Hipotecario



## Social projects in our communities

- **More than 12,000 social projects annually** carried out jointly with local NGOs and associations
- More than 10,000 employees take part in volunteering



With the support of clients and employees

## A firm commitment to Society: our CSR Plan

### CSR PLAN

*Priorities 2019-21*



Reinforce our culture of transparency

Build the most diverse and talented team

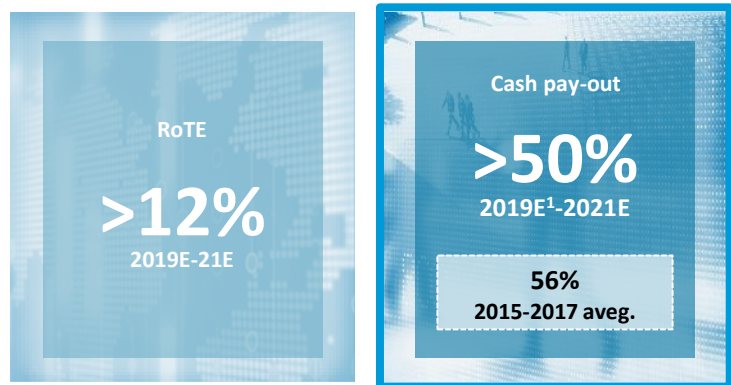
Maintain our commitment to financial inclusion

Foster responsible and sustainable financing

Improve financial education

Promote social initiatives at local level

We are a uniquely differentiated bank:  
profitability and returns to society are fully aligned



Returns to the shareholder must be above  
the cost of capital, and they are essential for  
our contribution to the society

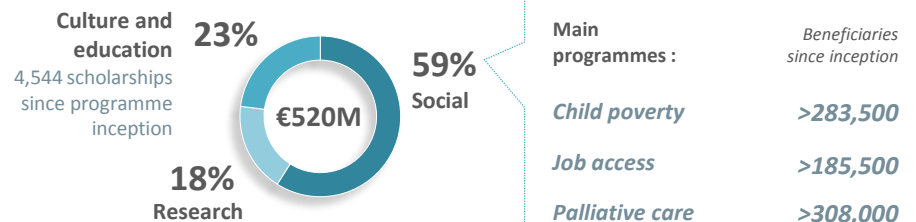
CABK shareholders



**40%** owned by “la Caixa”  
Banking Foundation

“la Caixa” Welfare Trust

le : Breakdown of 2018 Social Welfare Budget<sup>(2)</sup>



**~600,000** Retail shareholders



**Institutional investors** Pension funds,  
mutual funds and other

<sup>(1)</sup> At the beginning of the year, when reporting the results of the previous financial year, the Board of Directors may set a cap on cash payout for dividend accrual purposes in regulatory capital. For FY2019, it is the intention of the Board to approve a cap of 60%

<sup>(2)</sup> Public information. Source: “la Caixa” Banking Foundation



## Strategic Plan 20**19** – 20**21**

27 November 2018, London