



Corporate Responsibility in "la Caixa" 2010



## We are contributing to the progress of society

We are pleased, once again, to present the "la Caixa" Corporate Responsibility Report. This document sets out the main priorities of the financial institution, which strives to contribute to the advancement of society through its financial and social activity.

The savings bank, in the adverse economic environment of 2010, has maintained its financial support to individuals, freelancers and companies. Its loan portfolio increased by 6.5%, reaching €189,546 million, with almost one million new transactions granted. Moreover, measures offering support to individuals affected by temporary economic difficulties have been renewed in order to facilitate mortgage repayments. Finally, MicroBank, "la Caixa"'s social bank, has become a leader in the microloans sector in Europe, with 36,800 new transactions worth €212 million, up 20% over the previous year.

Moreover, in 2010 the budget of its Welfare Projects has been maintained at €500 million. This budget, in the context of an economic downturn, and in response to the company's social commitment, has given priority to combating social exclusion, with special attention to child poverty and the promotion of employment among groups at risk of social exclusion.

The willingness to contribute to progress in the economic and social environment is reflected in "la Caixa"'s new 2011-2014

Strategic Plan, which specifies the need for corporate responsibility to be a goal for the entire organization.

The remaining companies in the group share with "la Caixa" this social commitment and the willingness to work for sustainable development, and like "la Caixa", are signatories to the principles of the United Nations Global Compact, renewing their adherence each year. In 2010, all of them have submitted their first Communication On Progress (COP) reports for the year, charting their progress in implementing the principles of the Compact.

To achieve our goal of improving the Corporate Responsibility Report, the level of assurance of the information contained in it has been increased by means of a review by an independent auditing firm to obtain a reasonable level of assurance rather than a limited one, as was the case in previous years. This implies that the information on Corporate Responsibility has been reviewed by a third party, who has verified that it contains no significant errors.

Finally, we would like to thank all those who have placed their trust in "la Caixa" and hope that this report will serve to increase public awareness of the work of our company.



**Isidro Fainé**  
Chairman



**Juan María Nin**  
President and CEO

## INDEX

<b>Letter from the Chairman and the CEO</b>	<b>2</b>
<b>1. Preparation of the Report</b>	<b>4</b>
1.1. Scope of the Report	4
1.2. Dialogue With Our Stakeholders: AA1000	5
<b>2. A Solid Project</b>	<b>9</b>
2.1. Ethical Values and Principles of Action	10
2.2. Key Information on "la Caixa" Group	15
2.3. A Solid and Solvent Company	20
<b>3. Our Commitments: 2010 Goals and 2011 Challenges</b>	<b>22</b>
<b>4. Supporting People and their Projects: Leaders in Quality</b>	<b>40</b>
4.1. Better Service Every Day	41
4.2. Innovative, More Accessible and Safer	42
4.3. Solutions for a Complex Economic Situation	56
<b>5. Actively Contributing to the Progress of Society</b>	<b>60</b>
5.1. MicroBank	61
5.2. Support for Entrepreneurs	65
5.3. Committed to Social and Environmental Sustainability	68
5.4. Welfare Projects. Closer to People	82
5.5. A Great Team	89
5.6. Promoting Corporate Responsibility	98
<b>6. Verification Report</b>	<b>108</b>
<b>7. Declaration of GRI application level</b>	<b>111</b>
<b>8. Contact</b>	<b>112</b>
<b>9. Annex: Summary of indicators - Corporate Responsibility Report 2010 (GRI)</b>	



## 1. Preparation of the report

### 1.1. Scope of the Report

The scope of this 2010 Corporate Responsibility Report includes "la Caixa" and its subsidiary companies: Caixa Capital Risc, MicroBank, Vivienda Asequible, Sumasa, Servihabitat, Silk, e-laCaixa, GDS-Cusa, PromoCaixa, TradeCaixa and Serviticket. Besides this, the information from Caixa Girona has been included following the merger between "la Caixa" (the merging company) and Caixa Girona (the merged company), which took place, following all the relevant authorization, on 3<sup>rd</sup> November 2010.

#### ► More information on the structure of the "la Caixa" Group

Criteria CaixaCorp, S.A. is not included in the scope of the report because it has its own policies and management system and a separate Corporate Responsibility Report.

#### ► Internal Relationship Protocol between "la Caixa" and Criteria CaixaCorp, S.A.

In the period since the end of the 2010 financial year and the publication of this report, the Boards of Directors of "la Caixa" and Criteria CaixaCorp, S.A. approved the terms of the reorganization of the "la Caixa" Group. This entails, first, the transfer of "la Caixa"'s banking business to Criteria CaixaCorp (which will become a banking group called CaixaBank) and, second, the transfer of Criteria CaixaCorp's industrial holdings (Gas Natural, Fenosa, Abertis, Aguas de Barcelona, PortAventura and Mediterránea Beach & Golf Community) to a new entity that will be fully owned by "la Caixa", and which will also include Servihabitat and other real estate businesses.

Following this reorganization, over 2011 the management model of corporate responsibility will be reviewed, always based on the corporate values of "la Caixa" and practices of good corporate governance. This process will affect the nature of the future reports on Corporate Responsibility.



## 1. Preparation of the report

### 1.2. Dialogue With Our Stakeholders: AA1000

#### The Identification of Relevant Issues

In its Corporate Responsibility Report, "la Caixa" offers an overview of the progress made this year on the subject of Corporate Responsibility (CR), and tries to identify and respond to the important issues that are of interest to the people and groups it is associated with.

To detect these aspects, the company carries out a dialogue process made up of different phases. For the identification of the important issues in this report, the first step consisted in a study of external sources. Press notices related to Corporate Responsibility were analysed, along with publications of other bodies in the sector, leaders in sustainability, and of various sectorial consultants like the Association of Bank, Savings Bank and Insurance Users (ADICAE, as per the Spanish acronym), the UNEP Finance Initiative or the World Bank, and social consultants like the Ecología y Desarrollo Foundation or the World Business Council for Sustainable Development. As a result, some issues were detected that were repeated in most of the sources.

Furthermore, a questionnaire was carried out among the company's employees, aimed at them valuing the degree of importance for "la Caixa" of the various important issues detected, and so that they could determine the company's level of performance with respect to them.

Also, and for the same purpose, telephone questionnaires were carried out with qualitative questions to different Corporate Responsibility experts from the following organizations:

---

ESADE Business School

---

Ashoka (social entrepreneurs)

---

Ecología y Desarrollo Foundation (ECODES, as per the Spanish acronym)

---

Club de Excelencia en Sostenibilidad

---

La Seiba (social innovation)

---

Association of Financial Services Users (AUSBANC, as per the Spanish acronym)

---

CCOO SR Observatory

---

Red Cross Catalonia

---

Spanish Association of Accountancy and Business Administration (AECA, as per the Spanish acronym)

---

Edad y Vida Foundation

---



---

**In the process of determining the issues to be dealt with in this 2010 Corporate Responsibility Report, "la Caixa" has followed the methodology established by AccountAbility's AA1000 assurance standard.**

---

► [For more information about AA1000](#)



As a result of this materiality study, the highest priority issues for "la Caixa"'s stakeholders were determined, which are indicated below:

- Solvency: the solidity of the bank's balance sheet.
- Credit facilities: responding to the needs of individuals, the self-employed and businesses
- Ethical behaviour: existence of a Code of Ethics and systems to safeguard it, and policies to ensure transparency and integrity in operations and the adaptation of the range of services to the customer's risk profile.
- Employment practices: the policies on matters of equality mobility and reconciliation of work, family and private life, internal communication measures and two-way communication channels available to employees.
- Customer service and satisfaction: customer service policy, which includes clear, simple and true information on products and services; and a team of commercial managers available to attend to their needs.
- Social action: social and healthcare programmes addressed to underprivileged groups and the effective management of social action, with initiatives that contribute to promoting local economic development.
- Development and marketing of Socially Responsible Investment funds: the stakeholders call for a wider range of socially responsible investment funds, which consider social, environmental and good corporate governance criteria, besides the strictly financial, in the selection of the companies that compose them.
- Crime prevention measures: the adoption of pioneering initiatives for the prevention of money laundering and the financing of terrorism.

Finally, these important issues were classified in a matrix, bearing in mind both the degree of importance for the

stakeholders and the degree of development in the strategy of "la Caixa":

**MATERIALITY OF THE ISSUES 2010**



This report includes the new developments of 2010 and incorporates the necessary issues according to their classification in the matrix. The issues not included will be dealt with in the coming years.

With respect to the matrix of importance for 2009 and the evolution of the outstanding issues, it should be pointed out that the matter of financial literacy, which was not a goal of the Report, has been developed in 2010. Also, socially responsible investment, an issue being consolidated, has also been dealt with throughout 2010 and included in this report.

Finally, in determining the content of the report, the Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI) and the Financial Services Sector Supplement have also been applied. It has been prepared in accordance with the requirements for Application Level A+ established in the GRI'S G3 Guidelines.

► [Go to the Summary of GRI indicators](#)

Report Application Level

Report Application Level	Report Externally Assured		
A+	Report Externally Assured		
A	Same as requirement for Level B	Management Approach Disclosures for each Indicator Category	Report on each core G3 and Sector Supplement* Indicator with due regard to the Materiality Principle by either: a) reporting on the Indicator or b) explaining the reason for its omission
B+	Report Externally Assured		
B	Report on all criteria listed for Level C plus: 1.2 3.9-3.13 4.5-4.13, 4.16- 4.17	Management Approach Disclosures for each Indicator Category	Report on a minimum of 20 Performance Indicators, at least one from each of Economic, Environmental, Human rights, Labor, Society, Product Responsibility
C+	Report Externally Assured		
C	Report on: 1.1 2.1-2.10 3.1-3.8, 3.10- 3.12 4.1-4.4, 4.14-4.15	Not required	Report on a minimum of 10 Performance Indicators, including at least one from each of: Economic, Social and Environmental
	Output G3 Profile Disclosures	Output G3 Management Approach Disclosures	Output G3 Performance Indicators & Sector Supplement Performance Indicators
	Standard Disclosures		

\*Sector supplement in final version

## Channels of Communication with Stakeholders

For "la Caixa", knowing the expectations of the people and bodies that it relates to is fundamental for continuing to make progress in its policy of Corporate Responsibility.

With this aim, and as required by regulation AA1000, it has established channels of dialogue with them. These channels are designed to facilitate fluid and constant communication with the company, with all stakeholders always having one at their disposal to ensure their opinions reaches "la Caixa".



### Customers

Network of over 5,400 branches and more than 28,000 employees  
Representation on the Organs of Government  
Customer Service

- Telephone
- Internet
- Post

Telephone questionnaires on the quality of the service  
Opinions received on the previous Corporate Responsibility Reports

- Questionnaire available on the webpage on the Corporate Responsibility Report
- Meetings with representatives of stakeholders
- Telephone communications with experts in Corporate Responsibility

### Employees

*CanalCaixa*, the company's internal magazine  
Virt@ula, the online learning centre  
Employee's portal  
Committees  
Forums on the corporate intranet  
Questionnaires in branches  
Dialogue with the union representatives  
Representation on the Organs of Government  
Telephone and online Call Centre

### Suppliers

Contacts with the contract managers  
Purchasing committees

### Society and the environment

Representation on the Organs of Government  
Welfare Projects and "la Caixa" Foundation  
MicroBank  
Caixa Capital Risk  
Participation in forums, workshops, courses, symposia, conferences or round tables on these issues  
Contacts with specialized bodies and institutions  
Collaboration with social agents  
Consultation in focus groups  
Media coverage on the subject



## 2. A Solid Project

- 2.1. Ethical Values and Principles of Action
- 2.2. Key Information on "la Caixa" Group
- 2.3. A Solid and Solvent Company

## 2. A Solid Project

### 2.1. Ethical Values and Principles of Action

"la Caixa" has a clearly defined mission and vision and its action is based on constant respect for its corporate values, as defined by specific principles of action, detailed in the company's Code of Ethics.

#### Mission, Vision and Corporate Values

"la Caixa"'s mission and vision reflect the company's origins, goal and basic purpose.

##### Mission

To promote saving and investment by offering the best and most complete financial service to the greatest number of customers, and performing a crucial contribution to society for the flexible and personalised coverage of basic financial and social needs.

##### Vision

To be the leading financial group in the Spanish market, with an international vocation, generating value for society, its customers and employees.

##### Values

The strategic action of "la Caixa" and its vocation to serve society rest on three values that form the axis of reference for the entire organization and the key to its management model.

*Leadership, understood as commitment, integrity, professionalism and teamwork; Trust, based on honesty and respect for people; Social commitment, in which society is the central axis of action.*

#### Code of Ethical Values and Principles of Action

---

##### United Nations Global Compact

---

This section covers:

- Principle 1** Businesses should support and respect the protection of internationally proclaimed human rights.
  - Principle 2** Make sure that they are not complicit in human rights abuses.
  - Principle 3** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
  - Principle 4** The elimination of all forms of forced and compulsory labour;
  - Principle 5** The effective abolition of child labour; and
  - Principle 6** The elimination of discrimination in respect of employment and occupation.
  - Principle 10** Businesses should work against corruption in all its forms, including extortion and bribery.
- 

At the end of 2009 the company's new Code of Ethical Values and Principles of Action was approved, which updated the previous one in effect and which is available for consultation by the public on the company's webpage.

► [Go to the Code of Ethical Values \(in Spanish\)](#)

The Code includes the basic directives followed by "la Caixa" in carrying out its activities. The values, principles and rules it includes must be observed by the company's employees, directors and administrators, both in internal professional relationships and in external ones with customers, suppliers and the community in general.

The Code promotes the following Principles of Action of "la Caixa":

- Integrity, which generates trust, a fundamental value for "la Caixa";
- The confidentiality of customers' information;
- Respect for people and for their dignity and fundamental values;
- Respect for the local cultures of the communities where "la Caixa" operates and for the diversity of its employees and customers;
- Responsibility, whereby every professional carries out his or her duties with the necessary dedication;
- Transparency in internal and external processes, in information and in consultation, admitting and rectifying any errors that may have been committed in the course of work;
- Teamwork that enriches professional activity;
- The service given to customers;

- Social responsibility, as the carrying out of business and human activities in a way that is respectful of the law and ethics, contributing to achieving a better world.

Likewise, a voluntary Corporate Responsibility course has been designed, in which the Code of Ethics is the subject of a specific module. Training was made available to all employees through Virt@ula at the end of 2010, and will be compulsory for all new staff from 1st January 2011, as it is part of the "Welcome Pack", the programme of induction courses for new employees.

With the aim of ensuring its effective compliance, the Code of Ethical Values envisages a confidential channel to handle reports of possible contraventions and which, in turn, may also be used to put forward any doubts arising over its interpretation or practical application.

Thus, it has been established that all employees' communications related to the Code be sent to the Regulation Compliance Department, which will receive, study and resolve them, safeguarding at all times the sender's confidentiality. When communications are sent by customers, they will be dealt with through the usual customer service channels. The Regulation Compliance Department received no communications during 2010.

Lastly, it should be added that "la Caixa" understands its ethical commitment in a broad sense, which includes extending it to its subsidiary companies and those of which it is a shareholder. It therefore encourages these companies to adopt a similar framework of conduct. Noteworthy in this respect were the drafting and publication in 2010 of the Criteria and MicroBank codes of conduct.

**In 2010 "la Caixa" has focused its efforts on spreading the Code of Ethical Values and Principles of Action through the corporate intranet, so that all employees may become familiar with it.**



### MicroBank's New Code of Ethics

MicroBank's Board of Directors approved its Code of Ethical Values and Principles of Action on 14<sup>th</sup> June 2010. The document contains the basic directives for the carrying out of the bank's activity and the rules of conduct that govern its action, applicable to all employees and directors.

The code has been spread through MicroBank's internal communication channels and all employees have been notified of it. They have individually signed that they agree with it. Furthermore, in MicroBank's Annual Corporate Report corresponding to the 2010 financial year, a summary of the contents of the code is included, to make it known to the rest of the Group.

As well as this, a control mechanism has also been envisaged in MicroBank's Code of Ethics. Thus, notifications of possible non-compliance with the code or the doubts that its interpretation or application may raise will be referred to MicroBank's management. In the event of these being proposals made by customers, they will be dealt with through the established customer service channels.

Furthermore, MicroBank took part, as the sole Spanish company, in the work session for the study, carrying out and development of the "European Microfinance Network (EMN) Code of Conduct" organized by the European Commission in Brussels in February 2010.



## Data Protection and Confidentiality

### United Nations Global Compact

This section covers:

**Principle 2** Make sure that they are not complicit in human rights abuses.

"la Caixa" has an obligation to do all it can to protect the personal and confidential information of its customers and employees, as stated in its Code of Ethics and applicable law regarding privacy, data protection and banking secrecy.

Data protection and privacy rights are considered in all management areas of "la Caixa", which has strict internal policies and carries out specific training courses for its staff.

Hence the bank has included in the General Data Protection Register all the files it is responsible for containing personal data, and all employees have access to a security document that sets out measures to ensure the security of files that include personal data and its treatment. Moreover, access to customer data that is not strictly necessary for carrying out work-related tasks is prohibited and can result in disciplinary action, despite it having no external significance.

In 2010, "la Caixa" received four fines for breaching of data protection rules, amounting to €127,702.42. However, in response to two of these fines, both €60,101.21, it filed administrative appeals before the High Court, which were pending resolution at the end of 2010.



## Prevention of Money Laundering

### United Nations Global Compact

This section covers:

**Principle 10** Businesses should work against corruption in all its forms, including extortion and bribery.

The fight against money laundering, besides being a legal obligation, is a priority for all employees, directors and administrators of "la Caixa", consistent with its corporate values and its Code of Ethics. When faced with suspicious activity of this sort, it is the duty of employees, directors and administrators to notify the Internal Committee on the Prevention of Money Laundering of it immediately.

In 2010, through the centralized alert system, 42,173 alerts have been analysed, corresponding to 1,716 customers. Moreover, through the decentralized alert system, managed by the branches, 4,135 additional alerts have been analysed, corresponding to 2,186 customers.

Furthermore, the Prevention of Money Laundering Operative Unit (Unidad Operativa de Prevención de Blanqueo de Capitales, UOPBC, as per the Spanish acronym) has analysed 626 operations, 91 of which have been notified to the Bank of Spain's Executive Service.

Law 10/2010 came into effect in 2010, for the prevention of money laundering and the financing of terrorism. This law is

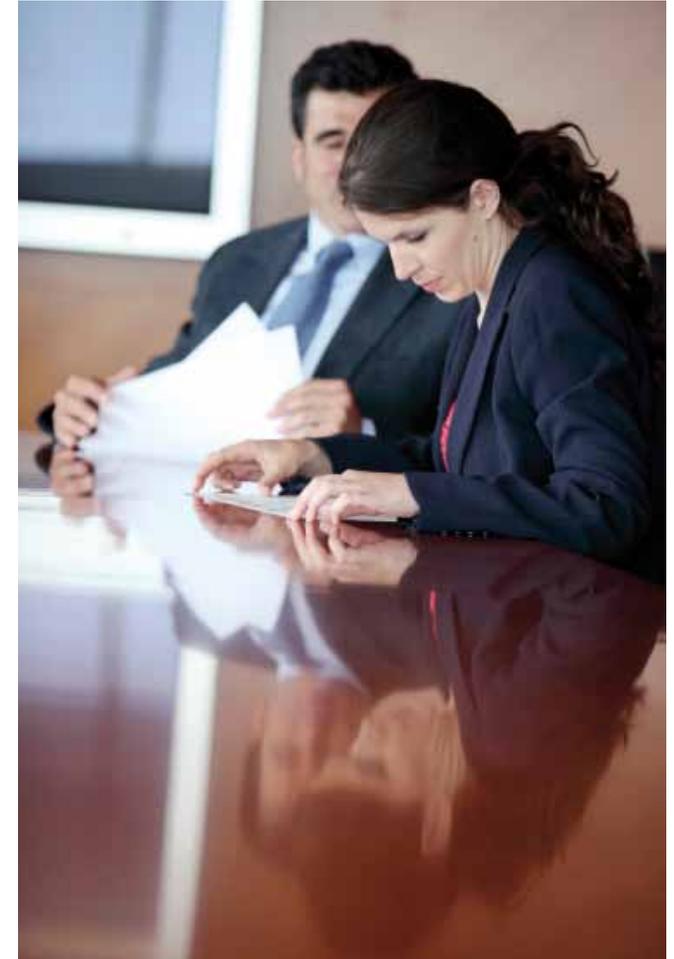
the national adaptation of the European Union Directives adopting the recommendations of the Financial Action Task Force (FATF) and, particularly, the inclusion of the concept of due diligence measures envisaged in recommendation 5 of the FATF, of reinforced diligence measures for people associated with public posts included in recommendation 6 of the FATF.

Since it came into effect, the internal regulations setting out the action guidelines for the prevention of money laundering and the financing of terrorism have been changed. A new development is the introduction of the concept of due diligence measures: various obligations relative to identification and knowledge of the customers. Included in them is the identification not only of those taking part in transactions but also the real title holders.

The company has anticipated the future legal obligation of digitalization of customers' identifying documents. Hence "la Caixa" has a digitalization plan that significantly improves the conservation of the documentation and which, moreover, means an improvement of operational security.

In the face of the changes introduced by new regulations, "la Caixa" has established a specific training plan in matters of the prevention of money laundering and the financing of terrorism, including in the training available to its employees from 2011 onwards the changes made to existing legislation.

► [More Information](#)



## 2.2. Key Information on "la Caixa" Group

La Caja de Ahorros y Pensiones de Barcelona, "la Caixa", is a financial institution, governed by Legislative Decree 1/2008, of 11th March, which led to the passing of the Revised Text of the Law on Savings Banks in Catalonia and registered in the Savings Banks Special Registry of the Generalitat de Catalunya.

As a savings bank, it is a non-profit-making financial institution with a social focus and organized as a foundation. It is not dependent on any other company and is dedicated to attracting, administering and investing the savings that are entrusted to it.

The government, system, administration, representation and control of "la Caixa" are, according to the jurisdictions established by law and its charter, the General Assembly, the Board of Directors and the Control Committee.

Go to:

- ▶ [Corporate Governance Annual Report: 2010](#)
- ▶ [Annual Report](#)

### Financial Information

#### "la Caixa" Group Highlights

(Amounts in millions of euros)	December-10	December-09	Change %
<b>Balance Sheet</b>			
Total Assets	285,724	271,873	5.1
Total Banking Business Volume	437,443	415,825	5.2
Gross customer loans	189,546	178,026	6.5
Total customer funds	247,897	237,799	4.2
Variable income securities portfolio			
-Market value of listed investments	18,685	20,118	(7.1)
-Recurring income of the "la Caixa" Group	2,709	3,945	(31.3)
<b>Results</b>			
Income attributed to the "la Caixa" Group	1,307	1,510	(13.4)
Extraordinary income	(200)	(200)	
Recurring income of the "la Caixa" Group	1,507	1,710	(11.9)
			<b>Change</b>
<b>Banking business and resources (number)</b>			
Employees "la Caixa"	25,288	24,944	344
"la Caixa" Group	28,651	27,505	1,146
Offices	5,409	5,326	83
ATMs	8,181	7,951	230
Cards in circulation (millions)	10.3	10.3	0.0
<b>Efficiency and Profitability</b>			
Recurring efficiency ratio (Administrative costs / Gross margin)	43.6%	42.9%	0.7
ROE (Recurring att. income / Average shareholder equit.)	9.3%	11.3%	(2.0)
ROA (Net recurring income / Total average assets)	0.7%	0.8%	(0.1)
RORWA (Net recurring income / Risk-weighted assets)	1.4%	1.6%	(0.2)

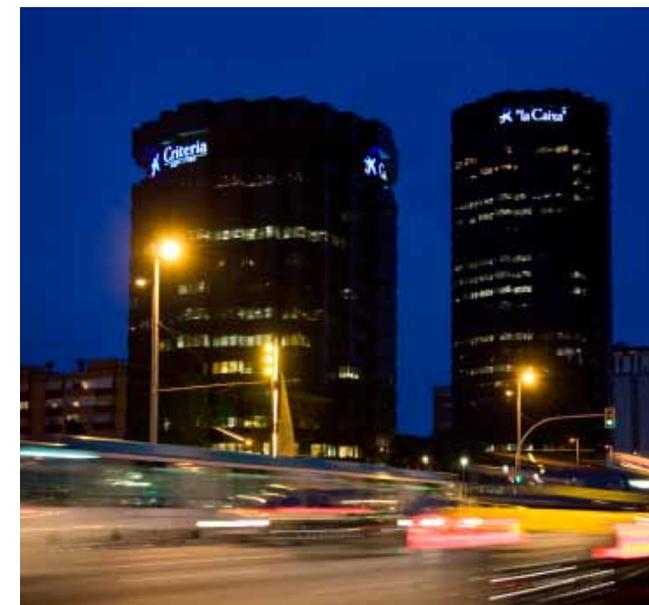
**"la Caixa" Group Highlights (Cont.)****Risk management**

Non-performing loans ratio	3.71%	3.42%	0.29
Allowance coverage for insolvencies	5,025	3,914	1,111
-Specific	3,190	2,079	1,111
-General	1,835	1,835	
Default coverage	70%	62%	8
Default coverage with mortgage guarantee	140%	127%	13

<b>"la Caixa" liquidity</b>	19,638	21,208	(1570)
-----------------------------	--------	--------	--------

**Solvency - BIS II**

Core Capital	8.6%	8.7%	(0.1)
Tier 1	9.9%	10.4%	(0.5)
Solvency coefficient (BIS Ratio)	11.8%	11.0%	0.8
Shareholder equity	17,421	16,696	725
Attributable own funds	19,198	17,251	1,947
Surplus own funds	6,130	4,667	1,463



### Managing Corporate Responsibility at "la Caixa"

Corporate Responsibility at "la Caixa" consists of acting in accordance with the values of leadership, trust and social commitment. This action results in an efficient and sustainable management system in the long term that guarantees its solvency. This takes into account the environmental and social impact of its actions and is based on the principles of transparency and best practices that regulate correct corporate governance.

In its development, and as a corporate commitment, it has the support and involvement of senior management and the other members of the organization; this approach underlies the daily management of the institution and its global strategy.

In addition, as a sign of its importance within the company, there is a body with specific functions in this area: the Corporate Reputation Committee, which is responsible for defining, implementing and monitoring policies of corporate responsibility. This body is linked to the Management Committee of "la Caixa" through the Chairman's office.

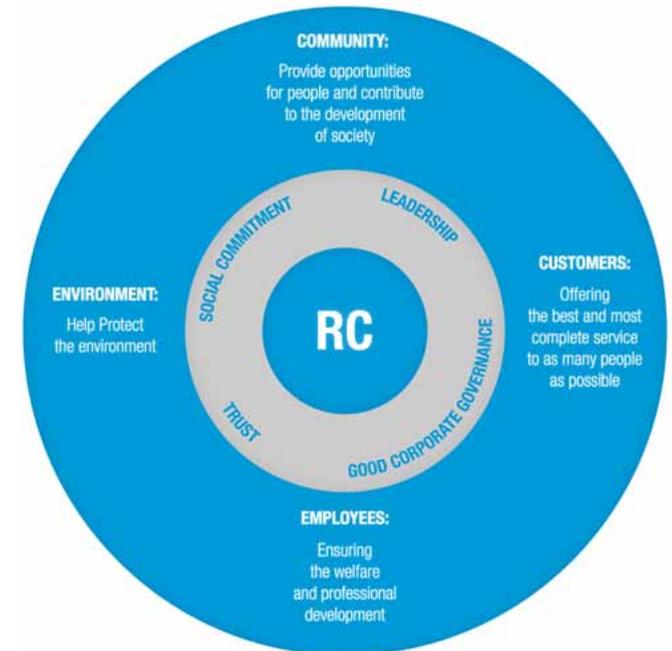
In this task it has the support of the entire organization and, more directly, the main areas represented in the Corporate Reputation Committee: Communication, Institutional Relations & CSR Executive Vice-Presidency, Validation and Technical Secretary's Office General Manager, General Services Management General Manager, Corporate Responsibility and Brand General Manager, Organisation and Quality General Manager, Internal Audit General Manager, Quality Division Head, Communication and Sponsorship Services Division Head, Human Resources Employment Law-Legal Service Division

Head, Marketing and Advertising Services Division Head, Brand and Corporate Image Division Head, Communication and Sponsorship Division Head and a General Area Manager representing the branch network.

The Corporate Reputation Committee has been given the following specific functions:

- To identify, track and manage existing and future reputational opportunities and risks.
- To work with the management committee in determining policy and strategic lines of reputation management.
- To establish control and management measures for responsibility.
- To select and review the key numerical indicators for responsibility.
- To review and approve corporate responsibility programmes

Back in 2003, the Environmental Committee was established, which is responsible for environmental management of the organization and works to reduce the direct and indirect impact of "la Caixa"'s activities on the environment. This committee is the body responsible for establishing, approving and maintaining a management system that fosters respect for the environment regarding the consumption and processes related to the financial activities of "la Caixa", as well as promoting the participation of all its employees.



## Awards and Recognition

"la Caixa"'s model of responsible management has been acknowledged for yet another year with various awards that highlight its action in key aspects of its activity, such as transparency, the quality of its products and services and its advanced policies of people management.

The most significant national and international ones include:

---

### 2010 Brands Big Award

The consistency, the innovative nature and excellence in management of "la Caixa" have been acknowledged in the 5<sup>th</sup> edition of the ESADE business school's Premios Centro de la Marca, the first in Spain focusing on efficiency and on results obtained by management and which reward trademark strategy.

---

### Companies with More Future Award

"la Caixa" has obtained the certificate of "Empresas con más futuro 2010", awarded by the consultancy CRF Institute, which has pointed out the company's work and efforts for remaining true to its principles; for becoming an example of sustainability; and for transmitting the good feeling surrounding it to society as a whole.

---

### "la Caixa", the most transparent

The company has been awarded the XIV Premio Llotja to the Best Information by Trading Companies to the Market and to Customers, awarded by the Barcelona Official Chamber of Commerce, Industry and Navigation.

---

### The best company lawyers in Europe

"la Caixa"'s Legal and Labour Consultancy team has received acknowledgement for the excellence of its work both personally and as a team from the International Law Office (ILO).

---

### Prize for the "Best management of RSC"

"la Caixa" has won prnoticias.com's 7<sup>th</sup> edition of "Los mejores de pr", whose awards are given for excellence in Corporate Social Responsibility.

---

### 5<sup>th</sup> edition of the Premios CIRE

The 5<sup>th</sup> edition of the Premios CIRE, prisoner reinsertion centre and graphic arts supplier, funded by the Generalitat de Catalunya, has distinguished the work of the "La Caixa" Group's subsidiary Sumasa in the reinsertion of prisoners.

---

In 2010 "la Caixa" has also occupied an outstanding position in different rankings:

---

#### **Number one according to Merco Marcas 2010**

"la Caixa" has been, for the eighth year running, the nationally established finance trademark with the best reputation according to the monitor Merco Marcas Financieras. This study that has been revealing since 2003 which national and regional financial institutions are preferred by the public, basing itself on aspects like customer service, solvency, trust, ethical conduct, support for social causes or identification with the company.

---



---

#### **"Prime" company, according to the sustainability rating agency Oekom**

The German rating agency Oekom, which performs ratings on the sustainability of companies, has included "la Caixa" among the best rated companies in its sector, after analysing its policies and action in social, environmental and economic matters. The aspects given the highest rating are action in social issues, both towards the staff and towards society in general, and the management system and environmental policies. This rating places it among the most sustainable in the sector and classes its bonds and issues as Socially Responsible Investment.

---



---

#### **One of the 50 safest banks in the world**

"la Caixa" has reached number 28 in the "World's 50 Safest Banks" ranking produced by the journal *Global Finance* which considers in its selection the 500 biggest finance companies in the world.

---

## 2.3. A Solid and Solvent Company

**Growth and safety are two of the foundations of trust, one of the company's corporate values, which enable it to offer a quality service encompassing the entire management of the business.**

**For "la Caixa", good financial results serve to maintain a pronounced level of solvency in the financial market, thanks to management that is demanding and conservative with risks.**

### Solvency

The maintenance of high levels of solvency is one of the main pillars on which the trust placed in "la Caixa" by its customers rests.

In 2010 "la Caixa" has consolidated its financial strength despite the economic situation and has kept a position of leadership within the Spanish financial system in terms of solvency, presenting a Core Capital of 8.6%, a tier 1 capital of 9.9% and a tier total of 11.8%, this is supported moreover by the issue of €3 billion worth of subordinated debt during 2010, which has strengthened its own resources.

Moreover, "la Caixa" has participated actively in the process of restructuring the sector of Spanish savings banks through the integration of Caixa Girona during the second half of 2010. This operation has not compromised the financial strength of "la Caixa" or its solvency; the company has not had to resort to public help (Fund for Orderly Bank Restructuring) to carry out this process.

The stress test carried out by the Committee of European Banking Supervisors (CEBS) during the first half of 2010 on the main European financial companies, among them "la Caixa", has been one of the main landmarks of the year in terms of solvency.

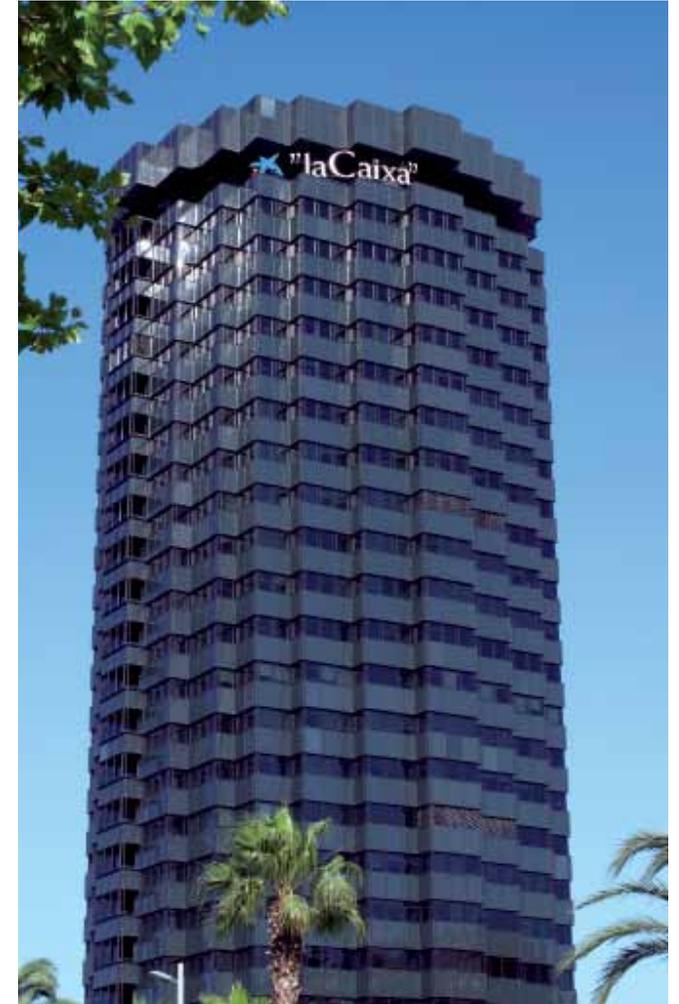
The results obtained in this test, published by the Committee, have confirmed the solidity of "la Caixa" even in the worst-case macroeconomic scenario that was proposed, easily surpassing the target level of capital set by the CEBS.

► [For more information about the solvency of "la Caixa"](#)

### High Credit Rating

The principal credit rating agencies have maintained, throughout 2010, high credit ratings for "la Caixa": AA- by Standard & Poor's, Aa2 by Moody's and A+ by Fitch, with stable long-term prospects. These levels place "la Caixa" above the average for Spanish financial institutions.

These agencies positively value the company's excellent banking position in the Spanish market, its liquidity and solvency, plus the management and success in strategy, despite the weakness of the Spanish economy, marked by the collapse of the property market and lower prospects for growth.



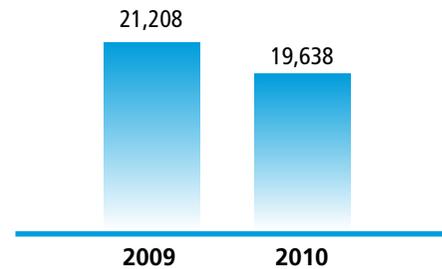
## Liquidity

During 2010 the availability of liquidity has continued to be fundamental in order to operate in a financial market marked by constant fluctuations.

"la Caixa" has continued to maintain a high level of liquidity, with €19,368 million, a quantity that signifies 6.8% of Group "la Caixa"'s total assets and which is higher than the 5% minimum envisaged in the company's 2007-2010 Strategic Plan.

Having this comfortable availability of liquid money enables it not only to safely approach the growth of its business and to improve its position in relation to the competition, but also to respond to its customers' finance requirements.

EVOLUTION OF "LA CAIXA"'S LIQUIDITY  
(Millions of euros)



► For more information on "la Caixa"'s liquidity





### **3. Our Commitments: 2010 Goals and 2011 Challenges**



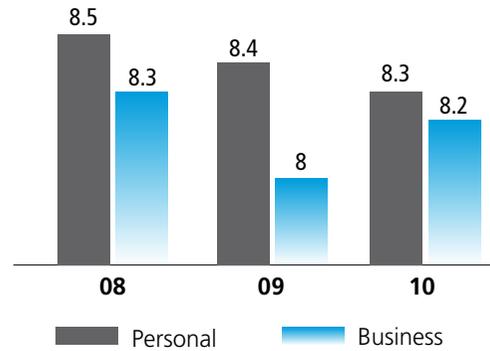
### 3. Our Commitments: 2010 Goals and 2011 Challenges

#### Customers

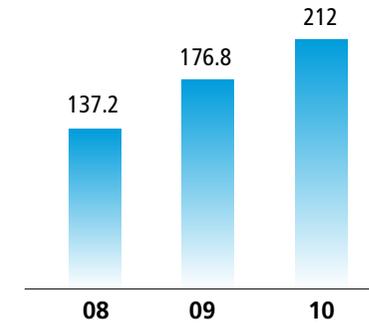
In 2010, "la Caixa" made it a priority to focus its attention on offering financial solutions to people and families, supporting the projects of entrepreneurs and businesses, working towards the financial inclusion of groups at risk of social exclusion and offering a better and more complete service.



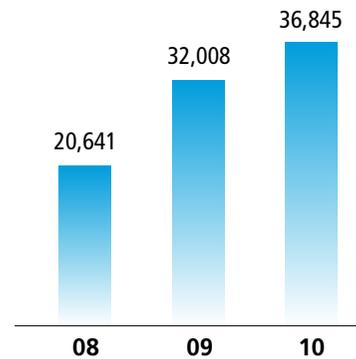
Customer satisfaction levels



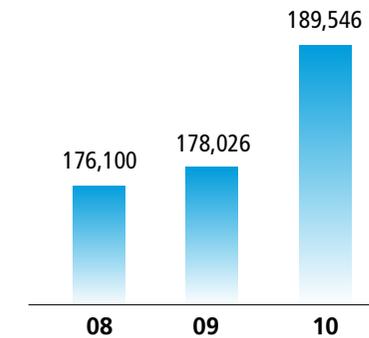
MicroBank Investment



Number of microloans granted



Portfolio of loans to customers (EUR million)



Achieved  In process  Not achieved 

CUSTOMERS	2009 COMMITMENT	PROGRESS MADE IN 2010	
<b>MicroBank</b>	<ul style="list-style-type: none"> <li>To reach 100,000 customers.</li> </ul>	<ul style="list-style-type: none"> <li>MicroBank now has 108,000 customers, which represents a rise of 59% with respect to 2009.</li> </ul>	
	<ul style="list-style-type: none"> <li>To increase the number of microloans in its portfolio to 85,000, with an investment of €350 million.</li> </ul>	<ul style="list-style-type: none"> <li>The number of microloans in the portfolio was 64,455 at the end of 2010 and the investment €325 million, which represents a rise of 37% with respect to 2009.</li> </ul>	
<b>Entrepreneurs</b>	<ul style="list-style-type: none"> <li>To strengthen the EmprendedorXXI Award, maintaining its presence in the 17 Spanish Autonomous Communities with greater publicity resulting in a greater number of candidatures. Also, to increase the links with the strategic partners of the prize.</li> </ul>	<ul style="list-style-type: none"> <li>The candidatures have increased from 300 to 372. Presence in the 17 Autonomous Communities has been possible thanks to the collaboration of over 35 local and regional companies linked to enterprise and the creation of businesses.</li> </ul>	
	<ul style="list-style-type: none"> <li>To support the companies in which it has an interest and to invest in new technology-based projects, chiefly from the IT or life sciences sectors, operating in Spain.</li> </ul>	<ul style="list-style-type: none"> <li>€7.5 million have been invested in 8 new companies principally in the life sciences and information technology sectors</li> </ul>	
	<ul style="list-style-type: none"> <li>To increase the number of projects taking part in the BioEmprendedorXXI programme.</li> </ul>	<ul style="list-style-type: none"> <li>In its third edition it has had 18 participants, 3 more than in the previous edition.</li> </ul>	
	<ul style="list-style-type: none"> <li>To continue directing risk capital investment, as a priority, towards the businesses in the portfolio, with the aim of helping to guarantee their feasibility and survival.</li> </ul>	<ul style="list-style-type: none"> <li>The portfolio has been reinforced to help them to survive due to the economic situation with 20% of the total investment committed.</li> </ul>	
	<ul style="list-style-type: none"> <li>Promote growth in rural areas by supporting business initiatives aimed at creating new services or infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>The volume of the loan portfolio in the agricultural sector grew to €4,785 million, up 3.62% on 2009. A free information bulletin, <i>AgroCaixa</i>, was also introduced, targeting rural office clients with specialized information on agricultural economics and rural development.</li> </ul>	
<b>International</b>	<ul style="list-style-type: none"> <li>To support the internationalization of businesses by opening new offices in New Delhi (India), Algiers (Algeria) and Dubai (United Arab Emirates).</li> </ul>	<ul style="list-style-type: none"> <li>Representative branches operating in Dubai and Munirka-New Delhi. The branch in Algiers will be opening during 2011.</li> </ul>	
<b>Business Ethics</b>	<ul style="list-style-type: none"> <li>To spread the Code of Ethics.</li> </ul>	<ul style="list-style-type: none"> <li>Available for consultation at <a href="http://www.lacaixa.es">www.lacaixa.es</a> and on the corporate intranet.</li> </ul>	
	<ul style="list-style-type: none"> <li>The establishment of a Code of Ethics and Good Conduct (in Silk).</li> </ul>	<ul style="list-style-type: none"> <li>Despite the fact that the Code of Ethics has not been developed, a Code of Telematic Conduct has been published.</li> </ul>	

Achieved  In process  Not achieved 

CUSTOMERS	2009 COMMITMENT	PROGRESS MADE IN 2010	
Security	<ul style="list-style-type: none"> <li>To continue with the installation of new antiskimming systems (anti card-copying) in the network of automatic cash machines.</li> </ul>	<ul style="list-style-type: none"> <li>The new systems have been installed.</li> </ul>	
	<ul style="list-style-type: none"> <li>To continue changing the analogue alarm switchboard for a digital one in another 193 branches, to thus increase the level of security for customers and staff, as they allow for a greater two-way data flow.</li> </ul>	<ul style="list-style-type: none"> <li>Digital alarms have been installed in 57 branches. The target has not been met in its entirety due to a change in the legislation in force, which, in turn, has caused a modification of the forecast and the postponement of part of the installations until 2011.</li> </ul>	
Customer Satisfaction	<ul style="list-style-type: none"> <li>To reduce the total number of customer complaints by 15%.</li> </ul>	<ul style="list-style-type: none"> <li>Customer complaints have been reduced by 35%.</li> </ul>	
	<ul style="list-style-type: none"> <li>To draw up a plan for the reduction of complaints due to "waiting time".</li> </ul>	<ul style="list-style-type: none"> <li>Queue waiting time has diminished by 44%, thanks to a speeding up of the service and the wide range the bank's electronic channels (ATMs, Línea Abierta home banking or CaixaMóvil) that allow customers to make enquiries or transactions comfortably and flexibly.</li> </ul>	
	<ul style="list-style-type: none"> <li>To broaden the sending of satisfaction questionnaires to businesses and the self-employed.</li> </ul>	<ul style="list-style-type: none"> <li>In 2010, besides continuing with the survey programme for individual and business customers, the measurement of service quality was expanded to corporate banking and private banking customers. The extension of the programme to the self-employed and retailers is envisaged for 2011.</li> </ul>	
	<ul style="list-style-type: none"> <li>To improve quality to reduce the number of branches with a Customer Satisfaction Rate (CSR) lower than 100 by 10% in 2012.</li> </ul>	<ul style="list-style-type: none"> <li>In 2010, various initiatives were launched to improve quality indicators in branches: the creation of quality committees, visits to offices by independent personnel, publication of templates to respond to customer complaints, etc. Despite this, it has not been possible to reduce the number of offices with a CSR lower than 100. The 2011 target is to continue with the specific measures of the Quality Improvement Plan in order to achieve this challenge set in 2012.</li> </ul>	
	<ul style="list-style-type: none"> <li>The creation of a new information portal devoted to Quality in the corporate Intranet, which will include, among other issues, information on customer surveys, a Decalogue of quality, related articles or a participatory space in which staff can contribute suggestions for improvement.</li> </ul>	<ul style="list-style-type: none"> <li>The creation of the new Active Quality portal for staff with protocols of action and with practical examples of how to work with quality.</li> </ul>	
	<ul style="list-style-type: none"> <li>The creation of a new satisfaction questionnaire for internal clients that allow the quality of service and help received from the Central Support Units to be measured.</li> </ul>	<ul style="list-style-type: none"> <li>In 2010 new objective quality markers have been drawn up and have been monitored: the measurement of the unavailability of services, the meeting of response times, percentage of errors over operations. This marker complements the perceived quality marker of the Central Support Units and the subsidiaries.</li> </ul>	

Achieved  In process  Not achieved 

CUSTOMERS	2009 COMMITMENT	PROGRESS MADE IN 2010	
<b>Innovation</b>	<ul style="list-style-type: none"> <li>The development of pilots and/or new methods of payment via mobile telephones, to make it easier for customers to pay.</li> </ul>	<ul style="list-style-type: none"> <li>The setting up of a pilot trial using NFC (Near Field Communication) technology to make paying easier in shops using mobile phones. Moreover, new applications in the remote banking service for mobiles have been introduced, such as the possibility of managing the operation of activating and blocking cards.</li> </ul>	
	<ul style="list-style-type: none"> <li>To increase the number of operations and sign language in the help videos for deaf and dumb people at cash machines and in Línea Abierta.</li> </ul>	<ul style="list-style-type: none"> <li>Forecast in automatic cash machines (ATMs) for 2011.</li> </ul>	
<b>Accessibility</b>	<ul style="list-style-type: none"> <li>The consolidation of the project Interfaces for Relations between the Environment and Handicapped Persons (INREDIS, as per the Spanish acronym), in collaboration with ONCE.</li> </ul>	<ul style="list-style-type: none"> <li>The project has continued and results will be made available in 2011.</li> </ul>	
	<ul style="list-style-type: none"> <li>To have at least one accessible ATM in every branch.</li> </ul>	<ul style="list-style-type: none"> <li>The number of accessible automatic cash machines (ATMs) has gone down slightly due to the halting of the plan to renew ATMs and to the incorporation of the ATMs from the Caixa Girona network.</li> </ul>	
<b>Socially Responsible Investment</b>	<ul style="list-style-type: none"> <li>The simplification of the portfolio of investment funds to achieve a more transparent offer for customers.</li> </ul>	<ul style="list-style-type: none"> <li>The range of investment funds has been rationalized.</li> </ul>	
	<ul style="list-style-type: none"> <li>To increase the promotion of socially responsible investments in collaboration with InverCaixa and Banca Privada.</li> </ul>	<ul style="list-style-type: none"> <li>The offer of two new investment funds: <ul style="list-style-type: none"> <li>– MicroBank Fondo Ético (resulting from the merger of the two already existing funds).</li> <li>– SAM Sustainable Climate.</li> </ul> The minimum investment in the MicroBank Fondo Ético is €600, which makes access possible for all types of customers, of both private banking and personal banking.</li> </ul>	
	<ul style="list-style-type: none"> <li>The creation of a new investment fund that takes into account environmental criteria in the composition of its portfolio.</li> </ul>	<ul style="list-style-type: none"> <li>Marketing has begun of the SAM Sustainable Climate, focused on companies that fight against the effects of climate change.</li> </ul>	
<b>Promotion of Corporate Responsibility (CR)</b>	<ul style="list-style-type: none"> <li>Greater presence of CR in branches to reach customers and staff.</li> </ul>	<ul style="list-style-type: none"> <li>The inclusion in the section "CR for businesses", on "la Caixa"'s webpage, of information on Welfare Projects Integration into Work Programme and on the Business Alliance for Child Vaccination.</li> <li>The use of specific advertisements on the dynamic screens in branches to spread the values and way of working of "la Caixa", on issues such as financial inclusion, human resources or accessibility.</li> </ul>	
	<ul style="list-style-type: none"> <li>To encourage collaboration with the Welfare Projects through Banca Privada.</li> </ul>	<ul style="list-style-type: none"> <li>The promotion of awareness among customers of actions in social issues in which they can collaborate, through the Banca Privada magazine and specific conferences.</li> </ul>	

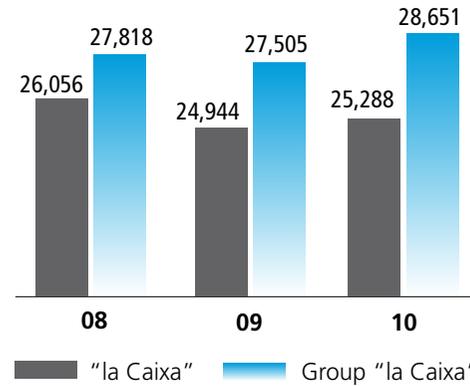
CUSTOMERS	CHALLENGES FOR 2011-2012
<b>MicroBank</b>	<ul style="list-style-type: none"> <li>• To grant microloans in the next two years totalling €550 million.</li> <li>• To have, in 2011, 85,000 microloans in the portfolio, with an investment of €425 million.</li> <li>• To strengthen SRI (socially responsible investment) through the MicroBank Fondo Ético</li> </ul>
<b>Entrepreneurs</b>	<ul style="list-style-type: none"> <li>• To increase the number of businesses accompanied through the EmprendedorXXI award.</li> <li>• To support the companies in which "la Caixa" has an interest and invest in technology-based projects from the information technology, life sciences and clean technology sectors.</li> <li>• To increase the number of projects taking part in the EcoEmprendedorXXI programme.</li> <li>• To create a new business creation programme specializing in information technology and the Internet.</li> </ul>
<b>International</b>	<ul style="list-style-type: none"> <li>• To give support to the internationalization of client companies with the opening of new representative branches in Algeria, Singapore and Egypt.</li> </ul>
<b>Business ethics</b>	<ul style="list-style-type: none"> <li>• The establishment of new confidential channels for the management of queries / complaints related to the application and possible breaches of the company's Code of Ethics.</li> <li>• The updating of "la Caixa"'s anti-corruption and anti-bribery policy.</li> <li>• In GDS-Cusa, the drafting of the company's Code of Ethics.</li> </ul>
<b>Service excellence</b>	<ul style="list-style-type: none"> <li>• To increase and complete the range of markers of quality, covering all the stages of the relationship with customers: capturing, management and retention.</li> <li>• To improve the effectiveness of the management of suggestions: as from 2011, branches will be able to assess online the quality of the response they receive to each of the suggestions for improvement that have been put forward.</li> <li>• To be the top of the AQMetrix ranking, which measures the level of quality in online financial services, in both mobile banking and Internet banking. In the latter case, for all types of customers, whether individuals, professionals or businesses.</li> </ul>
<b>Innovation</b>	<ul style="list-style-type: none"> <li>• To have 75% of customers' operations carried out via Línea Abierta (home banking) and ATMs.</li> <li>• To continue with the construction process of the new Data Processing Centres (DPC), which are more efficient and have lower energy consumption.</li> </ul>
<b>Security</b>	<ul style="list-style-type: none"> <li>• A programme to strengthen technological innovation applied to the needs of the "la Caixa" Group.</li> <li>• Design and introduction of new security controls for the detection and mitigation of possible information leaks.</li> <li>• Revision of existing users and permits in information systems, in line with the Bank of Spain's recommendations.</li> </ul>

CUSTOMERS	CHALLENGES FOR 2011-2012
<b>Accessibility</b>	<ul style="list-style-type: none"> <li>• To increase the number of operations and sign language in the help videos for deaf and dumb people in ATMs and Línea Abierta (home banking).</li> <li>• Consolidation of the project INREDIS (Interfaces for Relations between the Environment and People with Disabilities), in collaboration with the Spanish National Organisation of the Blind (ONCE, as per the Spanish acronym).</li> <li>• Introduction of a new Línea Abierta style manual, with the aim of improving and facilitating customers' access, consultation and way of operating it.</li> </ul>
<b>Socially Responsible Investment</b>	<ul style="list-style-type: none"> <li>• To increase the importance of ethical investment, in line with other European countries with an active marketing of the MicroBank Fondo Ético.</li> <li>• The entry of InverCaixa in the Spanish Investment Forum (SPAINSIF), to encourage the integration of environmental and social criteria and good corporate governance in investment policies in Spain.</li> </ul>
<b>Promotion of Corporate Responsibility (CR)</b>	<ul style="list-style-type: none"> <li>• To make "la Caixa"'s Banca Privada customers perceive the company as a point of reference, not just in matters of management and finance but also in social action. Moreover, the integration of all the initiatives in matters of CR in the commercial discourse and the various supports used, trying to make customers participate actively, distinguishing "la Caixa" from rival financial institutions.</li> <li>• To continue with the promotion of the Code of Ethics and establish new channels of communication for it, to make consultation and complaining easier.</li> <li>• To foment the visibility of Socially Responsible Investment (SRI) with the collaboration of InverCaixa, Banca Privada and MicroBank.</li> </ul>

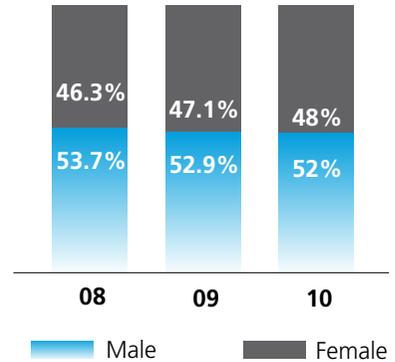
## Employees

"la Caixa" has maintained its commitment to job stability and the professional development of its staff and has continued as leader in the opinion of the group of companies analysed in the 2010 Merco Personas Business Monitor of Corporate Reputation, being noted especially for its talent management. Furthermore, it came second in the general ranking of "best companies to work in" in Spain.

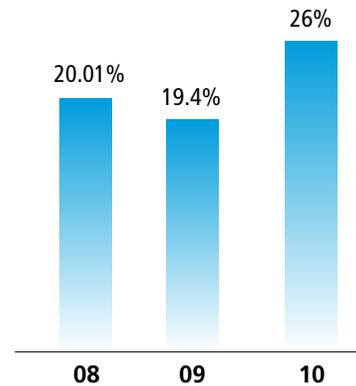
Number of employees Group "la Caixa"



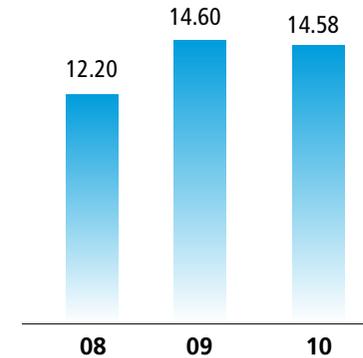
Employees of "la Caixa": distribution by gender



Percentage of employees promoted internally



% of female members of top-tier management of "la Caixa"



Achieved  In process  Not achieved 

EMPLOYEES	2009 COMMITMENT	PROGRESS MADE IN 2010	
<b>Professional development</b>	<ul style="list-style-type: none"> <li>To define the new professional profiles of the most specialised new functions.</li> </ul>	<ul style="list-style-type: none"> <li>In 2010, the Human Resources management worked to define new professional profiles, and to design training itineraries and a specific pay system for each of these functions.</li> </ul>	
	<ul style="list-style-type: none"> <li>Monitoring system of individual contribution in Central Support Units.</li> </ul>	<ul style="list-style-type: none"> <li>The map of individual contributions has been developed, based on a detailed analysis of each professional's individual contributions.</li> </ul>	
	<ul style="list-style-type: none"> <li>The development of training and career plans in "la Caixa" and subsidiary companies.</li> </ul>	<ul style="list-style-type: none"> <li>"la Caixa" has organized monographic conferences to strengthen the leadership of its directors and has developed a training plan for the integration of the staff of Caixa Girona. Moreover, the subsidiary companies GDS-Cusa and Silk have developed training and career plans and e-la Caixa has set up a Training Plan.</li> </ul>	
	<ul style="list-style-type: none"> <li>New programme to share knowledge in a systems environment, through the platform Forma't (in Silk).</li> </ul>	<ul style="list-style-type: none"> <li>The platform Forma't's has been developed and introduced (with wikis, newsletters, knowledge forums, documentation library, online training, online knowledge pills, etc.).</li> </ul>	
<b>Diversity</b>	<ul style="list-style-type: none"> <li>Compliance with the Law on the Social Integration of People with Disabilities (LISMI, as per the Spanish acronym): the drafting of a plan to increase the employment of handicapped persons, reaching 2% of employees.</li> </ul>	<ul style="list-style-type: none"> <li>Over 2010, and for this purpose, places were reserved at all personnel selection processes. However, the lack of qualified candidatures meant that it was not possible to achieve the goal.</li> </ul>	
	<ul style="list-style-type: none"> <li>Approval of an Equality Plan.</li> </ul>	<ul style="list-style-type: none"> <li>The Equality Plan has been developed and will be approved in 2011.</li> </ul>	
<b>Promotion of Corporate Responsibility (CR)</b>	<ul style="list-style-type: none"> <li>Promotion of the Code of Ethics through a staff training module.</li> </ul>	<ul style="list-style-type: none"> <li>The creation, at the end of 2010, of a staff training course on Corporate Responsibility in Virt@ula, with the collaboration of the IESE business school's "la Caixa" Chair of Corporate Social Responsibility and Corporate Governance and the creation of a participatory forum on the same subject, with a specific module on the Code of Ethics. The course is compulsory for new starters and available to all employees.</li> </ul>	
	<ul style="list-style-type: none"> <li>The creation of a staff training course on Corporate Responsibility, on Virt@ula, with the collaboration of the IESE business school's "la Caixa" Chair of Corporate Social Responsibility and Corporate Governance and the creation of a participatory forum on the same subject.</li> </ul>	<ul style="list-style-type: none"> <li>The participatory forum will begin working in 2011.</li> </ul>	
<b>Corporate Volunteer Programme</b>	<ul style="list-style-type: none"> <li>Training course for employees of GDS-Cusa that includes CR issues.</li> </ul>	<ul style="list-style-type: none"> <li>The course has not been given, as others on management skills were preferred.</li> </ul>	
	<ul style="list-style-type: none"> <li>To consolidate the commitment and participation of the employees of the "la Caixa" Group.</li> </ul>	<ul style="list-style-type: none"> <li>Employees have participated actively in the corporate volunteer programme through the various voluntary associations, with 1,546 voluntary work actions.</li> <li>Voluntary and participation initiatives have been supported, such as the food collection campaign, through internal communication channels.</li> </ul>	

**EMPLOYEES**

**CHALLENGES FOR 2011-2012**

**Team Management**

- In the framework of the director talent management programme, the creation of a Leadership Centre, to give a boost to the professional development of the company's directors.
- To promote the materialization of an Equality Plan, general in nature and application, to all areas of the institution.
- To continue with the process of introducing the system of assessing challenges associated with variable pay, until it is applied to the entire central office staff and to the new business areas of the commercial network.
- To progress in the application of the competence profiles of posts for the majority of staff. For example: central office managers and staff who work on the cash desk in branches.
- To publicise the Corporate Responsibility course among staff.

In Silk,

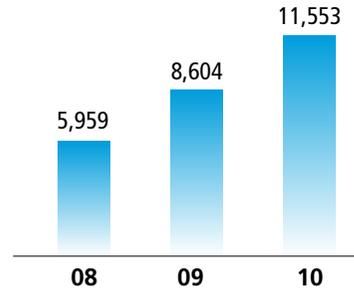
- The introduction of a performance management system.
- The introduction of an Equality Plan.

## Community

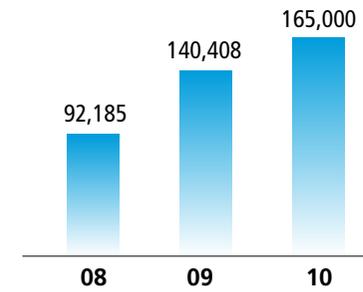
Through its Welfare Projects, "la Caixa" has made it a priority to focus its attention on programmes that set out to contribute to the improvement of people's living conditions and facilitate their integration and development as a way for society to progress. Among them are CaixaProinfancia and the Integration into Work Programme. Moreover, it has contributed to making access to a home easier for young people, the elderly and families through Affordable Housing.



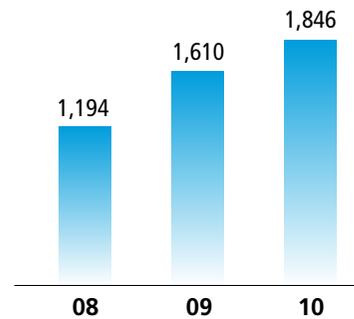
Integration into Work Programme: number of people already placed



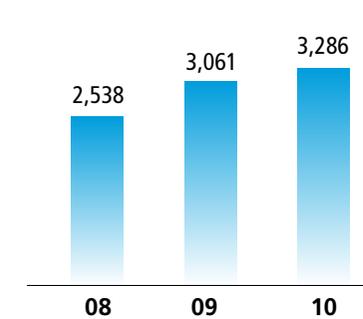
CaixaProinfancia Programme: number of children attended to (accumulated)



Affordable Housing Programme: number of homes handed over (accumulated)



Corporate Volunteer Programme: number of volunteers



Achieved  In process  Not achieved 

COMMUNITY	2009 COMMITMENT	PROGRESS MADE IN 2010	
Welfare Projects	<ul style="list-style-type: none"> <li>To contribute to the fulfilment of the fourth United Nations Millennium Development Goal, to reduce infant mortality by two-thirds before 2015, based on the Business Alliance for Child Vaccination and the collaboration with the GAVI Alliance.</li> </ul>	<ul style="list-style-type: none"> <li>The renewal of the alliance with GAVI Alliance for child vaccination and the struggle against infant mortality, with an accumulated contribution in the last three years of €11 million.</li> </ul>	
	<ul style="list-style-type: none"> <li>To strengthen business sensitivity in favour of the employment of people with difficulties or at risk of social exclusion.</li> </ul>	<ul style="list-style-type: none"> <li>"la Caixa" has continued to foment the labour inclusion of groups at risk of exclusion through the Integration into Work Programme, which has contributed to the insertion of 32,740 people and has 13,626 businesses collaborating.</li> </ul>	
	<ul style="list-style-type: none"> <li>To consolidate the employees of the "la Caixa" Group's commitment and participation in carrying out supportive actions.</li> </ul>	<ul style="list-style-type: none"> <li>3,286 employees were participating in the Corporate Volunteer Programme at the end of 2010.</li> </ul>	
Affordable Housing	<ul style="list-style-type: none"> <li>Young People and the Elderly Programme: To allocate 450 homes and build another 1,020 (and thus reach 3,000 homes built in the period 2004-2012).</li> </ul>	<ul style="list-style-type: none"> <li>During 2010, 236 homes were handed over and another 492 were allocated. Moreover, 940 homes are under construction and plots have been acquired or agreements signed with local councils for the construction of another 172 homes, until 100% of the Young People and the Elderly Programme is completed.</li> <li>The difference with respect to the target set is due to a delay in the finalization of the work on the developments in Seville and Valencia, which will be handed over during the 1st quarter of 2011.</li> </ul>	
	<ul style="list-style-type: none"> <li>Families Programme: To build 306 flats and purchase land for the construction of another 697 (the target for 2012 is to have a stock of 1,000 homes).</li> </ul>	<ul style="list-style-type: none"> <li>During 2010, building work has begun on 271 homes and land has been purchased for the construction of 830 homes. Of these, 76 have already been allocated during 2010. In the 1st quarter of 2011 building work will begin on 89 homes in Bilbao.</li> </ul>	
Suppliers	<ul style="list-style-type: none"> <li>Adherence and compliance with the CWA (CEN Workshop Agreement) on Value Added Purchasing Management.</li> </ul>	<ul style="list-style-type: none"> <li>It has been decided to develop a new internal procurement policy, which includes the redefinition of the process of registering and authorizing suppliers and the introduction of criteria of Corporate Responsibility in this authorization process.</li> </ul>	
	<ul style="list-style-type: none"> <li>In PromoCaixa, to make progress in the process of controlling and monitoring the responsible practices of suppliers through the control of the environmental and labour certifications of the most important suppliers, which represent 70% of PromoCaixa's turnover.</li> </ul>	<ul style="list-style-type: none"> <li>Progress has been made in the control process, though the goal has not been reached as PromoCaixa has been managing the obtainment of all the suppliers' contracts.</li> </ul>	

Achieved  In process  Not achieved 

COMMUNITY	2009 COMMITMENT	PROGRESS MADE IN 2010
<b>Suppliers (cont.)</b>	<ul style="list-style-type: none"> <li>In PromoCaixa, to include more restrictive clauses in the auction specifications that automatically allows the contract not to be formalized if the audit is negative following a review of the production centres. Moreover, and in the event of a second audit being carried out, the cost will be met by the supplier.</li> </ul>	<ul style="list-style-type: none"> <li>Implemented. </li> </ul>
	<ul style="list-style-type: none"> <li>To promote Corporate Responsibility among stakeholders: to improve the accessibility of the CR Report, especially for people with impaired sight.</li> </ul>	<ul style="list-style-type: none"> <li>The 2009 CR Report ceased to be published in flash format, and was published in pdf format, which makes automatic reading for people with impaired sight possible, using the 'read aloud' function. </li> </ul>
	<ul style="list-style-type: none"> <li>The redesigning of the CR section on <a href="http://www.lacaixa.es">www.lacaixa.es</a> to improve communication with stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>The content of the CR section of the webpage has been enlarged and reorganized in a more intuitive way, grouping it by stakeholders. More information at <a href="http://www.lacaixa.es/corporateresponsibility">www.lacaixa.es/corporateresponsibility</a> </li> </ul>
<b>Promotion of Corporate Responsibility (CR)</b>	<ul style="list-style-type: none"> <li>To inform periodically about the important issues in CR.</li> </ul>	<ul style="list-style-type: none"> <li>Through the corporate intranet, employees have been informed periodically about the new developments in CR to encourage their participation in the different initiatives undertaken.</li> <li>The publication of articles about the CR initiatives and management model in the internal magazine <i>CanalCaixa</i>.</li> <li>Through Virt@ula, the company's online teaching platform, information about the most important CR programmes has been made available to employees.</li> <li>The participation of "la Caixa" in events, symposia, fairs and conferences to spread CR. </li> </ul>
	<ul style="list-style-type: none"> <li>To make more visible the collaboration of the IESE business school's "la Caixa" Chair of Social Corporate Responsibility and Corporate Governance, as a tribune open to society and a promoter of innovation.</li> </ul>	<ul style="list-style-type: none"> <li>Two events have been held: one on climate change in Madrid, and another on social entrepreneurs in Barcelona. Information on these events has been given through the webpage of the "la Caixa" Chair and the magazine of "la Caixa"'s Banca Privada. </li> </ul>
	<ul style="list-style-type: none"> <li>To participate in the programmes organized by the Círculo de Empresarios, with the aim of favouring the mutual exchange of experiences and knowledge between the business world and the legislative and judicial spheres.  ▶ <a href="#">More information</a></li> </ul>	<ul style="list-style-type: none"> <li>In 2010, "la Caixa" has participated in the Companies-Parliamentarians Programme: three deputies (MPs) and five senators have had the chance to learn in depth about "la Caixa"'s management model. </li> </ul>
	<ul style="list-style-type: none"> <li>To carry out a complete audit of the Corporate Responsibility Report.</li> </ul>	<ul style="list-style-type: none"> <li>This report has been the subject of a comprehensive verification by the auditors. There is a reasonable level of assurance according to ISAE 3000. </li> </ul>

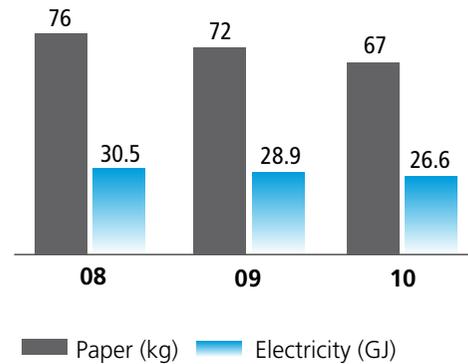
COMMUNITY	CHALLENGES FOR 2011-2012
<b>Welfare Projects</b>	<ul style="list-style-type: none"> <li>• To contribute to fomenting social cohesion and civic coexistence through the new Intercultural Community Intervention programme.</li> <li>• To strengthen our commitment to the needs of society in matters of overcoming exclusion and the creation of job opportunities for underprivileged groups.</li> </ul>
<b>Affordable Housing</b>	<ul style="list-style-type: none"> <li>• The promotion and use of rented housing: <ul style="list-style-type: none"> <li>– Young People and the Elderly Programme: to have 2,958 homes allocated (2,848 in use) at the end of 2012.</li> <li>– Families Programme: to have 955 homes allocated and in use and 186 under construction at the end of 2012.</li> </ul> </li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• To improve the management of suppliers through a new process of registering and authorization of major suppliers, with total guarantees of the compliance with legal and environmental regulations, and which fosters respect for the United Nations Global Compact.</li> <li>• To give important suppliers a Suppliers' Portal for the "la Caixa" Group as a vehicle for communication and information, allowing for greater collaboration.</li> <li>• In PromoCaixa, to carry out the control of the environmental and quality certifications of the major suppliers (70% of the total).</li> </ul>
<b>Promotion of Corporate Responsibility (CR)</b>	<ul style="list-style-type: none"> <li>• To publicise CR among interest groups, through the company's branches, the webpage and participation in events and conferences. Also, to collaborate with the IESE business school's "la Caixa" Chair of Social Corporate Responsibility and Corporate Governance, to foster Corporate Responsibility in society.</li> <li>• To continue promoting awareness of the Business Alliance for Child Vaccination.</li> <li>• To extend the possibility of the whole of society collaborating in the Solidarity Space (Espacio Solidario) projects.</li> </ul>

## Environment

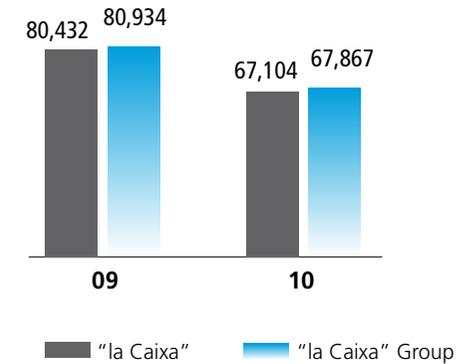
"la Caixa" understands its commitment to the protection of the surroundings in a broad sense, which encompasses its projects, services and products, as well as the Welfare Projects programmes. In this endeavour, it can count on the involvement of employees, subsidiaries and collaborating companies.



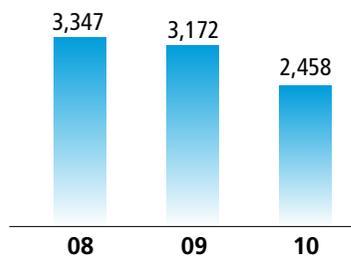
Consumption of paper (Kg) and electricity (Gj) per employee in "la Caixa"



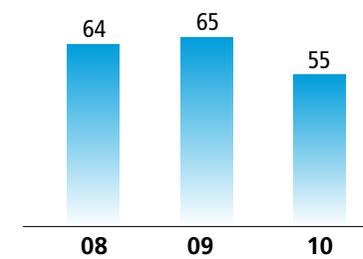
Volume of CO<sub>2</sub> emissions (direct and indirect) (TnCO<sub>2</sub>)



Investment in renewable energy projects (EUR million)



Number of finance projects subject to the Equator Principles



Achieved  In process  Not achieved 

ENVIRONMENT	2009 COMMITMENT	PROGRESS MADE IN 2010	
<b>Financing</b>	<ul style="list-style-type: none"> <li>To extend the scope of the Equator Principles to encompass financing operations over €7 million, even if they are not project finance.</li> </ul>	<ul style="list-style-type: none"> <li>A new procedure for the assessment of social and environmental risks in syndicated loans over €7 million has been developed, to be applied as from January 2011.</li> </ul>	
	<ul style="list-style-type: none"> <li>To increase the energy efficiency of "la Caixa", minimizing its environmental footprint:                             <ul style="list-style-type: none"> <li>Reduction of total electricity consumption by 10%.</li> <li>Reduction of CO<sub>2</sub> emissions deriving from journeys by 10%.</li> <li>Reduction of total paper consumption by 10%.</li> <li>Reduction of toner consumption by 10%.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Despite the notable reduction in the company's direct impact, which shows the effort made, the target set has not been reached:                             <ul style="list-style-type: none"> <li>The consumption of electricity has been reduced by 7.01% .</li> <li>The number of kilometres travelled has been reduced by 1,311,314 km, which has meant a saving of 322.74 tons in CO<sub>2</sub> emissions (7.20%).</li> <li>The consumption of paper has been reduced by 5.2%.</li> <li>The consumption of toner has risen by 16.7%.</li> </ul> </li> </ul>	
<b>Environmental Policy</b>	<ul style="list-style-type: none"> <li>To raise awareness and promote good environmental practices in "la Caixa": to maintain the programme raising employee awareness.</li> </ul>	<ul style="list-style-type: none"> <li>A campaign has been introduced to inform and raise the awareness of employees of the network of branches on their consumption of electricity during the year and the difference with respect to the previous year.</li> </ul>	
	<ul style="list-style-type: none"> <li>To create a forum on the corporate intranet to encourage employee collaboration and innovative practices.</li> </ul>	<ul style="list-style-type: none"> <li>It was decided not to create a specific forum. However, employees have a suggestion box and Virt@ula forums to send their comments and innovative ideas.</li> </ul>	
	<ul style="list-style-type: none"> <li>To change the wrapping paper of the Puntos Estrella programme for one that is environmentally-friendly and recyclable (PromoCaixa).</li> </ul>	<ul style="list-style-type: none"> <li>The different existing types of paper have been replaced by one that is environmentally-friendly and recyclable.</li> </ul>	
	<ul style="list-style-type: none"> <li>In Servihabitat, the definition of an environmental policy.</li> </ul>	<ul style="list-style-type: none"> <li>It has not been defined yet due to the move of the offices to the new headquarters, although specific protocols of action are applied (minimization of the generation of waste, optimization of printing machines) to be included in a global regulation, which will make it possible to define the environmental policy of Servihabitat in accordance with the characteristics of its new offices.</li> </ul>	

Achieved  In process  Not achieved 

ENVIRONMENT	2009 COMMITMENT	PROGRESS MADE IN 2010	
<b>Environmental Policy (cont.)</b>	<ul style="list-style-type: none"> <li>• In Sumasa:                             <ul style="list-style-type: none"> <li>– The removal of the waste paper bins and the incorporation of new containers that enable recycling.</li> <li>– The reduction of the number of models of account books used, from 30 to 7.</li> <li>– To continue with the process of substitution of the office furniture of "la Caixa" for items with less environmental impact.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• The waste paper bins have been removed.</li> <li>• Despite working towards this aim, no progress has been made in this area.</li> <li>• Certain types of office materials have been replaced by other more environmentally friendly ones.</li> </ul>	
	<ul style="list-style-type: none"> <li>• In Vivienda Asequible:                             <ul style="list-style-type: none"> <li>– To use 50% recycled paper.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• 90% of the paper used is recycled.</li> </ul>	

ENVIRONMENT	CHALLENGES FOR 2011-2012
<b>Finance</b>	<ul style="list-style-type: none"> <li>• The application of social and environmental criteria in the assessment of requests for syndicated operations over US\$7 million.</li> </ul>
<b>Environmental policy</b>	<ul style="list-style-type: none"> <li>• Reduction of paper consumption calculated globally: 5%.</li> <li>• Reduction of electricity consumption calculated globally: 5%.</li> <li>• Awareness raising and promotion of good environmental practices.</li> <li>• To continue issuing specific finance products.</li> <li>• Reduction of CO<sub>2</sub> emission produced by journeys by 5%.</li> </ul> <p>In Sumasa:</p> <ul style="list-style-type: none"> <li>• To continue with the application of energy saving measures.</li> <li>• 3% reduction of spending on electricity consumption.</li> </ul> <p>In Vivienda Asequible:</p> <ul style="list-style-type: none"> <li>• To increase the use of recycled paper to reach 100% of the total paper consumed.</li> <li>• To encourage savings in paper consumption.</li> </ul>



#### **4. Supporting People and their Projects: Leaders in Quality**

4.1. Better Service Every Day

4.2. Innovative, More Accessible and Safer

4.3. Solutions for a Complex Economic Situation

## 4. Supporting People and their Projects: Leaders in Quality

### 4.1. Better Service Every Day

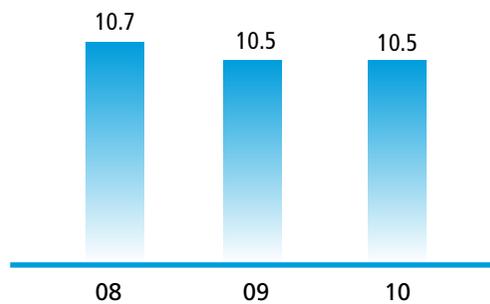
Through personalized quality management "la Caixa" works with the aim of guaranteeing excellent service and maintaining trust; this, along with leadership and its social commitment make up its corporate values.

To ensure this, it is also fundamental to maintain and guarantee the highest level of security in the company's operations and on its premises.

#### "la Caixa", generating trust

"la Caixa" has ended 2010 with over 10.5 million customers, a figure that reinforces the company's leading position in the market. This confirms the trust that its business model generates and which is a stimulus to continue working with the aim of meeting their needs better every day.

#### NUMBER OF CLIENTS (MILLIONS)



#### "la Caixa", Number One for Individual Customers

"la Caixa" has consolidated itself as the leader in individual customer banking in Spain.

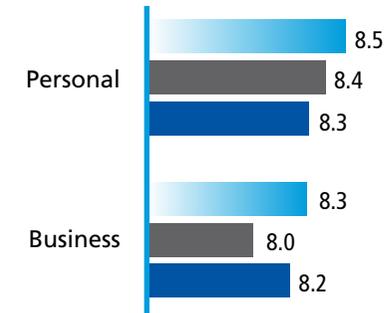
According to data from the 2010 FRS Inmark study on the financial behaviour of individual customers, "la Caixa" has increased its market share in the ranking of the financial companies preferred by customers by twenty basic points, reaching 16.5% of the share.

#### Excellence in service

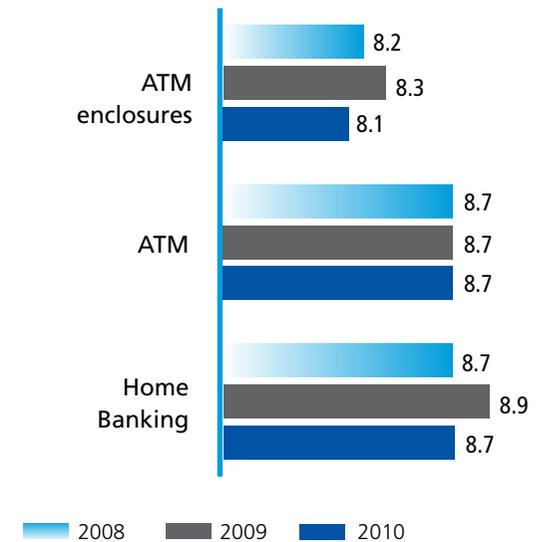
"la Caixa" works constantly to achieve excellence in its activity. For this, it is crucial to know the customers' perception of the quality of the service the company gives them. To this end, several satisfaction surveys are carried out, making it possible to obtain an internal indicator, the Customer Satisfaction Rate (CSR), which measures the customers' level of satisfaction in relation to the service they receive and, at the same time, gives branches a rating, allowing them to be ranked.

The criteria collected in the CSR include aspects like personal treatment or availability, but they also focus on the mainstays of the employees' professional activity, with marks for such aspects as product knowledge, adaptation to customers' needs, or initiative and proactivity in the commercial offer.

#### INDIVIDUAL CUSTOMER SATISFACTION SURVEYS



#### SATISFACTION SURVEYS



Besides the measuring and improvement of the quality perceived by customers, surveys are carried out in all branches to obtain data on the quality of services, processes and internal applications. The aim is to evaluate each one of the company's main organizational units, thus obtaining a result about the satisfaction of the internal customer.

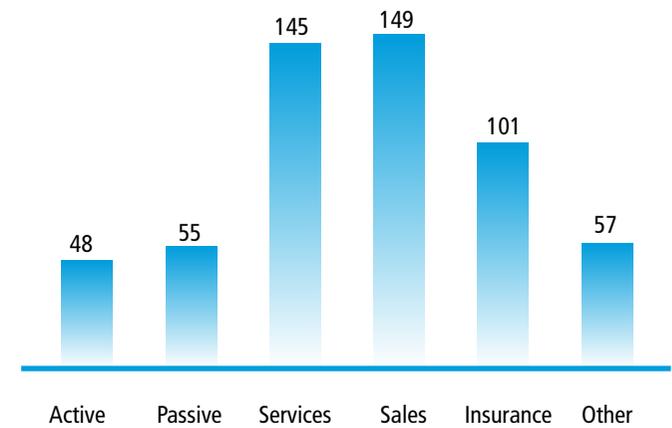
Also, "la Caixa" has a suggestions box open to all employees, a source of innovation that allows it to continue improving the service offered to customers. During 2010, 7,242 suggestions have been dealt with, put forward by 3,302 people. Of all of them, over half have already been introduced and the rest are planned for the short/medium term.

Number of suggestions per year

	2008	2009	2010
Received	8,359	9,708	7,287
Closed	6,315	7,874	6,319
Finalized	3,926	5,522	4,262
Dismissed	2,389	2,352	2,057



IMPROVEMENT SUGGESTIONS RECEIVED IN 2010  
BY TYPE



## Quality Improvement Plan

With the aim of increasing the rating given to branches in matters of quality, "la Caixa" developed a Quality Improvement Plan in 2009.

This plan, introduced in 2010, has meant the adoption of a series of specific measures. On one hand, with the aim of designing and proposing improvements, the principal causes of the low evaluation of branches have been analysed according to the study of the indicators in each case (territory, area and branch). At the same time, the diffusion of information related to quality has been improved, increasing the number of reports available for all employees and informing all the Quality Committees.

On the other hand, the network of branches, in a decentralized way, and through the quality officers in each territory, has designed multiple initiatives, which have had the help and documentary support of the Department of Organization and Quality. Among these, there are the quality workshops, in which the branches with the best results "supervise" branches with more ground to make up.

Other actions include the explanation and diffusion of the action and information protocols of the Active Quality Portal, the use of Virt@ula to share ideas and information related to quality or the carrying out of internal surveys to get to know the opinions of employees and their possible suggestions for improvement.

### New Active Quality Portal

"la Caixa" has created a new Active Quality Portal on its corporate intranet with the aim of bringing together the information related to quality into a single space and sharing good practices with the staff.

The portal is structured in three sections:

- In the first news directly related to quality is published monthly.
- The second consists of a block of permanent content on good practices on the subject of quality that all employees have to be aware of.
- The third section allows access to the data/results of different internal and external ratings.
- The tool has had the active participation of staff in the definition of content.

## The Customer Service Office

### United Nations Global Compact

This section covers:

- Principle 1** Businesses should support and respect the protection of internationally proclaimed human rights.

Attending to customers and responding to their complaints or suggestions is a fundamental aspect for achieving excellence in the service. For this reason, and with the aim of ensuring effective communication with customers, "la Caixa" places at their disposal different channels, under the umbrella of the Customer Service Office:

- Telephone number 900 32 32 32
- [Form](#) through the company's webpage
- Letters to the CEO

### Number of customer communications received by the Customer Service Office (by letter, phone and e-mail)

Comments or suggestions	17,375
Congratulatory	154
Complaints or grievances	20,633
<b>TOTAL</b>	<b>38,162</b>

In accordance with the Bank of Spain's Report 2009, the latest one available, most financial institutions experienced a notable increase in the number of customer complaints received. Among them were those related to an instrument of coverage against interest rate risk, also known as an interest rate *swap*.

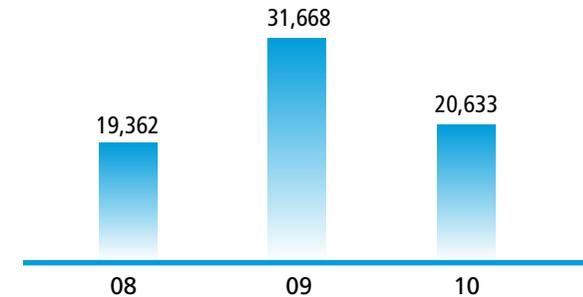
This product was contracted by customers with variable rate asset operations, as a means of protection against the growing interest rate curve of previous years, in which the Euribor 12 months had gone from 2.1 in July 2005 to 5.38 in August 2008, and against the prospects of the rising trend continuing, making the payments of their finance operations more expensive.

In the case of "la Caixa"'s swaps or IRSP, the company introduced flexibility measures to adapt to the changing needs of the customers and supply solutions to the rising interest rates. At the end of 2008, the sudden fall in Euribor (3.339 points in 5 months) meant, for some customers, negative settlements of the IRSP. Due to this, "la Caixa" decided to contact customers to introduce, in cases where it was convenient, the available flexibility measures.

"la Caixa" is committed to continual improvement in the processes of definition, construction and marketing of its products and services, to achieve the maximum satisfaction of its customers.

In this respect, and according to the same Bank of Spain report in 2009, "la Caixa" continued to be one of the companies with the least number of complaints per volume of business (2.4 per €1,000 million of volume of business). Moreover, the percentage of resolutions in favour of "la Caixa" (45%) was maintained and the ones in favour of customers fell. In 16% of cases an agreement was reached with the customer.

### NUMBER OF CUSTOMER COMPLAINTS



### Complaints originating in "la Caixa" submitted to the Catalan Saving Banks Customer Ombudsman

	2009	2010
Settled in favour of "la Caixa"	660	785
Settled in favour of the customer	458	436
Inappropriate / Inadmissible	446	665
Customer withdrew complaint	24	10
Pending resolution	642	305
<b>TOTAL</b>	<b>2,229</b>	<b>2,201</b>

Also, and with the aim of guaranteeing excellence in the service, the Financial Products Transparency Committee was established in 2009, in which the main areas related to the development and the marketing of products are involved, with the aim of discussing all the issues related to the transparency of the products and services offered to customers.

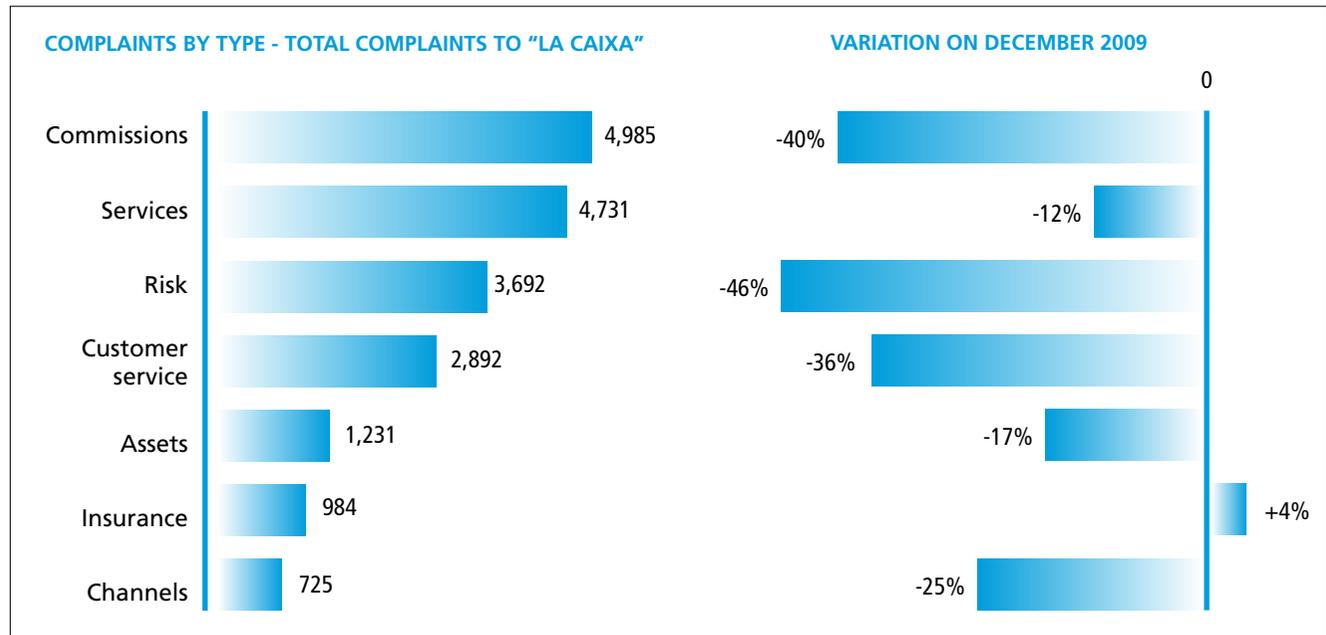
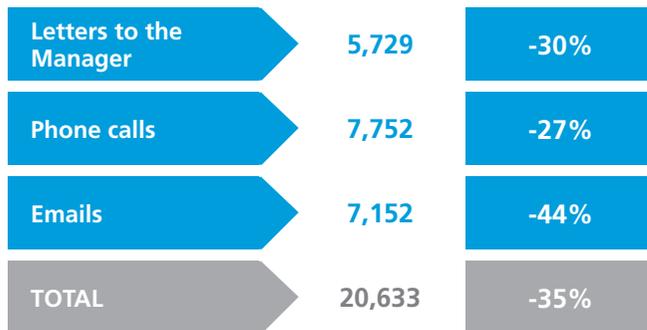
During 2010, customers' complaints dropped by 35% with respect to the previous year, down from 31,668 in 2009 to 20,633 in 2010. This fall has taken place in all areas and all segments of customers.

By way of example, there was a notable drop in complaints about queues in branches (-44%) thanks to the application of measures aimed at speeding up the service and improving commercial management. Complaints about commissions have also fallen (by 40%), improving information and placing at the disposition of customers various service alternatives at a reduced cost.

As regards the resolution of complaints, in 2010 the response times to complaints have been shorter than the stipulated ones: seven days for calls, four for letters and three for emails.

**TOTAL COMPLAINTS**

NUMBER VARIATION ON DECEMBER 2009



## Responsible Policies in Commercial Activity

"la Caixa" bases its relationship with its customers and the media on transparency, clarity and credibility, and applies responsible policies in the sale of its services and products.

The company works to ensure the transparency of commercial messages it issues, to avoid ambiguous, inexact and exaggerated information. In this respect, it is a member of the Association for the Self-regulation of Commercial Communication (AUTOCONTROL, as per the Spanish acronym). Moreover, during 2010, "la Caixa" has been developing a new Commercial Communication Policy, at the approval stage, with the aim of it being an internal rule of obligatory compliance. Also, it has encouraged its subsidiaries to develop their own ethical codes and rules of conduct as regards advertising.

On a national level and in the field of advertising, an important aspect in 2010 was the publication in the BOE of 29<sup>th</sup> June 2010 of EHA orders 1717/2010 and 1718/2010 of 11 June, whereby the prior submission for approval of advertising projects to the Securities Market National Committee and to the Bank of Spain is abolished. Since this change in the legislation, the company has presented a total of 22 prior consultations on advertising projects to AUTOCONTROL.

The majority have obtained an initial positive report and, in the event of having obtained a negative report at the first presentation, all the suggestions received have been applied, obtaining always a positive report at the second attempt.

In 2010, there are no recorded incidents or settlements awarded against "la Caixa" related to advertising or product information.

Also in 2010, and promoted by "la Caixa"'s Financial Products Transparency Committee, which has held 12 sessions, work has continued on the aspects related to the marketing of financial instruments adapting to the different legal regulations on transparency, like the European regulation MiFID.

Furthermore, and regarding the media, "la Caixa" maintains a direct and personalized relationship with journalists through the communications department, which has the job, among other things, of drafting press notes, the organization of press conferences or dealing with journalists' questions and requests.

Also, the company has a corporate [blog](#) and maintains a [press](#) space in its corporate portal, with information permanently updated.



### "la Caixa"'s presence in the media

Corporate / institucional press notes	49
Business press notes	47
<b>TOTAL</b>	<b>96</b>

### Security of its Premises, Products and Services

"la Caixa"'s priority is to maintain the highest levels of security both in its branches and in customers' operations, and to guarantee maximum confidentiality in the handling of the personal data that its customers entrust it with.

### Protection of Information

"la Caixa" is aware of the importance of guaranteeing the security of its computing processes to protect the confidential nature of customer details. In this respect, during 2010 the Computing Safety Management Strategic Plan has been developed, which covers the period 2011-2014 and is aimed at the mitigation of information leaks.

During the year, the most important projects introduced were:

- Greater security in remote access to "la Caixa": staff and external suppliers have to provide two passwords to be able to access the internal network.
- Reduction of privileges in corporate workstations, to avoid staff being able to execute unauthorized software.
- Security requirements in contracts with third parties.
- Removal of inactive users in remote accesses and network units.

- Blocking of access to social networks from the company's computers.
- Coding of the hard disk in portable PCs.
- Blocking of recording on external devices (USB and CD/DVD).
- Daily and automatic revision of the webpages of the "la Caixa" Group, in search of possible weaknesses or infections by malware that may pose a risk for customers or for the company's image.

It should also be pointed out that in 2010, the certificate of the Information Security Management System has been renewed in accordance with the ISO 27001 standard.

Furthermore, staff training in data protection has been encouraged. One of the measures adopted has been the periodical publication of articles in the internal magazine *CanalCaixa* with the aim of improving employees' knowledge of the practices recommended to guarantee computing security and foster its application.

Moreover, an online course on information security has been developed for staff, available in the Virt@ula area.

With the aim of knowing and sharing the best practices in matters of computing safety, "la Caixa" participates in different national and international working groups. They include

Internet Security Forum (ISF), the Interbank Cooperation Centre (ICC) Computing Security and Card Fraud group, the Security working group (GTS, as per the Spanish acronym) and the Spanish Business Continuity Consortium Group (CECON, as per the Spanish acronym).



### Safe Branches

Besides working to maximize computing operations security, "la Caixa" considers it a priority to guarantee the physical safety of its customers and staff. Therefore, the branches of "la Caixa" are prepared to minimize the risk of assault and robbery, especially in areas considered higher risk.

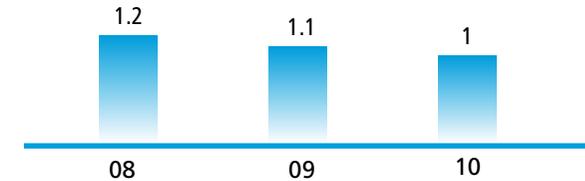
This commitment also involves the adoption of protection measures over and above the legal minimums established. Thus, during 2010, the alarm switchboard of 100 branches has been improved and 30 new individualized entry controls have been installed using metal detector doorframes, for the purpose of preventing attacks. Also, and with employees'

safety in mind, 300 branches have been equipped with an innovative remote alarm system.

The percentage of robberies in branches of "la Caixa" is lower than the average for the sector. In 2010 there were 1.0 robberies per 100 branches, the best average of the last four years.

Lastly, in 2010 the 109 security guards who work in the company have completed specific courses on branch office safety. This training also covers subjects related to respect for human rights in the performance of their duties.

OVERALL NUMBER OF ROBBERIES (PER 100 BRANCHES)



## 4. Supporting People and their Projects: Leaders in Quality

### 4.2. Innovative, More Accessible and Safer

For "la Caixa", with its large network of branches, the proximity to its customers remains one of its most characteristic signs of identity and it continues working to guarantee the excellence of its service. Moreover, it has reaffirmed its commitment to innovation, by investing in technology, which has enabled it to develop new forms of access to its products and services, guaranteeing safety in all transactions.

#### Accessibility

"la Caixa" understands accessibility in a broad sense, meaning not just offering its customers the greatest possible number of access channels to its products and services, keeping an extensive network of branches, but also working so that these channels may be used by the largest possible number of people.

#### Geographical Proximity and Multi-channelling

The company's network of branches continued to be, in 2010 one of the most numerous in Spain, present in at least every city or town with over 20,000 inhabitants.

At the close of 2010, when the integration of the branches of Caixa Girona in the network was finished, "la Caixa" had 5,409 branches, 83 more than in 2009.

#### "la Caixa" and the integration of Caixa Girona:

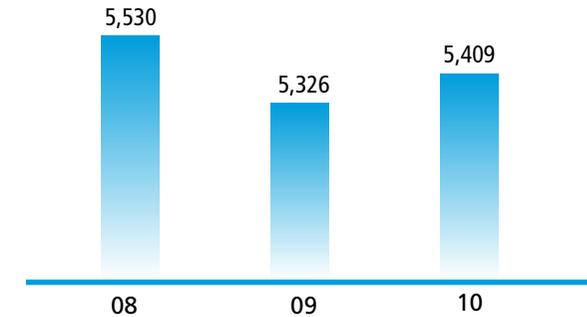
During 2010 the 227 branches of Caixa Girona were incorporated in the network. The absorption has created a notable duplication in the branch network, which has been resolved with the merging of 210 branches of both networks and through the redistribution of staff to cover vacancies in Girona and the surrounding areas.

In all cases the protocol in effect for the integration of branches has been followed, applying criteria based on:

- Proximity between the integrated branched and the destination branch;
- The choice of the most suitable premises for the commercial service of customers;
- The merging of small branches into other larger ones where customers can find staff specialising in all kinds of services.

Other measures related to the integration have included the information campaigns to transferred customers giving the reasons for the integration, the respect for the professional capacity of the managers and deputy managers coming from the incorporated branches and their priority in the coverage of future vacancies. Likewise, it was also agreed that customers should keep their old account numbers to avoid additional problems.

NUMBER OF BRANCHES - "LA CAIXA"



Furthermore, "la Caixa" continues to offer its customers the possibility of using different ways to access to its products and services: cash machines (ATMs), mobile phone (CaixaMóvil) or Línea Abierta (via Internet and digital TV).

These channels enable the company to be available 24 hours a day, 7 days a week, thus being more convenient for customers.

### The Elimination of Physical and Sensorial Barriers

In 2010, "la Caixa" continued working on the elimination of all physical and sensorial barriers that may be an obstacle for access to its premises or its products and services for handicapped people.

Regarding its network of branches, we have carried on with the "Objetivo Cuota-cero", aimed at removing barriers in the entrances of branches for people with reduced mobility. As part of this, 33 operations have been carried out during the year that have involved, where necessary, the installation of entrance ramps.

As regards automatic cash machines, these are permanently updated to improve their accessibility and possibilities of personalisation. Moreover, we are working to guarantee their ease of use, always bearing in mind the elderly, people with mobility difficulties or impaired sight, and also those people less familiar with the use of new technology.

They therefore have, among other measures:

- Keyboards adapted for people with impaired sight;
- Help videos in sign language subtitled in Spanish and Catalan;
- The possibility of personalising operations through the option "1111", for people with impaired sight, and "2222" for those hard of hearing.

In this respect, "la Caixa" takes part in the definition, development and introduction of pilot accessibility programmes applied to ATMs with companies from different countries of the European Union. Among these programmes is the project for the identification of people without physical contact being necessary (contactless), thanks to a smartcard that will contain the customer's profile. Thus, if a customer wishes, for example, to activate the voice help, they will not have to key in option 2 of the ATM, but their preferences will be stored in the card's chip and will be activated when inserted or when the card is brought near to the machine. This project envisages the use of biometric systems alternative to entering the PIN number and it also incorporates an emergency scenario to guarantee communications between system and user, even if they are people with some form of handicap. Furthermore, both the webpage and the internal email and fax operations of Serviticket were adapted for people with impaired sight in 2010.



► [For more information about accessibility](#)

## Innovation

The company has opted, for yet another year, to invest in technology and in R+D+i, thus enabling it to improve its processes, increasing their efficiency, and to offer customers new solutions, incorporating the most recent technological advances in its range of products and services.

### Investing in Technology

"la Caixa", within the framework of the 2007-2010 Strategic Plan, has continued to work to meet the technological challenges set and, in 2010, has invested a total of €155.9 million in technology, of which €29.32 million correspond to R+D+i.

In 2010, and in the Computer Services Strategic Plan, a decisive boost has been given to the construction of a next generation Data Processing Centre. This project, which will house the company's servers and computing data, will strengthen "la Caixa"'s technological leadership by creating innovative and advanced installations with regard to computing, energy and telecommunications infrastructures. The first centre is planned to start operating in 2011.

During 2010, "la Caixa" has developed, along with the Barcelona Digital Technology Centre, a project for innovation whose aim is the development of advanced information systems, making it possible to access business information through a semantic and intelligent search engine, by way of questions in natural language, so that the searcher can be used by inexperienced staff to be able to find the data easily, without any previous knowledge. This project is part of "la Caixa"'s growing

interest in taking part in research projects with technology centres that make it one of the pioneering bodies in new technologies.

Lastly, and in relation to the plan for the improvement of communications infrastructures, we have to mention that work has been done to equip the branches with a network with greater bandwidth, with the aim of facilitating access to the most advanced technological services that require higher-capacity communications solutions.

### Improved Branch Efficiency

The use of new technology in the branch network has made it possible, in 2010, to improve the efficiency of processes and make the staff's work easier. By way of example, the "electronic risk file" has been introduced in the entire network of branches, substituting the physical sending of documents; new features have been incorporated into the Finance Terminal, the platform used in branches to work, and a common "back office" has been established, making it possible to centralize some tasks that branches do individually.

Also in 2010, the Strategic Plan for Computing Services 2007-2010 has been culminated. This plan allows us to respond to growing business needs as well as simplify the "la Caixa" Group's technological infrastructures. In 2011 work will be done to extend this model of optimization of Computing Services Information Technology to all companies in the group, with the aim of improving efficiency and effectiveness.



### New Applications and Improvements in New Technology

"la Caixa" has a global range of services, available through different communication channels like the Internet, mobile phones, digital television and, in a pioneering way, through different applications for products like the iPad and iPhone.

Work has continued in 2010 to adapt to new technology and the new needs of their users.

#### Línea Abierta (home banking)

"la Caixa" has become a technological reference point in European Internet banking. The key to maintaining this leadership lies in innovation and the continual improvement of services, taking into account customers' opinions.

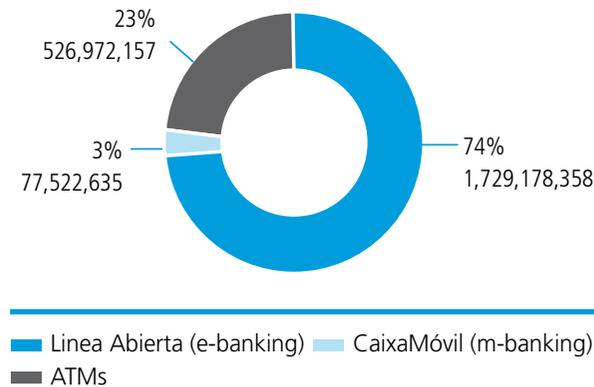
For "la Caixa", it is important to provide its customers with access to bank transactions in a comfortable, easy and safe way, regardless of the channel used.

In the case of Línea Abierta Móvil, the remote banking service for mobile telephones, new applications have been brought into use during 2010. There is the possibility of confirming the provisional tax return form and making contributions to pension plans via mobile phones or managing the operation of activating and blocking cards. Also, an application for iPhone has been developed that makes it possible for the user to pay bills more easily by scanning their bar codes.

### Línea Abierta Empresas, Number One for Quality

In 2010, the consultancy AQmetrix rated "la Caixa" as the Spanish financial institution with the best level of service offered via the Internet. The results obtained by the Línea Abierta Empresas make it the leader of the ranking of all the subcategories that are assessed with the highest rating possible (A1A1).

### TRANSACTIONS MADE BY "LA CAIXA" CUSTOMERS THROUGH THE VARIOUS CHANNELS AVAILABLE



### Línea Abierta, suited to customers of "la Caixa"

During 2010, customers of "la Caixa" have had the chance to take part in the process of continual improvement of the Línea Abierta, through filling in an online questionnaire sent to the most operative users, and which over 4,500 customers answered.

As a result, over a hundred suggestions were received that have been introduced throughout 2010. One example of improvement has been the increase of the number of positions in the PIN number from 4 to 6, with the aim of increasing the level of security. Moreover, and in relation to improvements in information offered, the number of product simulators has been added to and new financial information videos have been created.

In 2011 new ideas will be applied, like the modification of the receipt page for transfers, so that it takes up just one page and is easier to print.

This initiative, besides being useful for improving the Línea Abierta and attending to customers' needs, allows us to know their degree of satisfaction with respect to the services available and improve our competitiveness.

In the questionnaires, the users gave marks of over 8 out of 10 to all the services, and mentioned ease of use, the clarity of information, the rapid response and the design, among other aspects.



### Mobile Banking

"la Caixa" is the company with the largest market share of mobile banking in the world, according to figures by Nielsen, a market research service.

In this field, one of the outstanding new developments of 2010 has been the introduction of contactless technology for payments in shops and businesses, based on short-range wireless connectivity, known as NFC technology (Near Field Communication). This technology brings, to both customers and businesses, greater speed in the purchasing process, as only the introduction of the PIN number is necessary.

In this respect, "la Caixa" presides the international working group on NFC payments created by the Mobey Forum, a body that brings together operators, financial institutions and mobile phone manufacturers to develop new ways of paying.

Also in the field of applications for mobile phones, new access portals have been created for High Net Worth Bank customers. Moreover, "la Caixa" Welfare Projects has developed an application that makes guided visits to the exhibitions in its CaixaForum centres possible. In 2011 it is also planned to be available for the CosmoCaixa centres.

"la Caixa" and ServiCaixa (which manages the sales of tickets for shows) have created new applications that allow users to access the purchase of tickets through the iPad and Windows Phone.

### Speed and Ease of Payment: "Mobile Shopping Sitges 2010"

Over a 6-month period a pilot experiment for payment via mobile telephone with NFC technology (Near Field Communication) has been developed in Sitges.

"la Caixa", Telefónica and Visa Europe have taken part in this project, undertaken in conjunction with Sitges Town Council and Samsung, and in which 1,500 users and 500 businesses have taken part, customers of "la Caixa" and Telefónica.

In this project, "la Caixa" has acted as the issuer of a Visa card that is placed in the SIM card of the users' mobile phones. Moreover, it has given the participating businesses a special point of sale (POS) terminal to read the Visa card.

Customers, when purchasing, had to place the phone near the POS, which read the card and, also, asked for the PIN number to be entered to validate the operation.

During the pilot test, customers increased their operations by 30%. 70% of the participants gave a mark of over 8 out of 10 to mobile payment and valued the agility, speed and security of the system.

The project is the first to have been carried out in a real scenario in Europe with this number of participants and, due to the great acceptance of mobile payment, the feeling is that it could be introduced on a wide scale in Spain in a period of 3 to 5 years.

► [For more information](#)

## Safety in Electronic Banking

The free service CaixaProtect guarantees customers of "la Caixa" total protection from any fraudulent operation (not made by them) in the areas of:

- Línea Abierta (e-banking)
- Account books, in ATMs
- Bank cards

The free service CaixaProtect sends notifications to the mobile number given by the customers, where it notifies them via SMS of the most important operations carried out with the card. By the end of 2010 this service had over 6 million subscribers, 8 million notifications having been sent.

The purpose of CaixaProtect is to protect customers from possible fraudulent operations and, in turn, offer safety in the use of the electronic channels by carrying out a continuous monitoring of operations. It is upgraded every year with the latest technology.

Along with this, "la Caixa" also offers advice to customers in matters of security through section highlighted on the company's website:

### ► Access to the safety portal (in Spanish)

In 2010, another of the most significant new developments in matters of safety in operations and ease of access has been the replacement of cards with others adapted to European safety standards, and which incorporate the EMV chip.

The chip offers greater safety to customers, both for the difficulty of forging cards and the need to enter the PIN when

making purchases. This requirement avoids fraudulent use after loss or theft of the card.

Moreover, it represents greater convenience when using it to pay with, for both the purchaser and the business, as it is not necessary to sign a receipt after purchase or for the business to keep a copy of the transaction.

## CaixaMóvil Store

"la Caixa" has its own online shop, the first one for banking applications for mobile phones in the world, which enables customers to download 36 free applications to perform operations such as investing on the stock exchange or topping up the phone's balance.

In 2010, e-la Caixa, the group's business that manages the contents for mobile phones, carried out a customer consultation process of customers on the new applications for the CaixaMóvil Store. As a result, over 1,500 suggestions have been received, of which 67% have been catalogued as valid. Some were introduced throughout 2010 and the rest will be in 2011.

## Serviticket

During 2010 "la Caixa" 's subsidiary company for Internet ticket sales (cinema, theatre and other leisure events) has introduced various improvements to its services.

Thus, customers can print the tickets purchased via the Internet at home (h-ticketing), avoiding unnecessary journeys. It is also possible to use mobile phones to buy tickets (m-ticketing) and choose seats and, in some cases, opt to receive the ticket on your mobile through a bar code. In this case, printing is not necessary.



## Web 2.0

With the aim of being present in those places where its customers are, the company has made a commitment to a presence on the Internet, which develops alongside the advances in the information society.

During 2010, several promotion actions were undertaken in social network sites and other Internet spaces. Among them, the incorporation of new videos on YouTube, of both the company and "la Caixa" Welfare Projects, the updating of the information about the "la Caixa" Group on Wikipedia or the incorporation of updated photos in the Flickr image bank.

► [Access "la Caixa"'s channel on Youtube](#)

Moreover, the company's younger customers can receive information on the specific offers for them through [twitter](#).

In 2010, Online *Community CaixaEmpresa* was created, the first social business network to allow customers to generate commercial contacts and business with one another, and which responds to "la Caixa"'s wish to support its customers so that they can take advantage of the business opportunities generated by social networks.

Serviticket has also made a commitment to enter the 2.0 digital community and, in 2010, created corporate pages in the main social networks: Facebook, twitter and Tuenti.

The Facebook page allows it to be in permanent contact with users and to answer their questions and comments. And, in turn, Twitter is ServiCaixa's commitment to getting its news and new developments through to a greater number of people. At the end of 2010 it was the only ticketing operator present, with a total of 790 followers.

[Access to ServiCaixa:](#)

► [On Facebook](#)

► [On twitter](#)



## 4. Supporting People and their Projects: Leaders in Quality

### 4.3. Solutions for a Complex Economic Situation

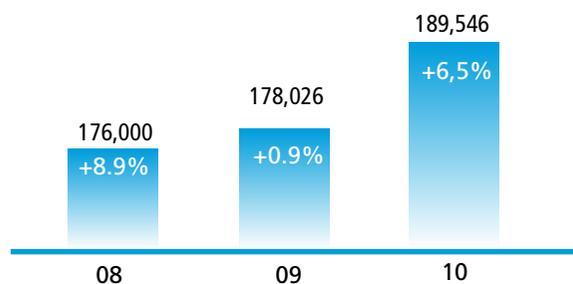
**Maintaining support for the country's productive fabric and providing solutions for families is part of "la Caixa"'s commitment to the environment. This is one of its corporate values and, given the complex economic situation, has been one of the bank's priorities in 2010.**

Throughout the year, one characterized by an unfavourable economic context, it has continued to provide solutions to individual customers in temporary financial difficulties and has made various lines of credit available to businesses and the self-employed.

#### The Evolution of the Client Portfolio

The customer loan portfolio increased in value by €11,520 million (+6.5%) to €189,546 million, with 939,463 transactions over the last 12 months and €99,491 million in loans extended, due to the strong growth in lending to companies across the 83 business centres and the branch network.

#### GROSS CUSTOMER LOANS (GROSS INVESTMENT IN MILLIONS OF EURO)



#### Individual Customers

For the financial institution, providing a quality service entails adapting to the financial needs of its customers in a changing environment through a wide range of products and services.

Faced with the adverse environment of 2010, the support and funding measures that "la Caixa" offers its customers to overcome their temporary financial difficulties have become especially relevant.

#### Assistance Plan for Individuals

"la Caixa" has kept the Assistance Plan for Individuals, in force since 2009, introducing additional measures to adapt to the current economic reality and focus on the unemployed.

The objective of this plan is to help families who, despite having with a good credit rating history as customers of "la Caixa", are faced with a drop in their incomes due to illness, unemployment or other temporary circumstance that prevents them from meeting their monthly mortgage payments. To this end, various possibilities are considered: enacting a grace period or "wait and see" clause; refinancing or restructuring the debt; or a moratorium on payments.

One of the improvements to the Assistance Plan, adopted in 2010 and currently being implemented will allow customers benefiting from any part of the plan and who, expecting to make a financial recovery, have

shown some ability to pay, to extend the assistance to payment of arrears.

#### Contracts benefitting from the Assistance Plan for Individuals 2010

Grace period/"wait and see" clause	11,277
Refinancing/restructuring the debt	9,022
Moratorium on payments	7,133
<b>TOTAL</b>	<b>27,432</b>

### ICO Lines of Credit

In 2010, "La Caixa" renewed its agreement with the Instituto de Crédito Oficial (ICO) for providing the ICO- Moratoria Hipotecaria (Mortgage Moratorium) Line, which facilitates deferring monthly mortgage payments for individual customers who become unemployed or widows, or the self-employed who have suffered a substantial drop in their income.

Throughout 2009 and 2010, "la Caixa" processed 2,325 contracts for a total of €11,316 million.

It has also kept the 2007-2010 ICO-Plan Avanza, with the aim of facilitating the use of information technology and communication for individuals. Through this line, 85,185 operations have been funded over the past three years.

### Businesses and the Self-Employed

"la Caixa" has continued to provide flexible solutions that are tailored to the needs of business clients to help them cope with a year marked by adverse economic circumstances. To do so it has a multidisciplinary team of specialists that work to develop "tailor-made solutions" for companies. These allow them to meet their business needs, whether investment, financing or other products and services. This team also has a business support function to the directors of both business centres and the rest of the branch network.

### A Tailor-made Service

"la Caixa" offers its customers a solid financial proposal based on a differentiated competitive service model.

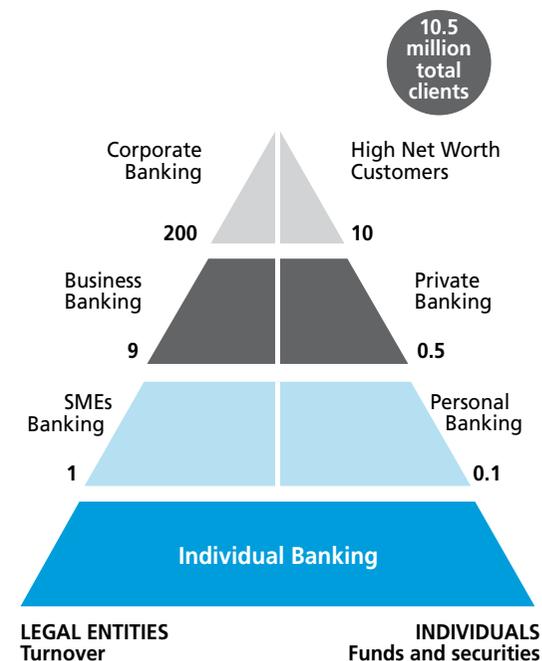
On the one hand, it has an SME banking service to serve business customers with a turnover of less than €9 million. 2010 was the first fully operational year of this service, with the aim of strengthening the bank's commitment to small and medium-sized businesses. In late 2010, the team consisted of 820 managers specializing in meeting the needs of SMEs and supported by the strength of the commercial network offered by the 5,409 branches of "la Caixa".

At 31<sup>st</sup> December 2010, the SME business was managing 190,000 customers, which has enabled "la Caixa" to reach a 31% market share, according to FRS Inmark.

Similarly, to deal with medium-sized and large companies in the most appropriate way, in 2008 a differentiated, decentralized, flexible, service-oriented management model was launched for this group, staffed by highly skilled professionals. In late 2010, after the opening of three new centres during the year, "la Caixa" had its own network of 83 business centres.

There is also a specialized division for groups of companies with a turnover of more than €200 million, known as Corporate Banking. This service has two operational offices in Madrid and Barcelona, as well as the subsidiaries of Portuguese companies through the International Markets Business Centre. In 2010, the team was made up of 125 professionals.

Self-employed and micro company customers, meanwhile, are served through Individual Customer Banking with a range of specific products and services and their own loyalty programme. At the end of 2010, "la Caixa" had a market share of 21.7% of the self-employed and 24.2% of micro-companies.



Ranges in millions of euros

## Financing

One way to support the viable and profitable projects of Spanish companies are the different funding streams that have been made available to businesses and self-employed business people.

"la Caixa", in addition to a complete range of products and services, has strengthened its partnerships with public agencies to provide finance at competitive rates. In this regard, the bank has actively participated throughout 2010 in the various ICO Credit Lines to improve access to credit for businesses, especially the Investment and Liquidity lines.

Thus "la Caixa" has granted loans totalling €1,000 million in the Investment lines and €579 million in the Liquidity line, in more than 40,000 loans to businesses and the self-employed. These operations have led to an improvement in the annual ranking of institutions managing ICO credit lines based on the volume of ICO funding granted, allowing it to climb from fifth to third place.

Furthermore, in order to meet the financial needs of property developers, "la Caixa" has joined the ICO-Housing programme to promote the conversion of the remaining housing stock for lease with option to purchase.

"la Caixa" has also signed cooperation agreements with other public institutions to promote business financing. These include the funding strand for SMEs through a €300 million loan from the European Investment Bank (EIB). This loan will promote social and business development by small and medium-sized businesses from a sustainable perspective. Another of these agreements is the one signed with the Barcelona Chamber of Commerce, through which "la Caixa" makes a line of credit of up to €2,000 million available to member companies to boost their competitiveness.

	Contracts	Amount (EUR million)
ICO-Liquidity SMEs	12,937	579
ICO-Investment	17,896	1,000

### Support for International Business Expansion

"la Caixa" continues to work to provide a global service to its customers and therefore, through its International Banking area, accompany those companies with business interests and relationships outside of Spain in carrying out their activities abroad.

International customer support is channelled in various ways, depending on the way that "la Caixa" is established in each country:

#### Operative branches

In 2010, the bank had consolidated operative offices in Warsaw (Poland), Bucharest (Romania) and Casablanca (Morocco).

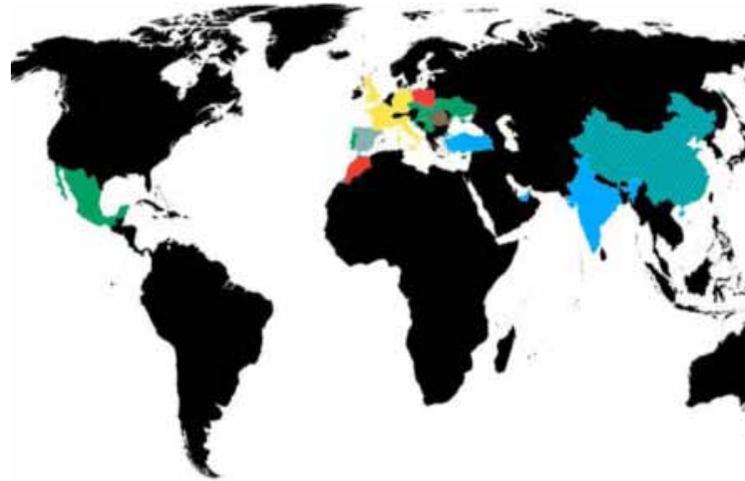
#### Representative Offices

These offices, which cannot conduct banking operations, are support points for commercial activities that the bank's branch network offers companies operating in those countries. By late 2010 there were offices in China (Beijing and Shanghai), Turkey (Istanbul), United Arab Emirates (Dubai) and India (New Delhi). In addition, the bank is in the process of opening new offices in Algeria, Singapore and Egypt.

#### Spanish Desks

Located in Frankfurt, London, Paris, Stuttgart and Milan, these centres serve Spanish corporations, as well as multinationals and SMEs from these countries that operate in Spain.

### INTERNACIONAL BANKING



<p><b>International branches</b></p> <ul style="list-style-type: none"> <li>• Morocco</li> <li>• Poland</li> <li>• Romania</li> </ul>	<p><b>Representation offices</b></p> <ul style="list-style-type: none"> <li>• East and Central Europe</li> <li>• Hong Kong / China</li> <li>• Mexico</li> <li>• Portugal</li> </ul>
<p><b>Spanish Desk</b></p> <ul style="list-style-type: none"> <li>• Germany</li> <li>• France</li> <li>• Italy</li> <li>• United Kingdom</li> </ul>	<p><b>Banking Units</b></p> <ul style="list-style-type: none"> <li>• China</li> <li>• Dubai</li> <li>• India</li> <li>• Turkey</li> </ul>

#### Strategic Banking Alliances

"la Caixa", through Criteria Caixa Corp, holds a stake in banks that are leaders in their respective markets: Banco BPI (Portugal), Grupo Financiero Inbursa (Mexico), Erste Bank Group (Austria and Eastern Europe), and Bank of East Asia (Hong Kong and China).

Through various partnerships with these financial institutions, "la Caixa" ensures that its customers can be served in the home countries of its partners, all leading institutions with extensive branch networks:

- Erste: 3,200 branches in eight European countries.
- BPI: 700 branches in Portugal.
- BEA: 260 branches in Hong Kong, China and major financial centres in Asia.
- Inbursa: 280 branches in Mexico.

In addition, in 2010 it established a new product entitled "International Solutions for Companies", as well as reaching preferential correspondence agreements and carrying out multiple collaborative initiatives in a wide range of areas, including Structured Finance, Human Resources and Information Systems.

Finally, we would like to point out that "la Caixa" has established bilateral agreements with more than 2,500 international banks, which allow it to channel the foreign trade business of its customers.

► [More information](#)



## 5. Actively Contributing to the Progress of Society

5.1. MicroBank

5.2. Support for Entrepreneurs

5.3 Committed to Social and Environmental Sustainability

5.4. Welfare Projects. Closer to People

5.5. A Great Team

5.6. Promoting Corporate Responsibility

## 5. Actively Contributing to the Progress of Society

### 5.1. MicroBank

**MicroBank, "la Caixa"'s social bank, continues to work to encourage financial inclusion and social cohesion through the granting of microloans, with the aim of fomenting productive activity, the creation of self-employment and personal and family development.**

MicroBank's activity is addressed to entrepreneurs, small businesses and people with limited income or with difficulties gaining access to the traditional credit system, and it does so through the more than 5,400 branches of "la Caixa".

Since the start of 2010, moreover, small businesses set up as limited liability companies can also finance themselves through microloans, a measure that makes access to finance easier for a type of business that in 2010 represented 92% of businesses in Europe.

Moreover, during this year the amount of finance for certain ends has been increased, among them essential forms of transport for low-income families, with the aim of adapting it to the needs of families supported by "la Caixa"'s Social Bank.

MicroBank has entered into a collaboration agreement with the European Investment Fund, under the aegis of the European

Commission's Competitiveness & Innovation Framework (CIP) Programme, to back up the granting of €143 million in microloans during 2010 and 2011, with the aim of supporting the creation and consolidation of 15,000 small businesses.

It has also arranged in full the loan underwritten to the value of €50 million with the Council of Europe Development Bank (CEB), through the payment of which microloans to the value of €100 million have been financed, helping MicroBank to strengthen its task in favour of financial inclusion.

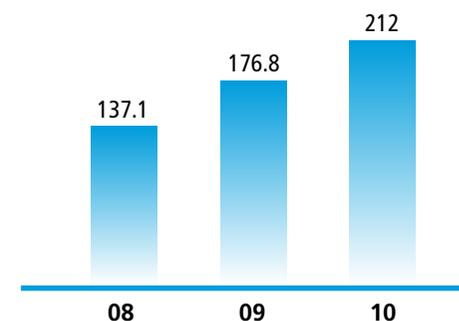
During 2010, MicroBank completed 36,845 operations worth €212 million, 20% more than last year, ending the year with a 37% growth in its investment portfolio.

---

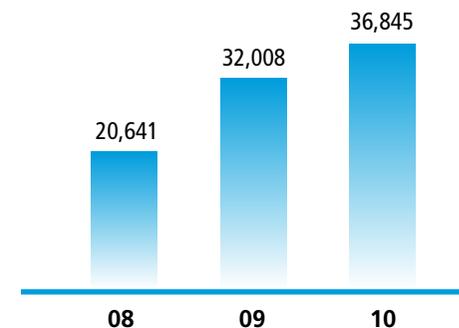
MicroBank aspires to become a European point of reference in social banking, with a specialised banking model that is sustainable and allows it to finance the needs arising from the growth of its activity.

---

**INVESTMENT BY MICROBANK**  
(EUR Million)



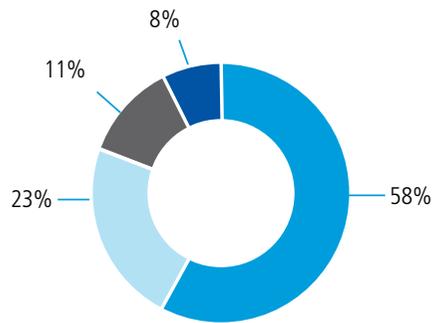
**NUMBER OF MICROLOANS GRANTED**  
(EUR Million)



MicroBank leads the microloans sector in Europe with an investment of over €420 million in three years.

Since it was created in 2007, and up to the end of 2010, it has financed a total of 93,879 projects of entrepreneurs and families.

**CUSTOMER NATIONALITIES**



■ Spain                      ■ Other European Countries  
 ■ South America            ■ Asia and Africa

**Microloans: a Tool to Encourage Financial Inclusion**

Microloans are reaffirmed as a financial instrument capable of contributing to the creation and consolidation of employment, one of the priority needs in an unfavourable economic and financial situation.

According to the Report on the impact of microloans, the first to analyse the social repercussions of MicroBank's microloans, drafted by the Business School ESADE and published in March 2010, the small businesses that have been financed with a microloan have an average of 1.57 employees (60% of them are self-employment projects). According to this same study, 63% of these loans have served to start up new businesses.

84% of the businesses financed through a microloan were still active at the time the report was published. Of the companies that had ceased to trade, 57% had done so in the first two years of life.

Since MicroBank began operating, and up to the end of 2010, it is estimated that the bank has contributed to the creation or maintenance of over 30,000 jobs through the microloans granted.



### MicroBank, supporting Social Organizations

MicroBank continues to broaden its range of products and services to give a specialised response to projects that, in turn, entail a positive social impact. In this respect, in 2010 the social bank has developed a range of financial products and services addressed to Non-Profit-Making Organizations, with the aim of facilitating their access to funding and placing at their disposal specialised services, which allow them to carry out their activity in a more agile way. These products and services will be available during 2011.

### Joining Forces to Encourage Financial Inclusion

Since its creation, MicroBank has signed collaboration agreements with different institutions to facilitate access to its services and products for groups at risk of financial exclusion.

In 2010 MicroBank renewed the agreements for collaboration with the Young People's Institute (Instituto de la Juventud, INJUVE, as per the Spanish acronym) and with the Secretariat of State for Equality, to continue with the actions of promotion and support for women's groups and young entrepreneurs and businesspeople.

Since it began collaborating with the then Ministry of Equality, in 2004, through the Institute for Women, MicroBank has financed 982 projects totalling almost €12.5 million. The average amount lent has been €12,585. In general, 44% of MicroBank's microloans are given to women.

Moreover, also in 2010, MicroBank underwrote a collaboration agreement with the University of Barcelona for the granting of microloans to students and graduates with professional and business projects, as a way of encouraging self-employment. Since it began working, in 2007, MicroBank has made a commitment to work directly with universities to foment enterprise and the creation of companies in the universities. Currently, it has entered into collaboration agreements with 21 universities and business schools all over Spain, such as the Universities of Cordoba or Santiago de Compostela, or with bodies related to the universities, like the University and Business Foundation (Fundación Universidad y Empresa, FUE).



## Monte de Piedad

Another way to encourage financial inclusion is what the Monte de Piedad has been doing. Its loans formula allows it to attend to private customers' temporary needs for liquidity through loans based on jewellery deposited with it.

The loans are granted for a period of one year, but they can be renewed for another year if the borrower is unable to repay the capital, in this way avoiding the auctioning of the items pawned.

The flexibility of the procedure helps to maintain its validity after more than 300 years. During 2010, 8,342 loans were set up, with a 4.2% increase in the number granted and a 22% increase in capital with respect to 2009. At the end of the year, the balance of the loans portfolio was €15.5 million corresponding to 15,250 loans.

Since the middle of 2010, MicroBank has taken over the management and running of "la Caixa"'s Monte de Piedad as a consequence of its strategic aim to increase the social impact of the Monte de Piedad's activity and strengthen its growth.

	2008	2009	2010
<b>Average amount of loan granted (Euros)</b>	1,706	1,676	1,859
<b>Length of loan (Days)</b>	675	713	720
<b>Total amount of loans granted during the year (thousand)</b>	12,577	13,399	15,505

We should mention, as a new development, that in 2010 the Monte de Piedad has established the minimum capital for the pawn loan at €300, it previously having been €900. This reduction helps, in an unfavourable economic situation, to increase the accessible finance alternatives for people finding it difficult to gain access to credit.

## 5.2. Support for Entrepreneurs

### United Nations Global Compact

This section covers:

#### Principle 9

Businesses should encourage the development and diffusion of environmentally friendly technologies.

**"la Caixa", through the entrepreneurs department, is developing a series of actions to support, finance and accompany new business initiatives with high growth potential in Spain.**

**Besides having a broad range of products and services for businesses, "la Caixa" channels its support for innovation through MicroBank, through Caixa Capital Risc, its venture capital company, and through the initiative EmprendedorXXI.**

### Caixa Capital Risc: Supporting Innovative Sectors

Caixa Capital Risc has three venture capital companies (Caixa Capital Semilla, Caixa Capital Micro and Caixa Capital Pyme Innovación), which channel "la Caixa"'s investment into innovative companies with potential for growth, both newly or recently created, and into those that have successfully overcome their initial phase.

With regard to the evolution of the assets portfolio, during 2010, and due to the unfavourable economic climate, priority was given to investments that were already in the portfolio with the aim of helping to guarantee their feasibility and survival. Nevertheless, 8 new investments have materialized, which meant €7.5 million of investment committed, which will be paid out according to targets met. All of them are technology-based businesses specialising in life sciences and information technology.

In 2010, "la Caixa" created Caixa Capital Micro, a micro venture capital vehicle managed by Caixa Capital Risc, with the aim of strengthening its line of support for entrepreneurs in their early stages.

Caixa Capital Micro is committed to new micro-companies in any sector based in Spain that present a growth plan and offer the potential for co-investment with other public and private bodies.

## EmprendedorXXI Initiative

Through the EmprendedorXXI programme, which includes initiatives like the EmprendedorXXI award, "la Caixa" aims to promote a business culture suited to entrepreneurs and innovation as drivers of the country's economic development.



In its fourth edition, the EmprendedorXXI award has been consolidated as the promoter of the enterprising spirit and the creation of businesses, with an increase of over 24% in the number of candidatures, which have risen from 300 to 372. In terms of sectors, information and telecommunications technology have presented the most candidatures, followed by life sciences and the environment.

The presence of the EmprendedorXXI award in the 17 Autonomous Communities of Spain and the good results registered after four editions have been possible thanks to the collaboration of over 35 local and regional, public and private bodies associated with enterprise and the creation of businesses.

**The winner:** IkerChem (Basque Country)

**Runner up:** Kanteron Systems (Valencia)

**Third place:** Bubok (Madrid)

## Specialised Programmes

One of the company's main challenges is to foster the creation of innovative businesses with a vision of the future that transmits the research developed in universities and research centres to the market. With this in mind, "la Caixa", together with the principal public and private bodies, promotes programmes for the creation of businesses in specific sectors, to help researchers and technicians to establish their business project successfully.

These programmes are aimed at university graduates, researchers, teachers, PhD students and entrepreneurs who have an idea for a business or company in the initial phase and who set out to start their own business, either as a spin-off of their institution or independently.

## BioEmprendedorXXI

In 2010, the programmes for life sciences and sustainability were set up. The first of these, the **BioEmprendedorXXI programme**, facilitates the creation and consolidation of quality innovative businesses with a sense of the future in the field of life sciences, embracing biotechnology, biomedicine, the environment and the food and agriculture sector. It is an initiative of "la Caixa", Biocat, Barcelona Activa, Genoma España and the Barcelona Chamber of Commerce.

In its third year, 2010, the programme had 18 participants, three more than in the previous edition. The winning project was the company VCN Biosciences, which develops new high-power and high-selectivity biotechnological medicines to fight cancer.

## ECOEmprendedorXXI

In the same line, and to promote the creation of businesses in the clean technology sector, in 2010 the **EcoEmprendedorXXI programme** was created, focused on the field of renewable energy, energy efficiency, sustainable mobility, the management of the water cycle and the energy management of waste.

The initiative, which in its first edition had 14 participants, is promoted by "la Caixa", Gamesa, Barcelona Activa, the Government of Catalonia's Department of the Economy and Finance and the Barcelona Chamber of Commerce.

The prize for all the projects chosen in the framework of the EmprendedorXXI Initiative is a series of training actions, of internationalization and incubation, which are considered useful for starting up a business project.

The winner also receives the sum of €20,000 and the chance to take part in the University of Cambridge's business acceleration course, Ignite. They can also take part in a technological innovation point, which involves visiting one of the main poles of innovation in the world to establish contacts and seal negotiations. The award also includes six months' free stay in the Barcelona Activa Business Incubator. The two runners up are also awarded €10,000 and €5,000 respectively, and their access is facilitated to training activities and participation in important congresses in the sector.

In the framework of the boost that "la Caixa" wishes to give the financing of innovative sectors, the launch is planned, in the third quarter of 2011, of the **EmprendedorXXI.net Programme**, specialising in information and communication technologies (ICT) and the Internet.

Follow the EmprendedorXXI programme through:

- ▶ Facebook
- ▶ twitter

### Rural Entrepreneurs

"la Caixa" supports business initiatives that encourage the growth of rural areas with various solutions for rural entrepreneurs who want to start up a new productive activity, including livestock or crop farmers who plan to diversify their activity with others, not strictly farming.

The company has a wide range of solutions for business projects, both for those in an initial phase and for established businesses. Among the finance mechanisms available to customers are small loans, managed through MicroBank or

public funds, like the ICO lines or the finance lines linked to Rural Development Plans. Moreover, it offers solutions to cover the financing of their daily activity or to face up to new investments for businesses or companies already up and running.

In 2010, "la Caixa" introduced a new free information bulletin specializing in agricultural economics and rural development. The service, called *AgroCaixa*, is free to use for customers in the farming sector and is available in a dual format: a bimonthly bulletin, both printed (available at the 469 rural branches of "la Caixa") and electronic (on the Internet).



## 5.3. Committed to Social and Environmental Sustainability

### Socially Responsible Investment (SRI)

#### MicroBank Fondo Ético

---

#### United Nations Global Compact

---

This section covers:

**Principle 1** Businesses should support and respect the protection of internationally proclaimed human rights.

**Principle 2** Make sure that they are not complicit in human rights abuses.

---

Socially Responsible Investment (SRI) makes it possible to combine sustainability and profitability through the integration of criteria of social and environmental responsibility and corporate management in the pre-selection of the investment portfolio. In recent years, there has been a great boom in this type of investment in Europe, with a growing number of private individuals and groups choosing this type of fund.

"la Caixa" considers that SRI is a fundamental tool for promoting sustainable development and is working to increase its presence in the Spanish market.

MicroBank Fondo Ético is a new ethical and supportive investment fund, created in 2010, the result of the merger of "la Caixa"'s two socially responsible funds, the FonCaixa Cooperación Socialmente Responsable Europa and the FonCaixa Privada Fondo Activo Ético.

---

#### MicroBank Fondo Ético

---

Volume: €4 million

Shareholders: 957

---

Besides the necessary traditional financial requirements, the fund incorporates ethical, social and environmental criteria in the selection of the assets that make up its portfolio. To carry out this task, it has an Ethical Committee formed by independent experts who, free of charge, assess and determine the values achieved with the said criteria. Later, an Assets, Fixed and Variable Income Distribution Committee of InverCaixa, "la Caixa"'s fund manager, selects the assets with the best prospects, always respecting the fund's investment vocation.

The Ethical Committee establishes criteria of exclusion (negative screening) and assessment (positive screening) in its analysis of the ethical and social responsibility values of the companies.

It does this it has the collaboration of the EIRIS agency (Ethical Investment Research Service) which assesses the commitment and the action of the companies in relation to good corporate

governance, the environment, human rights and commitment to interest groups.

Moreover, any company whose action contravenes fundamental human rights, especially those of children, is excluded from the range of assets suitable for investment, as are those that run nuclear power stations or which make, sell and/or distribute cigarettes. Also excluded are companies that break the Pharmaceutical Code and/or The International Code of Marketing of Breast-milk Substitutes in the Third World.

Not included either in the potential investment are companies that manufacture or distribute weapons. In the respect, in 2010 "la Caixa" has approved a new internal ruling relative to finance and the arms sector.

#### The Defence Sector

"la Caixa", in accordance with its Code of Ethical Values and Principles of Action, will not take part in operations to finance or export material for military use. At the same time, the company excludes any kind of commercial relationship with companies associated with the production or marketing of anti-personnel mines and/or cluster bombs.

MicroBank Fondo Ético also has a supportive side, through the contribution by the management body InverCaixa of 25% of the management commission to various NGOs or non-profit-making bodies, in accordance with the designations made by the shareholders in the fund.

Additionally, every year the "la Caixa" Foundation contributes a sum equivalent to that granted by InverCaixa to the beneficiary organizations, to a cooperation project chosen by a Support Committee, formed by members of "la Caixa" Welfare Projects, InverCaixa and the Ethical Committee, which is in charge of the selection.

In 2010, the amount given to projects has risen to over €25,000. Of this, €13,089.22 have come from the expired FonCaixa Cooperación Socialmente Responsable, absorbed by the FonCaixa Privada Fondo Activo Ético in November 2010. The latter, the origin of the MicroBank Fondo Ético, has granted a sum of €120,674.91.

► [More information: Access Microbank Fondo Ético](#)

### "la Caixa" Employees' Pensions Fund

The "la Caixa" Employees' Pensions Fund, adhering to the United Nations Principles of Responsible Investment (UNPRI) since 2008, has in 2010 invested €80,176 thousand in socially responsible funds, which represents a 3.28% of the total invested and an 8.05% of the total of the equity securities.

Moreover, it should be pointed out that, since 2009, VidaCaixa, the company responsible for the design, marketing and management of life insurance and pension plans of the VidaCaixa Group – "la Caixa"'s Insurance Group, part of Criteria CaixaCorp – has been a signatory of the United Nations Principles of Responsible Investment (UNPRI). VidaCaixa is the first Spanish insurer and pensions' manager adhering to these principles and has shown its commitment to all its investments – of savings insurance and of the individual and collective pensions plans managed – adopting them as a guide.

► [For more information on the PRI](#)

## Committed to Environmental Sustainability

### United Nations Global Compact

This section covers:

- Principle 8** Businesses should undertake initiatives to promote greater environmental responsibility; and
- Principle 9** Encourage the development and diffusion of environmentally friendly technologies.

"la Caixa"'s commitment to respect for the environment covers all its projects, services and products, as well as the programmes of the Welfare Projects, and has the participation and involvement of employees, subsidiaries and collaborating companies.

The company works to minimize its direct and indirect impact on the environment and to integrate social and environmental criteria in the performance of its activity. With this aim, "la Caixa" takes part in the United Nations Environmental Programme (UNEPFI) and has been a signatory since 2007 of the Equator Principles. Also, and as part of this commitment, it fosters sustainability among its customers and society in general.

### SAM Sustainable Climate

"la Caixa" markets the SAM Sustainable Climate Fund, committed to renewable energy and focusing on the struggle against climate change, a direction that is in line with the company's commitment to sustainability.

The inclusion of this is also due to the wish to respond to the growing demand by customers for a wider range of investment funds that combine returns with Corporate Responsibility and environmental sustainability.

SAM Sustainable Climate Fund was first marketed in May 2010. It is a socially responsible investment fund, of equity securities, that invests in companies all over the world offering technologies, products or services that reduce, slow down or contribute to easing the consequences of climate change. The fund manager is Sustainable Asset Management (SAM), a body specialising in sustainability and which has the job of preparing the Dow Jones Sustainability indexes, of reference in the industry and in the field of sustainability.

In turn, the BGF New Energy is an equity securities fund, managed by BlackRock, which invests at least 70% of its portfolio in companies associated with the world of alternative and renewable energy sources. It is been marketed by "la Caixa" since August 2008.

### Sustainable Financing

"la Caixa" considers the social and environmental implications of its finance policy from a double perspective: in relation to the criteria for the risk assessment of the fundable projects and regarding the types of projects it finances.

#### Syndicated Operations

In 2010, as part of its commitment to the environment, the company worked to make progress in the process of the social and environmental assessment of requests for finance. Thus, basing itself on the Equator Principles and the standards of action of the IFC, it has developed a new procedure to assess the social and environmental risks in the syndicated operations with a total amount above €7 million. This procedure will be introduced from January 2011.



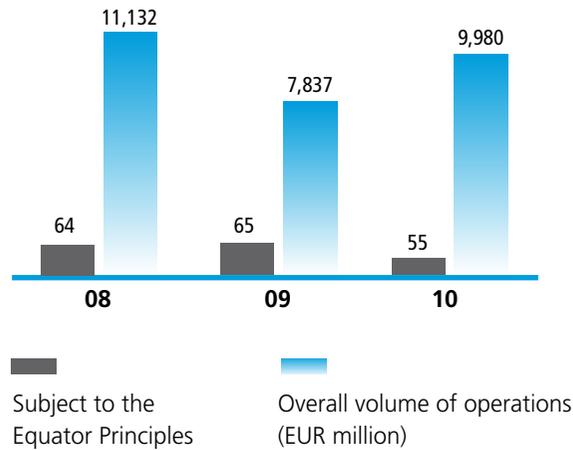
### Application of Social and Environmental Criteria in the Funding of Operations

As a signatory of the Equator Principles, "la Caixa" has taken on a comprehensive commitment to responsible financing. Therefore, the approval of project finance with overall investment greater than US\$10 million requires a positive previous assessment, incorporating social and environmental factors in the analyses, according to the standards established by the International Finance Corporation (IFC).

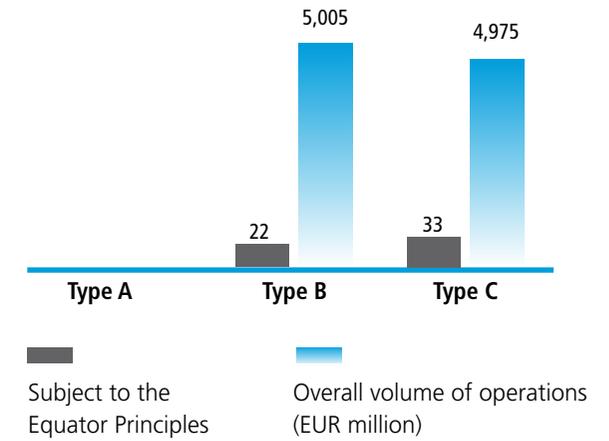
► [More information](#)

In 2010, "la Caixa" has funded 55 projects with a total investment of €9,980 million. 33 of the funded projects have been classified as type C, having minimal or no environmental or social impact, while 22 have been rated B, having medium impact.

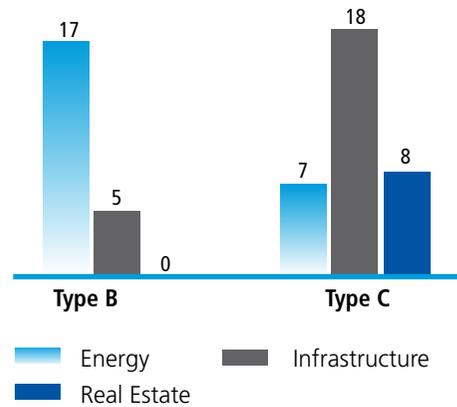
#### PROJECT FINANCE



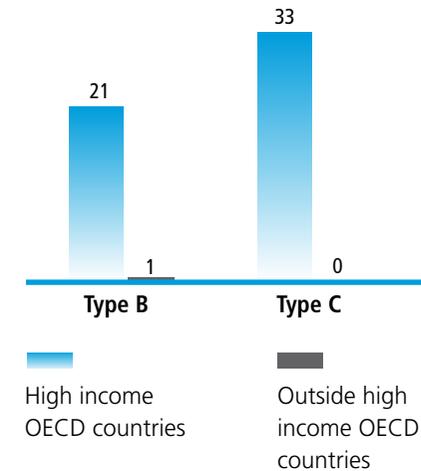
#### PROJECT FINANCE 2010



#### PROJECT FINANCE / SECTOR



#### PROJECT FINANCE / LOCATION OF PROJECTS



### Financing Projects for Renewable Energy Sources and Eco-efficiency

"la Caixa" has maintained its commitment to projects that respect the environment and those that allow for the development of renewable energy sources as a way of achieving greater environmental sustainability in the long term.

In 2010 the company took part in 20 operations with an overall total of € 2,458 million, on its own or with other companies. The company has insured €326.86 million and invested an additional €478.72 million, which has meant the generation of 1,320.9 MWh.

Moreover, and in relation to the line of leasing photovoltaic power plants, 12 operations have been funded in 2010, a total of €9.83 million.

Also in 2010, "la Caixa" signed an agreement with the European Investment Bank (EIB), the Diputació de Barcelona (provincial government) and Caixa Catalunya to finance photovoltaic installations and energy efficiency programmes until 2012.

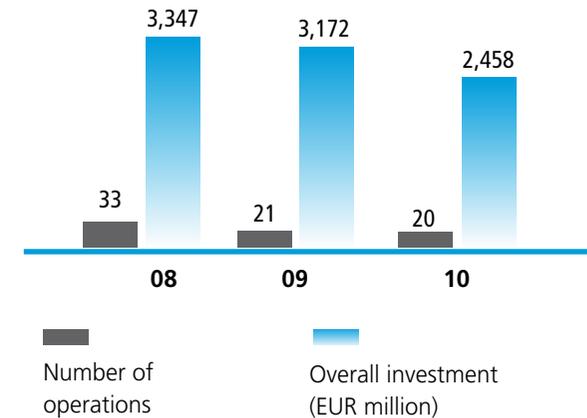
The financing of these projects will be adapted to the requirements of the Royal Decree 1565/2010, enacted on 23 November 2010, which regulates and modifies certain aspects related to the workings of the special scheme for electricity production and sets the new payment conditions, which will come into force in the second quarter of 2011.

With the stability that the new rules will bring to the sector and the reduction foreseen in the price of photovoltaic panels for the coming year, it is expected that the projects will once become financially viable and that demand for these operations will be reactivated in mid 2011.

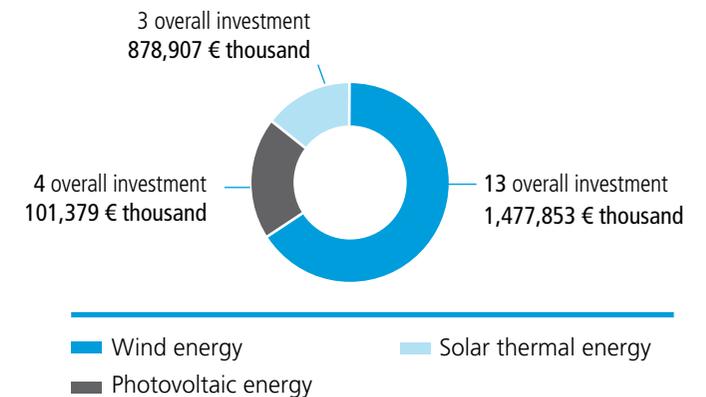
During 2010, in the framework of the agreement with the EIB, there has been no demand for finance by clean energy generation projects due to the repeated announcements of changes in the payment for the energy produced and its possible retroactive application. This has halted many of the initiatives and projects that had been considered.

Finally, operations of photovoltaic energy sources have been financed outside the EIB agreement for a total of €10.6 million

### RENEWABLE ENERGIES



### TYPE OF ENERGY FINANCED 2010



## Environmental Policy and Management

### United Nations Global Compact

This section covers:

- Principle 7** Businesses should support a precautionary approach to environmental challenges;
- Principle 8** Undertake initiatives to promote greater environmental responsibility; and
- Principle 9** Encourage the development and diffusion of environmentally friendly technologies.

"la Caixa"'s environmental policy and management is coordinated by the Environment Committee, the body responsible for supervising and all the company's activities and ensuring they are carried out in a manner respectful with the surroundings, fostering the diffusion and adoption of this commitment among the various interest groups.

The significant direct environmental impact of "la Caixa" is the consumption of energy and natural resources. As a result, environmental management is focused on the adoption of specific measures to foster energy efficiency and minimize the generation of waste, plus the promotion of awareness-raising initiatives aimed at employees and subsidiaries, which are also passed on the customers.

"la Caixa" is certified by ISO 14001 standard and European ruling 1221/2009 EMAS, which it revalidates every year. Moreover, since 2006 its branches have borne the emblem of Guarantee the Environmental Quality, which has been renewed until 2012.



INDICATORS OF DIRECT ENVIRONMENTAL IMPACT	"la Caixa"			"la Caixa" Group		
	2008	2009	2010	2008	2009 <sup>(1)</sup>	2010
<b>Energy (direct consumption itemized by primary energy source) (GJ)</b>						
Total Electric power consumed	773,144	721,743	675,990.85	780,124	729,748	678,592 <sup>(3)</sup>
Total Electric power consumed per employee	30.27	28.93	26.57	30.03	28.48	26.36 <sup>(3)</sup>
<b>Diesel oil (GJ)</b>						
Total Diesel oil consumed	5,503	10,113	3,799	5,503	10,113	3,799
<b>Direct CO<sub>2</sub> emissions (Tn CO<sub>2</sub>)</b>						
Total direct CO <sub>2</sub> emissions	407.77 <sup>(2)</sup>	748.36	281.51	407.77 <sup>(2)</sup>	748.36	281.51
CO <sub>2</sub> emissions from Diesel oil consumption	81,824.41	77,132.86	64,594.68	80,530.07 <sup>(2)</sup>	77,231.65	64,843.24
<b>CO<sub>2</sub> emissions from electric power consumption</b>	<b>82,232.2</b>	<b>77,881.2</b>	<b>64,876.2</b>	<b>80,937.84</b>	<b>77,980.01</b>	<b>65,124.7</b>
<b>Indirect CO<sub>2</sub> emissions (Tn CO<sub>2</sub>/km)</b>						
<b>Emissions per trip coefficients (Tn CO<sub>2</sub>)</b>						
CO <sub>2</sub> emission factor per air flight <sup>(5)</sup>	0.00012	0.00012		0.00012	0.00012	
Short flight (km/CO <sub>2</sub> )			0.00018			0.00018
Medium flight (km /CO <sub>2</sub> )			0.000145			0.000145
Long flight (km/ CO <sub>2</sub> )			0.00011			0.00011
CO <sub>2</sub> emission factor per passenger km	0.00006	0.00006	0.000060	0.00006	0.00006	0.000060
CO <sub>2</sub> emission factor per car travel	0.000019	0.000019	0.00012	0.000019	0.000019	0.00012
Small Diesel (2.0 L engine or less)			0.00012			0.00012
<b>Total km travelled in corporate travel</b>	<b>19,464,826</b>	<b>19,204,220</b>	<b>17,892,906</b>	<b>21,600,334</b>	<b>22,200,929</b>	<b>21,097,881</b>
Air travel	15,920,170	16,128,170	14,516,337	17,491,283	18,187,943	17,510,221 <sup>(4)</sup>
Short flight			1,620,852			1,903,253
Medium flight			8,546,328			10,321,168
Long flight			4,349,157			5,275,803
Train	3,326,406	2,739,442	3,121,747	3,392,686	3,065,992	3,560,115 <sup>(4)</sup>
Car travel (company car / rented vehicle)	218,250	336,608	254,822	716,365	946,994	899,754 <sup>(4)</sup>
Small diesel car (2.0L engine or less)			254,822			899,754
<b>Total indirect emissions CO<sub>2</sub></b>	<b>2,474</b>	<b>2,551</b>	<b>2,228</b>	<b>2,778</b>	<b>2,954</b>	<b>2,741.78</b>
Indirect emissions per employee	0.0977	0.0867	0.088	0.1066	0.0991	0.104 <sup>(4)</sup>
Total CO <sub>2</sub> emissions (Tn CO <sub>2</sub> )						
<b>Total CO<sub>2</sub> emissions (direct and indirect)</b>	<b>84,771.2</b>	<b>78,935</b>	<b>67,104</b>	<b>83,716</b>	<b>80,934</b>	<b>67,867</b>

(1) "la Caixa", Caixa Capital Risc, e-la Caixa, GDS Cusa, Silk, Sumasa and Servihabitac.

(2) This data has been recalculated: emission factors indicated by Red Eléctrica Española have been substituted by those provided by UNESA in 2009 and data from 2008 has been recalculated in order to provide comparative figures.

(3) "la Caixa", Caixa Capital Risc, Servihabitac, Silk and TradeCaixa.

(4) "la Caixa", e-la Caixa, Caixa Capital Risc, MicroBank, PromoCaixa, GDS-Cusa, Servihabitac, ServiTicket, Silk, Sumasa, Vivienda Asequible and TradeCaixa.

(5) The coefficients have been updated and the data has been broken down.

	"la Caixa"		"la Caixa" and its subsidiaries	
	2009	2010	2009	2010
<b>Water</b>				
Total Water consumed (m <sup>3</sup> )	72,207 <sup>(2)</sup>	76,826 <sup>(3)</sup>	75,202 <sup>(1)</sup>	79,162 <sup>(1)</sup>
Total water consumed by employee (Litres)		32.47		38.41
<b>Paper</b>				
Total paper consumed (Kg)	1,795,913	1,703,400	1,830,692	1,742,947
Paper consumed per employee (Kg)	72	67	71	67
% recycled paper over total consumed	99.25	99.12	98.30	98.93
Variation in consumption of paper		(5.20)		(4.1)

(1) Headquarters building.

(2) "la Caixa"'s headquarters building, Caixa Capital Risc, e-la Caixa, Silk, Sumasa and Servihabitat.

(3) "la Caixa"'s headquarters building, Caixa Capital Risc, Silk and Servihabitat.

	"la Caixa" <sup>(1)</sup>			"la Caixa" and its subsidiaries <sup>(2)</sup>		
	2008	2009	2010 <sup>(1)</sup>	2008	2009	2010
<b>Waste collected subject to regulatory specifications</b>						
Total toner cartridges (units)	3,924	4,551	5,311	4,546	5,140	14,076
Total chemical products containers (kg)	351	564	260	351	564	260
Total fluorescent lights (kg)	996	751	462	998	754	464
Total paper & cardboard (kg)	166,776	147,167	134,392	184,038	167,006	163,416
Total batteries (kg)	570	601	162	574	604	164
Total plastic (kg)	1,752	4,151	7,191	1,842	4,151	7,191

(1) Headquarters building

(2) All of the subsidiaries except for Serviticket

### Initiatives Adopted to Reduce the Direct Environmental Impact

"la Caixa", true to its commitment to the environment, is working to reduce the consumption of energy and the level of associated emissions of greenhouse gases.

With this in mind, in 2010, an information and awareness-raising campaign was introduced for employees of the network of branches concerning their electricity consumption during the year and the difference with respect to the previous year. The branches that increased their consumption with respect to previous years or with a high rate of kWh per employee were contacted and told to reduce their energy consumption. In total, 21,712 notifications have been sent (one per branch, each quarter) and 470 telephone contacts have been made.

In parallel, and in relation to energy saving derived from the consumption of computing equipment, these were programmed in 2009 to 'hibernate' automatically over the weekend. This measure has represented a 20.45% saving of energy, which means over 5 million kWh. In 2010, there have been 500 branches hibernating overnight on weekdays, meaning a reduction of 5.9 million kWh or 22.15% of initial consumption.

Laser printers have also been programmed to go into energy saving mode after 30 minutes of inactivity. The remaining electrical devices, which have to be switched off manually, have been labelled with stickers reading: "Switch off before leaving". In 2010, the 4,710 machines that were pending in 2009 have been labelled, reaching a total of 78,795 machines, in branches and central office.

Other saving measures have also been introduced at the Data Processing Centre. The rooms have been fitted with presence sensors and their cooling has been optimized, with an energy saving of 14%, which represents 2.3 million kWh of electricity consumption.

Another initiative of note has been the adoption of the comfort temperatures established in the Rules of Thermal Installations in Buildings (RITE, as per the Spanish acronym) according to the time of year (21-26°), and the sending of stickers and circulars to ensure they are observed. Branches also receive periodical reminders to check the climate programming clocks when the clocks are put back and forward. This campaign has also reached other subsidiaries and companies that "la Caixa" has an interest in, and Welfare Projects, in the same installations as the central services of "la Caixa". In total, 7,000 thermostats have been marked.

Moreover, during 2010 the single switch campaign has been broadened, reaching the figure of 1,900 telemanaged branches. This campaign continues with the initiatives introduced in 2009 with the aim of avoiding electricity consumption out of working hours and, in turn, to telemanage the branches with above-average consumption. Thanks to these, average savings have been achieved of 7% of energy per branch. In permanently lit areas, 20,000 ecotube lights have been installed, more efficient devices that promote energy savings.

Finally, the subsidiary Sumasa, devoted especially to the maintenance and purchase of materials for the branches and buildings of "la Caixa", has identified 1,600 branches in which the power supply contracted was excessive and has asked for the kW contracted to be reduced to contribute to energy saving.



Overall, throughout 2010 we have managed to reduce electricity consumption by 7.01%. The figure has not reached the very ambitious proposed target reduction of 10%, but the efforts made are significant. The results are considered to be very positive if we consider that in 2010 the average mean temperature was one degree higher than in 2009, as well as the impact of very cold weather in certain months, like November.

### Transport and Electronic Billing

In 2010, "la Caixa" adopted different measures aimed at rationalizing the economic and environmental costs deriving from transport. For this, it has invested in communications and videoconference systems, with the aim of reducing the number of journeys necessary. This has meant a reduction of 1,311,314 kilometres travelled and a saving of 322.73 tons in CO<sub>2</sub> emissions.

Also, the frequency of sending of the internal postbag has been reduced; in 2010 it went from being sent daily to being sent every other day. In this way, the number of kilometres travelled has been reduced, an additional reduction to the figure indicated above, which only takes into account employees' journeys.

As well as this, taking into account the data from "la Caixa" and its subsidiaries, in 2010 both the number of kilometres travelled by employees and CO<sub>2</sub> emissions from business travel were reduced, with a saving of 212.2 tons of CO<sub>2</sub>. Moreover, these figures derive from the application of new calculations, which consider air travel according to the distance travelled, and are higher than in previous years.

### Paper Consumption

During 2010 a pilot experiment has been carried out of removing waste paper baskets and increasing the containers for the selective collection of waste. This initiative is intended to improve the recycling of paper, besides achieving a reduction in its consumption. It is planned to extend it to new areas in 2011.

In the network of branches, and within the framework of definition of "The Office of the Future", "la Caixa" has been working to integrate new computing technologies for everyday use. For this, paper has been reduced in administrative management, integrating the fax in the email manager and fostering the sharing of online documents whenever possible.

In this respect, electronic billing has substantially increased, by both external suppliers towards "la Caixa", and among the group's companies, with the saving of paper this entails.

In the area of marketing management, the number of advertising leaflets in physical format in branches has been reduced, limited to the leaflets corresponding to the principal campaign, the MultiEstrella collectives and the "Puntos Estrella" catalogue.

At the same time, digital leaflets have been created that, covering at the most one sheet, are printed when the customer requests more information on a product or service.

### Training and Awareness Raising

#### United Nations Global Compact

This section covers:

- Principle 7** Businesses should support a precautionary approach to environmental challenges;
- Principle 8** Undertake initiatives to promote greater environmental responsibility; and
- Principle 9** Encourage the development and diffusion of environmentally friendly technologies.

Employees have a fundamental role in the company's environmental policy, as it is they who, with their involvement, make the introduction of improvements in environmental management possible. One example of their active role is the 94 proposals for improvements received in the environmental suggestions box during 2010.

Moreover, 62 employees have taken the environmental awareness-raising course "Environmental Management System ISO 14001" given on Virt@ula.

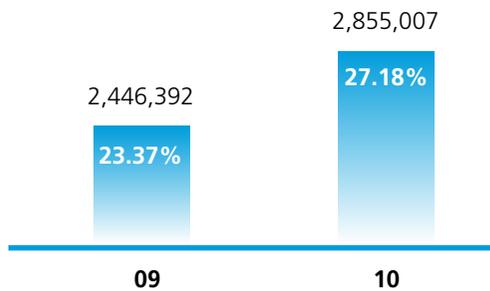


"la Caixa"'s EcoCaixa website makes advice related to the environment available to the general public. Moreover, it makes it possible to consult the company's main initiatives in environmental issues, and to access "la Caixa"'s Environmental Policy Declaration.

► [More information \(in Spanish\)](#)

One of the outstanding initiatives on this issue is the online correspondence service, introduced in 2005 and which allows customers to take part in looking after the environment. In 2010, the number of customers with the digital correspondence service has risen to 2.85 million and the number of notifications on paper to customers has dropped by 48.2 million with respect to those issued in 2009.

**ONLINE POST SERVICE- NUMBER OF CUSTOMERS  
% OF TOTAL CUSTOMERS**



**The Subsidiary Companies' Commitment to the Environment**

**United Nations Global Compact**

This section covers:

- Principle 7** Businesses should support a precautionary approach to environmental challenges;
- Principle 8** Undertake initiatives to promote greater environmental responsibility; and
- Principle 9** Encourage the development and diffusion of environmentally friendly technologies.

The subsidiary companies share the goal of developing good practices in branches with the aim of achieving greater energy efficiency, so they have adopted measures such as:

- The use of recycled paper as the company's standard paper.
- Printing on both sides and in black and white of all documents.
- The digitalization of documents.
- The disconnection of non-essential electrical devices like printers, computers, monitors, desktop lamps and calculators.
- Automatic reduction and time re-adaptation, with centralised switching on and off of the general lighting, heating and cooling.

**Torre Pujades, new headquarters**

In 2010 the offices of Sumasa and other companies in the "la Caixa" Group moved to the Torre Pujades building, owned by Servihabitat. This building has a system that regulates the level of lighting according to the natural light, thus optimizing energy consumption. Also, the building's heating and cooling installation is connected to the district heating (Districlima) network, which takes advantage of the residual heat resulting from the burning of solid urban waste for use in heating, whereby it emits a low percentage of CO<sub>2</sub> emissions, and has a high energy qualification. Moreover, the offices have a photovoltaic solar energy capturing system installed on the roof of the building.



Another subsidiary of "la Caixa", Serviticket, has continued with the introduction of electronic billing, a process begun in 2009, and has opted to use recycled toner for the printers and the removal of waste paper baskets to encourage the reduction of paper and to foster recycling, installing only document destruction points.

A new application has been introduced that enables customers to use their mobile telephone in the purchasing and collection of tickets (m-ticketing), which is a saving of paper and energy.

For its part, GDS-Cusa has installed selective recycling bins in its offices. Awareness-raising campaigns have been carried out with the staff about the need to reduce paper consumption, printing only what is necessary and always on both sides. An audit on paper consumption is scheduled for 2011.

In Caixa Capital Risc, during 2010 a policy was introduced on the use and recycling of printer toner, based on encouraging printing in black and white and paper recycling. Another action linked to energy saving has been the setting of room temperature with the agreement of the whole staff, within the limits set by the regulations.

### Vivienda Asequible ("Affordable Housing"), environmentally friendly promotions.

Since its creation, Vivienda Asequible, a subsidiary of "la Caixa", has put into practice its commitment to the protection of the environment through the application of eco-efficient and sustainable design criteria in all its promotions.

This commitment was reinforced in the second half of 2008 with the adoption of the model project for energetic and environmental sustainability.

The company is working on the adaptation of dwellings to their natural surroundings, through proper orientation, sunshine intake and ventilation. Moreover, it has established its own Quality Manual, involving the application of an improved level of basic quality above the minimum legal requirements (Technical Code and Eco-efficiency Decree). As an example, during 2010, actions have been carried out to ensure compliance of the Eco-efficiency Decree above the minimum established level, improving the insulation of the outside walls to twice what is required in the legislation and installing thermal solar panels and high-efficiency condensing gas water heaters for the hot water supply. In general, less contaminating materials have been used in the painting and insulation, and the building waste has been recycled. Moreover, consumption has been optimized with the installation of ECO lifts and high-efficiency communal lighting. The dwellings are accessible to people with reduced mobility and have parking for bicycles.

In November 2010 Vivienda Asequible published an environmental ruling that is aimed at defining the rules and establishing the procedures to be followed in relation to the minimization of their impact on the environment.

In the development scheme in L'Hospitalet – the former INDO factory – a level "B" efficiency rating has been achieved, acknowledging the introduction of efficiency measures associated with the building. Among them is the improvement in the orientation of the buildings, observing the local planning regulations, achieving a better passive energy use.



## Fighting Against Climate Change Through "la Caixa" Welfare Projects

### United Nations Global Compact

This section covers:

- Principle 7** Businesses should support a precautionary approach to environmental challenges;
- Principle 8** Undertake initiatives to promote greater environmental responsibility; and
- Principle 9** Encourage the development and diffusion of environmentally friendly technologies.

"la Caixa" has joined in the global fight against climate change through a series of initiatives designed to contribute to the reduction of the greenhouse effect. Despite being a financial company with a reduced environmental impact, "la Caixa" is aware that the impact of climate change must be assessed to anticipate possible risks and to be able to carry out effective policies of adaptation and mitigation.

In this respect, "la Caixa" is focusing its efforts on the Mediterranean area, as it is one of the areas in which some of the greatest alterations in climatic conditions are forecast. Thus, "la Caixa" Welfare Projects and the Catalan Institute of Climate Sciences (IC3, as per the Spanish acronym) Foundation have signed a collaboration agreement for observing and investigating the impacts of climate change and thus obtaining a balance of the greenhouse effect gases on a regional scale that may also serve as a international reference point. It is a pioneering initiative in Europe that will supply information through the Internet and in real time on climate change. "la Caixa", through Welfare Projects, has earmarked a sum of €2 million for it.

The agreement complements the various initiatives that Welfare Projects carries out in the field of science, research and the environment and which has among its priorities improving natural areas all over Spain, the conservation of marine biodiversity and initiatives of education, information and awareness raising developed in the CosmoCaixa science museums in Barcelona and Madrid.

► [Link to Welfare Projects](#)



### Environmental Awareness Raising

Another of the priorities of "la Caixa" Welfare Projects is scientific education, promoted with the aim of highlighting the values of biodiversity. To be precise, and through the programme "la Caixa, in favour of the sea", the company is working to raise people's awareness about the importance of the conservation of marine ecosystems for their biological interest.

For this, it has available a mobile classroom and a scientific sailing boat, the Vell Marí, in which, through educational visits, students and their families are told of the main animals and plants that live in Spanish marine reserves. In 2010 the boat sailed nearly 2,000 nautical miles (4,000 km), calling in at 22 ports in Andalusia, Ceuta, Murcia, Valencia, the Balearic Islands and Catalonia.

In International Biodiversity Year, declared by the UNO, this initiative has been focused on strengthening the creation of protected areas as a way of halting the loss of endangered species.

### The Environment and Labour Integration

"la Caixa" is firmly committed to preserving the environment, using, moreover, the activities developed in this field to encourage the social inclusion of underprivileged groups.

In 2010, the Natural Spaces programme of "la Caixa" Welfare Projects, in collaboration with Departments of the Environment and provincial governments, promoted 417 projects for the conservation and improvement of natural areas all over Spain, which have enabled 1,860 people at risk of social exclusion to join the labour market.



## 5. Actively Contributing to the Progress of Society

### 5.4. Welfare Projects. Closer to People

---

#### United Nations Global Compact

---

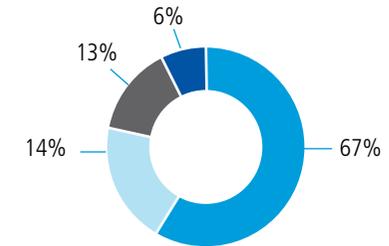
This section covers:

- Principle 1**      Businesses should support and respect the protection of internationally proclaimed human rights.
  - Principle 5**      The effective abolition of child labour; and
  - Principle 6**      The elimination of discrimination in respect of employment and occupation.
- 

Social commitment is one of "la Caixa"'s corporate values; it tries to learn about and respond to the concerns of the people and groups it has dealings with. With this aim, the financial and social sides of its activity have been aligned since the company was founded.

"la Caixa" continues working with the aim of contributing to the welfare of society. Therefore, in 2010 "la Caixa" maintained the budget of its Welfare Projects at €500 million.

#### THE DISTRIBUTION OF THE BUDGET ALLOCATED BY PROGRAMMES



- Social programmes
- Cultural programmes
- Environmental and scientific programmes
- Education and research programmes

## Social and Assistance Programmes

### United Nations Global Compact

This section covers:

**Principle 1** Businesses should support and respect the protection of internationally proclaimed human rights.

In 2010, as in previous years, the social and assistance programmes to which Welfare Projects has devoted 71% of its agreed budget have been its strategic priority. These programmes aim to contribute to improving the living conditions of people and facilitating their integration and development as a means for the progress of society.

### The Integration into Work Programme

This project has been one of Welfare Projects' strategic priorities since its creation in 2006, with an accumulated investment of almost €53.85 million, which has enabled it to promote the insertion of 38,821 people.

The Integration into Work Programme, with the goal of promoting employment, is addressed to groups at risk of social exclusion, such as the long-term unemployed, handicapped people, immigrants, young people finding it difficult to get their first job or the victims of gender violence. For this, it has the collaboration of 248 social organizations specialising in working with people and groups at risk of exclusion and with a network of 369 labour insertion officers acting as a bridge

between these organizations and businesses. By the end of 2010 over 13,600 companies in Spain were collaborating with the programme.

In 2010 the 3<sup>rd</sup> edition of the Integration into Work Awards was held, acknowledging the actions of businesses in the field of the integration in the jobs market of people at risk of exclusion. Carrefour won the award in the network working category. Also acknowledged were CLN Servicios Integrales, Expoclean and Perfumerías y Droguerías Ana Pilar.

### Fashion workshops and incorporation with Integration into Work

"la Caixa"'s High Net Worth Customers bank (Banca Privada) also participates in the Integration into Work Programme. In 2010, and in the framework of this initiative, it signed an agreement with the Spanish Association of Fashion Designers (ACME) with a twofold objective: to take fashion closer to the customers of "la Caixa" Banca Privada and, especially, to carry out a series of actions in support of underprivileged groups.

Among these actions we should point out the holding of several workshops given by ACME designers. The first of them was by the designer David Delfín, held at the Asociación Semilla with young people aged 16 and 17 whose family, social and/or educational situation is complicated. In 2011, "la Caixa" Banca Privada planned to hold three more social integration workshops.





### CaixaProinfancia

This childhood promotion and development programme, set up in 2007, is addressed to homes with children aged up to 16 at risk or in a situation of social exclusion.

In three years, "la Caixa" Welfare Projects has contributed to improving the welfare of over 165,000 children and 93,670 families in ten Spanish cities and metropolitan areas: Madrid, Barcelona, Valencia, Seville, Zaragoza, Malaga, Murcia and Bilbao, along with the Balearic and Canary Islands.

CaixaProinfancia makes available to these families resources set aside for educational reinforcement, psychological support, open centres, children's summer camps and summer schools. Also included in these benefits are those that give greater access to basic goods (food, hygiene products, school equipment, spectacles and hearing aids). In 2010, 62,076 minors have been attended to and over 500,000 goods and services have been granted.

### Programme of Integrated Care for the Very Ill People

Through this programme, "la Caixa" Welfare Projects tries to complement the current model of care for patients with advanced illnesses to achieve comprehensive attention. This takes into account the psychosocial aspects of care, the emotional, social and spiritual support for patients, such as attention to grief, support for families and palliative care professionals, who work mainly in the health sector.

Since 2009, when it was introduced, the programme has looked after 15,342 patients and 24,896 families, with the help of 30 multidisciplinary teams, working in both the hospital and public health sector and in homes and who are trained by psychologists, social workers, nurses and volunteers. 45% of patients with advanced illnesses who have received psychosocial, emotional, psychological and spiritual care have experienced improvements in their levels of anxiety, depression and insomnia.

► [More information](#)

### Other Programmes

Development of other programmes has continued in 2010. Among them, the programme addressed to the elderly. Through 607 centres of our own and through agreements with the public authorities, a wide range of activities is carried out of which in 2010 over 762,000 people have benefited.

► [More information](#)

We should also mention the creation of the Barcelona Global Health Institute (ISGlobal). The purpose of the new institute is to contribute to strengthening global health through the generation, management, transmission and application of quality knowledge in the field of global health. The initiative places particular emphasis on the most underprivileged sectors of society, thus promoting fairness in health and contributing to breaking the vicious circle of poverty and illness, consistent with the United Nations Millennium Development Goals in the area of health.

► [More information](#)

### GAVI Alliance

"la Caixa", through its Welfare Projects, has renewed its commitment to the GAVI Alliance, a worldwide alliance between the public and private sectors that fights infant mortality in developing countries, extending access to vaccines, improving their distribution and contributing to reinforcing health systems and long-term sustainability.

In 2010 the company contributed €3 million, which represents an accumulated contribution of €11 million over three years, which has made possible the vaccination of 1.2 million children in Cameroon, Ethiopia, Mauritania, the Sudan and the Central African Republic, through the Pentavalent vaccine (diphtheria, tetanus, whooping cough, pneumonia-meningitis and hepatitis B). "la Caixa" remains the top private European partner of the initiative.



## Environmental and Scientific Programmes

### United Nations Global Compact

This section covers:

- Principle 7** Businesses should support a precautionary approach to environmental challenges;
- Principle 8** Undertake initiatives to promote greater environmental responsibility.

"la Caixa" Welfare Projects raises people's awareness of ecological questions and promotes activities to protect the environment.

For more information on its activities and initiatives, "la Caixa" Welfare Projects has published its first Sustainability Report. The methodology used to elaborate the report was international reference standard GRI-G3 of the Global Reporting Initiative, adapting it to the area of non-profit-making organizations. Its aim is to provide a vision of the foundation that is accurate, reliable, transparent and regular, containing information on economic, environmental and social development, and improving the institution's accountability regarding its activities to its various stakeholders.

► [More information](#)

## Cultural, Educational and Research Programmes

In 2010, "la Caixa" Welfare Projects presented the new **Intercultural Community Intervention Programme**, to which it has given €3 million. It is a pioneering initiative whose aim is to generate a model of community intervention of reference in the management of cultural diversity. This project has been introduced in 17 Spanish districts and municipalities characterized by high cultural diversity.

The programme, which enjoys the collaboration of social organizations and the public authorities, is carried out through multi-disciplinary teams and is focused on three priority areas of action: socio-educational, community health and civic relations.

Also of note in the field of culture is the 28<sup>th</sup> edition of the **Post-graduate Grants Programme** abroad, which, with an allocation of €6.32 million, has enabled 117 Spanish university students to extend their studies. Since the programme began, 2,388 students have been awarded a grant, with an accumulated investment of €96.6 million.

Also in 2010, "la Caixa" awarded grants to 41 young scientists with the aim of helping them in their incorporation into the world of biomedicine.

These grants are aimed at encouraging research in four of the most outstanding centres in Spain in the development of



biomedical scientific programmes: the Centro Nacional de Investigaciones Oncológicas (CNIO), the Centro Nacional de Biotecnología (CNB-CSIC), the Centre de Regulación Genómica (CRG) and the Instituto de Investigación Biomédica IRB in Barcelona.

Within the programme, "la Caixa" will award a total of 160 grants by the end of 2011, so that each centre will have 40 scientists on grants from "la Caixa" on its staff. "la Caixa"'s investment in the training of researchers is set to rise to €18.4 million.

Moreover, in the academic year 2009-2010, as part of the **Grants for Prisoners Programme**, 1,429 grants were awarded to prisoners at the end of their sentence from prisons all over Spain. It is the 5<sup>th</sup> edition of the programme, and they received training in a semi-working regime, in order to familiarize themselves with the obligations a job brings and facilitate their reintegration into society following their release.

Three new **Social Studies** by "la Caixa" Welfare Projects have also been published in 2010, volumes 28, 29 and 30: *Curing People. A Challenge for the 21<sup>st</sup> Century*; *School Failure and Abandonment in Spain*; and *Childhood and the Future. New Realities, New Challenges*.

► [Available for download](#)

**"la Caixa" Welfare Projects has developed the iCaixaForum free application, available for Apple (iPod Touch and iPhone) and Google (Android) terminals.**

It is "la Caixa" Welfare Projects' first mobile application and shows information about the activities that can be done at all times in CaixaForum Barcelona and CaixaForum Madrid.

The application can be downloaded for free from [CaixaMóvil Store](#), and from Apple's App Store and Google's Android Market.

In 2011 a similar application will be set up with the programme of the CosmoCaixa centres in Barcelona and Madrid, to offer the contents of "la Caixa" Welfare Projects' science museums.

## Affordable Housing Programme

### United Nations Global Compact

This section covers:

**Principle 1** Businesses should support and respect the protection of internationally proclaimed human rights.

This project, which began in 2004 and to which accumulated investment of €437 million has been allocated, is aimed at the promotion and management of affordable rented housing, to meet the needs of groups with difficulties in gaining access to a home: young people between 18 and 35, elderly people over 65 and families.

In 2010, "la Caixa" continued to promote the programme and by the end of the year it had over 1,846 homes being managed and 940 more being built all over Spain.

### Programme for Young People and the Elderly

The flats measure between 40 and 55m<sup>2</sup> and, like all those promoted by Affordable Housing, they have been built according to measures that reduce the environmental impact.

► [See more information about Affordable Housing eco-efficient design criteria in chapter 5.3. Committed to Sustainability.](#)

The rental contract lasts five years and it can be renewed for periods of five more years as long as it meets the requirements of the Official Protection rules. Since the third quarter of 2010, all tenants have had the right of first refusal to buy, without prejudice to the pre-emption and buy-out rights that, by rule or agreement, may correspond where appropriate to the local or autonomous public authorities, or the competent local body.

### Affordable Housing Programme for Families

At the end of 2009, the programme was extended to meet the needs of families with limited incomes, who were offered a rental contract with an option to purchase. The homes, in this case, measure over 50m<sup>2</sup>.

During 2010, 271 flats have been built all over Spain and land has been purchased for the construction of 559 additional homes.



### Affordable Housing, Continual Improvement

- The programme has been extended to other groups with difficulties in gaining access to a home, such as families on limited incomes.
- The possibility has been introduced of extending rental contracts for young people for five years.
- Tenants have the right of first refusal to buy the flat.
- The homes are a result of "la Caixa"'s commitment to the environment.
- They are efficient developments with reduced environmental impact.

### Improvement in the Level of Customer Satisfaction

In all the buildings, Vivienda Asequible has the task of coordinating the preventive and corrective maintenance of the housing stock, with the aim of maximizing the users' levels of satisfaction. Moreover, it works to continually improve the level of service.

In 2010, the number of incidents per home fell by 26%, going from 0.73 incidents per home in 2009 to 0.58 in 2010. The incidents arise due to the use and to the wear and tear of elements, and are corrective: repairs to the garage door, the replacement of light bulbs in communal areas, repainting, etc. Given that they are hard to avoid, preventive maintenance has been reinforced as a corrective measure. Moreover, for each type of incident the people in charge of the building are informed so that they can look for better quality materials that suffer less wear and tear, with the aim of improving the durability of the elements installed.

To facilitate the presentation of applications by the interested parties, in 2010 a new application has been introduced to its webpage, allowing users to create, consult and modify their application.

Since it was set up, 97% of applications have been presented electronically.

Moreover, we should also point out that there has been a notable drop in the number of applicants' appeals with regard to applications. These appeals are due, mostly, to the introduction of incorrect data by applicants (for example, the wrong address or ID card number or non-compliance with the age required to gain access to the programme). In these cases, the applicants ask to resubmit them.

► [Get to know Affordable Housing \(in Spanish\)](#)

## 5. Active Contribution to the Progress of Society

### 5.5. A Great Team

#### United Nations Global Compact

This section covers:

#### Principle 4

Businesses should uphold the elimination of all forms of forced and compulsory labour.

**The people working for "la Caixa" are its main asset and are key to transmitting on a day-to-day basis the corporate values of the institution: leadership, trust and social commitment.**

"la Caixa" works to ensure that its employment policies promote professional development and the welfare of its employees.

At the end of 2010, a total of 26,201 people were working for "la Caixa" and its subsidiaries: Caixa Capital Risc, e-laCaixa, GDS-Cusa, MicroBank, PromoCaixa, Servihabitat, Silk, Sumasa, Vivienda Asequible, Serviticket and TradeCaixa.

Throughout 2010, "la Caixa", with a workforce of 25,288 people, 344 more than last year, has maintained its commitment to the preservation of jobs, especially important in a year marked by the mergers of financial institutions and a general employment crisis. To do this, it has used a model of staff management focused on efficiency, which has allowed it to address the optimization of the network of branches in a year that has seen the integration of Caixa Girona.

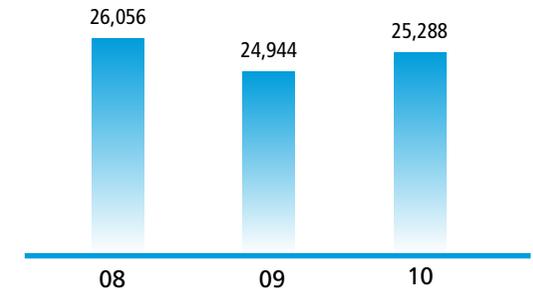
#### "la Caixa", One of the Best Companies to Work For

In 2010, the bank remained a leader within the group of companies analyzed in the 2010 Merco Personas Corporate Reputation Business Monitor, which highlighted above all its talent management. It has also been placed second in the overall ranking of "Best Company to Work For" in Spain.

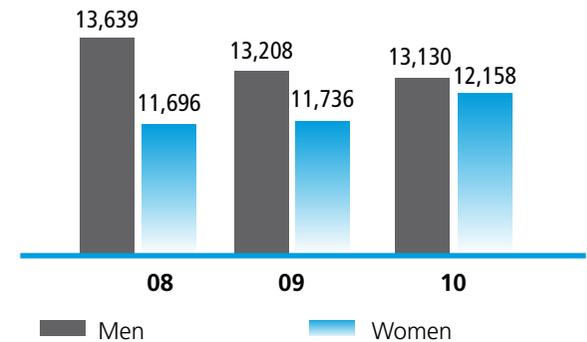
#### GEOGRAPHICAL DISTRIBUTION

Total number of employees working in Spain	25,240
Employees working in North America	0
Employees working in South America	1
Employees working in Asia	5
Employees working in Europe	30
Employees working in Oceania	0
Employees working in Africa	12

#### EMPLOYEE NUMBER- "LA CAIXA"



#### EMPLOYEE DISTRIBUTION BY GENDER



### The Integration of Caixa Girona

The absorption of Caixa Girona has led to the incorporation of 862 people into "la Caixa"'s workforce.

Two months before the operational integration, scheduled for 1<sup>st</sup> January 2011, and to facilitate the work and the incorporation of employees from Caixa Girona, it launched an Operational Support Centre to branches and employees. This support centre, with a team of over 50 people from both companies, was charged with resolving any questions that arose and guiding the employees absorbed into "la Caixa", ensuring a quality standard of service. In three months of operation, it has dealt with almost 10,000 queries.

Moreover, the framework of the institutional arrangement of this operation included a voluntary early retirement programme prior to the merger, which has benefited 128 people. Later, a unanimous union agreement signed with the management of both banks regulated the conditions for the integration of the staff from Caixa Girona, based on the combined needs of the organization that took into account the interests of the people affected.

Regarding the responsibility of "la Caixa" in the relocation of staff, 50% of people who worked in the headquarters of Caixa Girona joined the headquarters of "la Caixa", while the rest reinforced the branch staff.

The protocol signed with staff representation will equate their salaries with the rest of the employees of "la Caixa" over three years and incorporates progressive bonuses to facilitate mobility to a radius of 100 kilometres.

### A Fair Selection Process

#### United Nations Global Compact

This section covers:

#### Principle 6

Businesses should uphold the elimination of discrimination in respect of employment and occupation.

"la Caixa" bases its human resources policy on respect for diversity, equal opportunities and non-discrimination on grounds of gender, age, disability or any other circumstance. It also consistently considers that it is essential to ensure transparency in staff selection.

In 2010, "la Caixa" initiated 2,968 selection processes to cover various positions and received 21,140 applications.

The company is committed to equal opportunities in relation to the recruitment of new employees. In 2009 a plan was drawn up to increase the direct employment of people with disabilities until they made up 2% of the workforce. To achieve this, throughout 2010 positions were reserved in all selection processes, though the lack of qualified candidates made it impossible to achieve this goal.

## Training and Promoting Professional Development

### United Nations Global Compact

This section covers:

#### Principle 6

Businesses should uphold the elimination of discrimination in respect of employment and occupation.

"la Caixa" encourages the development of employees' professional skills in a way that favours the development of their careers and, in turn, ensures excellence in customer service.

### Training

The continuing training of employees is critical to achieving the improved competitiveness of the bank and maintaining a high level of customer service. Hence the employees of "la Caixa" have at their disposal:

- Internal training programmes tailored to their professional profiles and external formal training.
- Financial aid for language learning and undergraduate, graduate and doctoral study programmes.
- Training itineraries through the online learning platform Virt@ula, which promotes knowledge sharing and internal communication.

	"la Caixa"		"la Caixa" and its subsidiaries	
	2009	2010	2009	2010
<b>Investment in employee training (€)</b>	10,991,000	4,063,400	11,632,184	4,500,234
<b>Subsidies received for employee training (€)</b>	2,200,000	2,879,150	2,228,423	2,906,927
<b>Number of staff trained</b>	22,308	22,496	22,803	23,188
<b>Number of employees who act as in-house trainers</b>	642	721	646	728
<b>Number of hours training</b>	584,047	562,337	595,517	571,125
Number of hours online training	275,525	317,091	275,892	319,019
Number of hours in-situ training	308,522	245,246	319,625	252,106
<b>Number of employees in Occupational Hazard training course</b>	5,577	23,356	5,892	23,562

There was also a training plan drawn up for the integration of Caixa Girona based on the training of joint teams made up of employees from both savings banks in order to ensure the transmission of the culture and values of "la Caixa".

In 2010 the savings bank's total investment in training has fallen sharply, despite the number of training hours remaining fairly stable (with a reduction of 3.7%), thanks to its commitment to virtual training, which gives greater efficiency at a lower cost.

As part of its training programmes, in 2009 "la Caixa" launched Virt@ula 2.0 in order to take advantage of new Internet features to create a virtual community of professional development of reference in Spain, and improve internal knowledge management.

During 2010, 88% of its employees had become regular users of the network. In addition, the space has been expanded with a lot of resources created and updated by employees themselves to share with colleagues. At the end of the year, Virt@ula had more than 500 blogs, 300 forums, 286 videos and, in the library section, more than 3,500 documents.

Also in 2010, as part of the training programme, and closely tied up with the new model of effective people management,

the participation of managers in specialized seminars to enhance leadership within the organization should be highlighted.

**Award for Innovation in e-learning.**

"la Caixa"'s "Virt@ula 2.0: from e-learning to Collective Intelligence" project has been a prize winner in the 8<sup>th</sup> annual Expansión & Empleo Awards for Innovation in Human Resources. The award is recognition of the evolution of Virt@ula and its innovation in virtual learning.



## Professional Development

Continuing to be a magnet for talent and achieving employee satisfaction means taking into account the present and future employment concerns of staff. With this objective, "la Caixa" promotes the professional development of its employees not only through training but also through a skills-based management model adapted to each professional profile.

In the case of the branch network, in 2009 a new efficiency model was introduced, linked to the creation of seven business branches: Individual Customer Banking, Personal Banking, Private Banking, High Net Worth Assets Banking, Company Banking, and Business Banking and Corporate Banking. In 2010, human resources management has worked on the definition of new professional profiles adapted to the newly created positions, as well as the design of training programmes and a specific pay system for each of these functions.

In this area, a skills assessment process was launched in 2010, in which all people in management positions, both in branches and at head office, have acted as referees for much of their direct staff. This process has developed three areas of skills improvement according to which the professional development of each person evaluated will be enhanced.

Moreover, the managers at head office have participated in the Management by Objectives (MBO) programme, designed to develop new skills and consolidate their leadership style.

Also in 2010, the Skills Management Programme has continued within the framework of the "Management and Development of Manager Talent" project. During 2009 and 2010, 5,093 managers have been evaluated. In addition, 2,695 client managers (levels I and II) have been tested for aptitude and undergone skills assessments.

### Merco Financial Brands 2010

Throughout the year "la Caixa" has continued to be a leader in attracting talent, with a very positive evaluation both from its own employees and independent external professionals. Hence it has been awarded a 2010 Merco Marcas Financieras (Financial Brands) award, highlighting especially its talent management.

Finally, it has consolidated the management and training knowledge platform known as "Forma't", implemented in its subsidiary Silk. This tool facilitates the design of personalized training programmes paths and integrates different tools for knowledge management into a single platform.



## Pay System

The employees of "la Caixa" are paid according to their professional level and tasks performed with a combination of fixed and variable salary, depending on their commitment to and involvement in the achievement of individual targets and their contribution to team goals. Hence the company promotes teamwork without neglecting personal performance.

In 2010, a contribution map was defined for the head office of "la Caixa" based on the level of individual contribution, which is used as the basis for the evaluation system to determine the variable part of salaries.

As well as this, the model of variable pay in the commercial network has been consolidated and work has been done on the adaptation to the European directive on remuneration in the financial sector of October 2010.

## Internal Communication

For "la Caixa", having mechanisms that promote effective internal communication is fundamental to the professional and personal development of employees and to sharing best practices and fostering links with a common project. In this area, the company has various communication channels that encourage two-way information exchanges and allow us to identify the concerns and opinions of employees. These channels include the corporate intranet, the *CanalCaixa* online magazine, the Employees' Portal and suggestion boxes.

In 2010, and due to the integration of the staff of Caixa Girona, "la Caixa" conducted an intense process of internal communication. Following several meetings of managers and training groups, two initiatives were designed to facilitate the integration of Caixa Girona employees: a special issue of the internal magazine *CanalCaixa*, published both in paper and on the Caixa Girona web portal, and the virtual welcome programme known as the "Welcome Pack".

### Virtual Tour of "la Caixa"

The "Welcome Pack" virtual programme, which has been incorporated into the corporate intranet, allows users to scroll through each of the organizations within the "la Caixa" Group through an avatar. Using this they can get to know, among other things, the history, social benefits or business model of the group. This training package has been designed as an information and training tool both for new employees and the workforce in general.

The rest of the companies in the group also have channels to promote the internal exchange of information. In Serviticket, for example, there is a programme that sets monthly meetings for all employees with the general management.

Meanwhile, e-la Caixa has seen the development of the e-Novation application, which complements the corporate intranet as a communication forum. This is a collaborative tool that channels the management of innovative proposals and allows them to be formally dealt with. This encourages cooperation among different areas of e-laCaixa, improving work processes and creating transversal innovation. Finally, the "la Caixa" subsidiary Silk has conducted a survey of its

employees in order to detect areas of the organization that could be improved, and these will be addressed throughout 2011.

#### Employee Satisfaction

Maintaining a positive work environment with a motivated and committed team is essential for "la Caixa" to continue to be a pole of attraction for talent and a competitive organization. To this end, the company has implemented forward-looking policies on equality and work-life balance, as well as health and safety. It also provides its employees with substantial social benefits in order to improve their welfare.

#### Social Benefits (euros)

	2008	2009	2010
<b>Pension Plan contributions</b>	87,413,000	93,926,900	98,474,440
<b>Healthcare contributions (healthcare plans)</b>	10,619,000	11,460,300	11,507,360
<b>Educational/training assistance</b>	14,335,000	16,002,600	17,053,550
<b>Other social contributions and benefits</b>	5,759,000	7,330,600	7,409,890
<b>Life or accident insurance</b>	25,970,000	12,645,500	21,420,590
<b>Advantageous financial conditions</b>	49,237,000	54,732,200	33,051,370
<b>Total investment</b>	<b>193,333,000</b>	<b>196,098,100</b>	<b>188,917,200</b>

## Commitment to Equality and Work-Life Balance

### United Nations Global Compact

This section covers:

**Principle 6** Businesses should uphold the elimination of discrimination in respect of employment and occupation.

"la Caixa" considers that the balance between personal, family and professional life is a priority for the well-being of its employees. With this objective in mind, it promotes policies that help to support this work-life balance and gender equality.

Moreover, in 2010 we continued working on the development of an Equality Plan with the aim of establishing challenges and indicators for assessing the performance of the bank in this area.

The subsidiary companies of "la Caixa" also share a commitment to equal opportunities. Hence in its Vivienda Asequible subsidiary company parity has been reached between men and women on its management committee.

The subsidiary companies also work in the development and implementation of policies to balance home and professional life. An example of this is the introduction in 2010 of the existing "la Caixa" flexitime system to the subsidiaries e-laCaixa, Serviticket, Caixa Capital Risc and Silk.

In addition, this year, Silk has made a teleworking scheme available to its employees and undertaken a pilot scheme with an external company that offers its employees a variety of services that facilitate the balance of work and personal life, making it easier to carry out personal and family tasks.

For its part, Servihabitat has taken additional steps to those legally required in relation to adjustments in employee working hours to take into account childcare or looking after other family members, while its Affordable Housing Programme provides for the adaptation of working hours following requests from employees.

### "la Caixa" Obtains the EfR (Family-Friendly Company) Certificate

The Fundación "Másfamilia" (MoreFamily Foundation) has presented "la Caixa" with its EfR certificate (Family-Friendly Company), which accredits it as family-friendly company in recognition of its pro-family life policies and initiatives and its work in promoting equality among its employees.

The EfR certificate, established in 2005, involves an assessment of the following aspects:

- Policies and measures to support the balance between personal, family and professional life.
- The design and implementation of such policies at the levels of communication, strategy, top management, leadership of the management team and responsibility.
- The results achieved regarding the perceived outcome.

"la Caixa" has taken another step forward with this certification since it has implemented a methodology of continuous improvement to integrate the various initiatives into a system of work-life balance management.

## Policies to Tackle Sexual Harassment and Workplace Mobbing

### United Nations Global Compact

This section covers:

**Principle 2** Businesses should make sure that they are not complicit in human rights abuses.

In 2010 the "Protocol for the prevention, handling and eradication of sexual harassment and workplace mobbing", drawn up in 2009, was implemented. This established procedures to be undertaken in order to address any doubts, queries or complaints, which are channelled through a free telephone service and an email address. These channels are managed by two external mediators – a psychologist and family therapist, and a lawyer – who provide timely guidance in each case.

As a result of this effective implementation, during 2010 there were 7 cases dealt with, down significantly from 16 in 2009.

In addition, the bank has constituted a monitoring committee made up of union representatives, who together with external managers work with the Human Resources Department to prevent and punish acts of harassment in the workplace.

"la Caixa" welcomes the implementation of this protocol, whose role as mediator helps resolve problems of interpersonal communication within the team and thus avoids situations that could have led to conflicts.

## Occupational Health and Safety

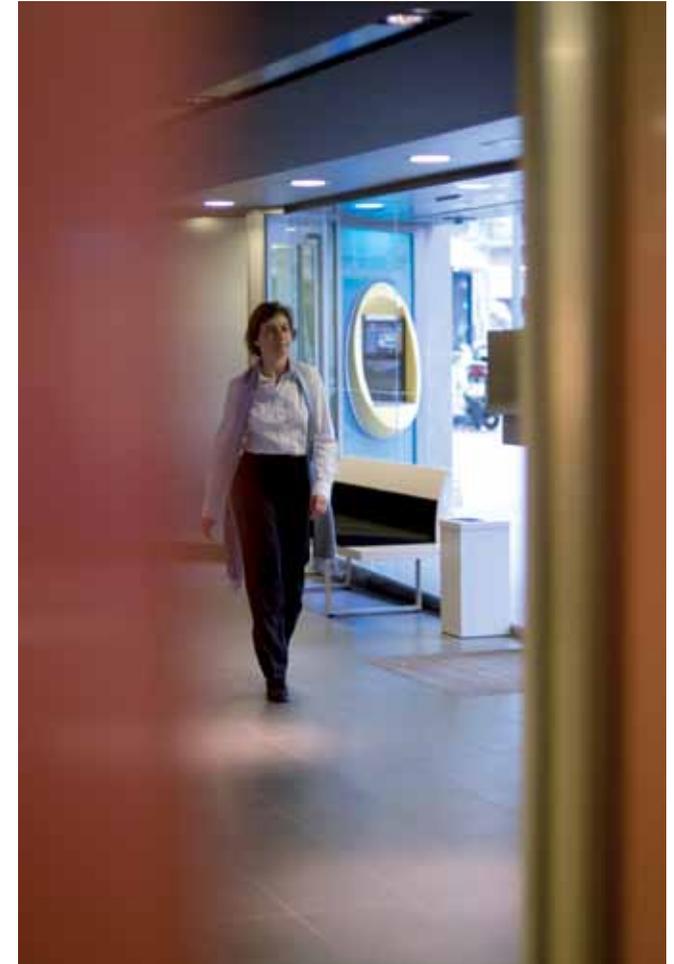
A priority of "la Caixa" is to ensure the health and safety of its employees, regardless of their job.

To do this, it has a Health and Safety Management System that, in addition to complying with applicable laws, is certified by the OHSAS 18001 international standard. This management system specification accredits the bank's excellent prevention system, based on continuous improvement and the prior identification of occupational risks, thereby leading to their effective management.

One of the notable prevention actions of 2010 was the implementation of a training programme for over 15,000 employees in evaluating and reacting to assaults and violent acts.

Moreover, throughout the year "la Caixa" has worked with union representatives in training for the protection of those workers that are particularly sensitive, as well as maternity and breastfeeding.

Finally, we would like to point out that in 2010 a Joint Prevention Service was created for the "la Caixa" Group, to which Sumasa and Servihabitat are signed up to, along with "la Caixa".



## 5. Active Contribution to the Progress of Society

### 5.6. Promoting Corporate Responsibility

One of the objectives of "la Caixa"'s policy of corporate responsibility is to extend responsible principles and practices to the people and groups it deals with, in order to progress together in economic, social and environmental matters.

The company's national and international presence, the volume of the initiatives promoted by its Welfare Projects and the commitment of its employees enable it to achieve a strong position to put into practice and transmit its values and its commitment to Corporate Responsibility among its stakeholders.

#### Corporate Responsibility in the Team

"la Caixa" channels the solidarity of its professionals by making it easy for them to take part in programmes of social action and corporate voluntary work, with the aim of facilitating its collaboration for the improvement of society, the environment and the living conditions of the most under-privileged groups.

#### Corporate Volunteer Programme

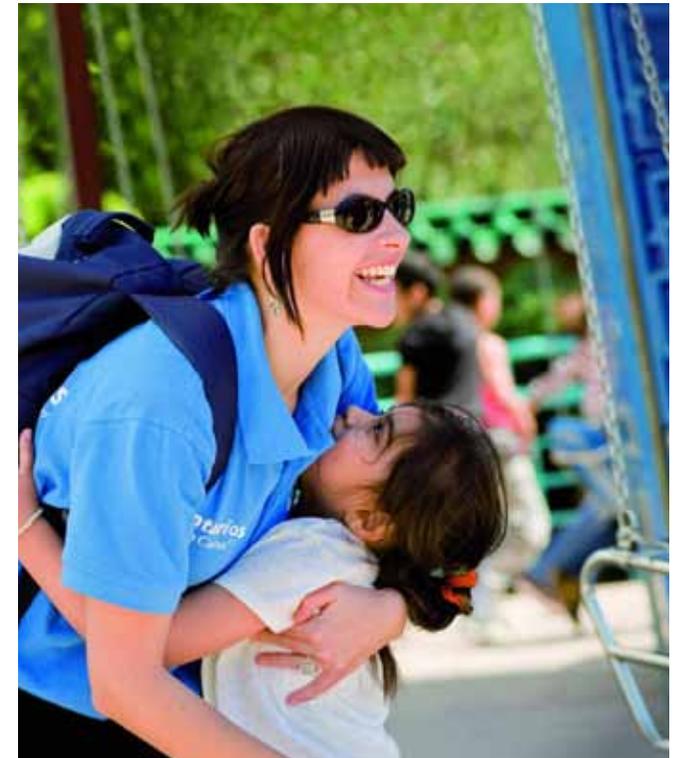
Company employees can participate actively in programmes of "la Caixa"'s Welfare Projects through the Corporate Volunteer Programme.

In 2010, "la Caixa" had 42 voluntary associations, present in every Spanish province, made up of 3,286 people. All activities are open to workers, the early retired and retired from the Company, as well as family and friends. Throughout the year 1,546 voluntary work activities have been carried out, with 14,171 participations. Of the total number of voluntary workers, 74% are current employees, 8% retired and 18% are family and friends.

Each association independently chooses the activities it wishes to carry out and which social bodies it wants to collaborate with. In 2010 there were 83,659 beneficiaries of these voluntary workers' associations.

In order to guarantee an optimum development of the initiatives that are set in motion, the company offers different training courses to voluntary workers.

In 2010, "la Caixa" has transferred to these associations a total of €250,030, which has made it possible to carry out 1,546 voluntary work actions, with 14,171 participations.



### Periodic Campaigns

Furthermore, during the year specific charitable campaigns are undertaken that are aimed at all the employees of the "la Caixa" Group. In 2010 there were voluntary campaigns such as the collections of books and foodstuffs.

"la Caixa" Employees have taken part in the project to collect children's books in collaboration with the NGO Interlibros. Thanks to the donation of 81,000 children's and young people's books, it has been possible to establish libraries in Honduras, Mexico and the Dominican Republic, in order to encourage learning and reading for boys and girls from families with limited financial resources.

### Employees and customers collaborate with the Food Banks

On 26<sup>th</sup> November 2010 the second charitable food collection campaign for families with limited resources came to an end, and proved to be a great success. This was undertaken thanks to the agreement between "la Caixa" and the Spanish Food Bank Federation (FESBAL, as per the Spanish acronym), and especially, to the collaboration of volunteers of the "la Caixa" Group.

205,9 tons of food aid was collected, double that in 2009, principally of the foodstuffs that the Spanish Food Bank Federation indicates as being of greatest calorific value: olive oil, pulses, canned food, rice and pasta.

The initiative was open to all the employees of all the companies in the "la Caixa" Group, who have joined in this initiative and the book collection campaign.

This time, the company's customers were able to collaborate in this charitable campaign by making donations. For this, different channels were made available: the portal of "la Caixa", Línea Abierta, automatic cash machines, CaixaMóvil and Puntos Estrella, through which a total of €62,958 was raised for the cause.

### Solidarity Space Programme

Since its creation in 2008, the Solidarity Space programme has encouraged the company's employees to participate, through making small donations, in programmes run by different NGOs with which the "la Caixa" Foundation also collaborates, such as:

- The Red Cross programme, associated with the Integration into Work initiative, devoted to the labour integration of women who have been the victims of gender violence.
- The GAVI project, which promotes child vaccination as an instrument to combat poverty and reduce mortality in under-privileged countries, thus collaborating to achieve the United Nations' Fourth Millennium Development Goal.
- MCCH, devoted to the training of women entrepreneurs in rural community organizations in Ecuador.
- In 2010 a new project has been added: collaboration with the Food Banks.

---

**Through Solidarity Space, over 1,000 employees contributed more than €78,500 in 2010.**

---

Moreover, the programme envisages periodic donations for the victims of natural disasters, armed conflicts, forgotten crises and other situations that require humanitarian aid.

In 2010, the account opened by the "la Caixa" Foundation's International Cooperation Programme in favour of those affected by the earthquake in Haiti raised €3 million, donated by over 60,000 company employees and members of the public. For its part, the company contributed a further €800,000, which were earmarked for various reconstruction projects in the Caribbean country.

"la Caixa" has been the repository for a dozen accounts opened – among which were those of Oxfam International and Médecins Sans Frontières, to raise funds for Haiti too. The total surpassed €15 million.

Also, and in the Humanitarian Emergencies section, in 2010 a new project was included, combating child malnutrition, with the aim of impacting directly on one of the most serious problems in developing countries: malnutrition and food safety.

### Involving Customers in Corporate Responsibility

"la Caixa" encourages its customers to participate in responsible projects and in various programmes of "la Caixa"'s Welfare Projects, involving them in the company's social commitment and the goal of contributing to the progress of society.

#### Corporate Responsibility Initiatives Available to Businesses

"la Caixa" disseminates and promotes the adoption of Corporate Responsibility (CR) programmes among businesses. Thus, and in collaboration with its Welfare Projects, it enables Spanish companies to take part in responsible initiatives like the Integration into Work programme for labour integration.

#### ► For more information about Integration into Work

Also in 2010, the Business Alliance for Child Vaccination (AEVI, as per the Spanish acronym) was set up, a pioneering Social Responsibility initiative in Europe which since 2006 has promoted the collaboration of Spanish businesses with GAVI Alliance for achieving the United Nations' Fourth Millennium Development Goal, for the reduction of infant mortality by two-thirds before 2015.

"la Caixa" makes its network of branches available to the businesses interested, so that they can join the Alliance. By the

end of 2010, 181 businesses had joined this Alliance, which has raised a total of €620,000.

The "la Caixa" Foundation's International Section guarantees that all the contributions of the businesses taking part will be earmarked wholly for the vaccination of children.

#### ► How to join the AEVI

#### Publicizing CR Programmes Among Businesses

In May 2010 "la Caixa" set up the digital version of *InfoCaixaEmpresa*, a quarterly bulletin for the company's business customers, which informs them about the products and services available to them and presents activities like the CaixaEmpresa Symposia or the latest reports of the Study Service.

The bulletin makes it possible, moreover, to publicise the activities carried out by "la Caixa"'s Welfare Projects. In 2010, the following projects and activities have been tackled: the Integration into Work Programme, the Barcelona Institute of Global Health, the GAVI Alliance and the corporate voluntary workforce. By publicizing it, the aim is to promote the social commitment of businesses and encourage them to participate in any proposals that make it possible.

Furthermore and with the same aim, a specific section called "CR for Businesses" has been created on the "la Caixa"

website, [www.lacaixa.es](http://www.lacaixa.es), which includes information about the Integration into Work Programme and the Business Alliance for Child Vaccination.

#### ► Access companies (in Spanish)



### Publicizing Corporate Responsibility Among Individual Customers

The company endeavours to publicize its values and way of working, and to spread Corporate Responsibility among its customers and society in general. For this, it makes available to them products and services to allow them to get involved in social initiatives like the solidarity deposits or the "Puntos Estrella" programme, besides the socially responsible funds.



### Solidarity Deposits and "Puntos Estrella"

#### United Nations Global Compact

This section covers:

**Principle 1** Businesses should support and respect the protection of internationally proclaimed human rights.

Customers of "la Caixa" can take part in over 120 charitable projects through the "Puntos Estrella" programme. They can contribute by turning the points accumulated into money donations or by exchanging them for products associated with fair trade. In 2010, customers have given a total of 24,666,075 points to these supportive projects, which has raised €551,008.15.

Moreover, and as part of the range of products that "la Caixa" offers its customers, the Solidarity Deposit has been maintained

in 2010. This finance product allows customers to collaborate with four projects proposed by various social organizations chosen by "la Caixa":

NGO	Project
Red Cross	Public health and productive aid programme to people and families affected by AIDS in Mozambique.
Oxfam International	Plan supporting food safety in farming villages in Nicaragua.
Médécins sans Frontières	Project for the treatment and prevention of the transmission of HIV/AIDS from mothers to children in Bulawayo (Zimbabwe).
Cáritas	Project for socioeconomic development of food producers in the southeast of O'Connor province (Bolivia).

The minimum amount for investing in the deposit is €1,000 for one year. Customers choose the amount of their net interest, between 25% and 100%, that they wish to give to the NGO project they have chosen. "la Caixa" barely obtains any margin with this deposit and even any profits are diverted to the solidarity programme.

For its part, "la Caixa"'s Welfare Projects' Department of International Cooperation participates in the Solidarity Deposit by carrying out the monitoring and control of the initiatives of the NGOs chosen.

### Campaigns to Publicize CR

The Banca Privada weekly magazine helps to transmit "la Caixa"'s social commitment to its customers. Thus, in every issue in 2010 it has included an article on the programmes of "la Caixa"'s Welfare Projects open to their collaboration, like the Integration into Work programme.

"la Caixa" Banca Privada held the second edition of the course "Keys to the Management of Family Patrimony in the 21<sup>st</sup> Century" along with the IESE business school. The aim of this course is to train and advise new generations in the management of large fortunes and to teach them about the business and finance world. The person in charge of teaching this module was Antonio Argandoña, lecturer in the Economics Department of IESE and "la Caixa"'s Chair of Corporate Social Responsibility and Corporate Governance.

## Responsibility in the Value Chain

### United Nations Global Compact

This section covers:

- Principle 1** Businesses should support and respect the protection of internationally proclaimed human rights;
- Principle 2** Make sure that they are not complicit in human rights abuses.
- Principle 3** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4** The elimination of all forms of forced and compulsory labour;
- Principle 5** The effective abolition of child labour;
- Principle 10** Businesses should work against corruption in all its forms, including extortion and bribery.

"la Caixa" wishes to extend its commitment to Corporate Responsibility to its suppliers. One way of achieving it is through the analysis of the criteria and procedures established in the purchasing process, so that transparency and thoroughness in contracting in all areas of the "la Caixa" Group is assured.

In this context, a plan has been outlined for the management of suppliers, to be introduced in 2011 and subsequent years. This plan envisages the creation of a specific portal for suppliers and the review of the process of standardizing them, maintaining the criteria of social and environmental responsibility within the required conditions, with the aim of reinforcing the company's policies of responsible purchasing.

In 2010, "la Caixa" has presented a volume of purchases of goods and services of €1,078.5 million, paid for through 506,138 invoices. The level of its fulfilment was 90.87%, considering that the period established was 60 days. Of the total of 39,692 suppliers, the five with the biggest turnover have represented a total of €223.8 million.

For their part, "la Caixa"'s subsidiaries have begun to develop plans of action aimed in this direction.

In the case of Servihabitat, the company has been provided with a set of regulations for the authorization of its suppliers that envisages tender or auction for the contracting of purchases and/or services. This authorization is given by an external body or Purchasing Committee, belonging to "la Caixa", which guarantees transparency or thoroughness in the contracting. Also, during 2010, the company has drafted an awareness-raising plan for its suppliers, with the incorporation in new contracts of a clause in which they commit themselves to fulfilling the principles of the United Nations' Global Compact, to which both "la Caixa" and Servihabitat have adhered.

For its part, Vivienda Asequible is also applying criteria of transparency in the contracting of works, inviting tenders by way of an electronic auction, as a priority procedure, in which the invited companies can present and modify their offers in view of those introduced by the other competitors, without knowing their names. As an alternative procedure the request for a sealed offer is applied, by which suppliers present their offers in a virtual "envelope" that can only be opened on the agreed day, in which all offers are made known. Also, Vivienda Asequible carries out controls of its suppliers' environmental and labour certifications.

For its part PromoCaixa, the subsidiary dealing with the purchase of the promotional material, has included in its contracts with suppliers a clause requiring the fulfilment of the Principles of the United Nations' Global Compact.

Moreover, the company has continued with its programme of social and environmental audits among the suppliers manufacturing specific products for "la Caixa" and whose factories are in developing countries like China.

This programme serves in turn as an effective awareness-raising campaign for suppliers, who also have been previously informed of the key aspects in environmental and social matters and working conditions for "la Caixa", arising from its specific commitment to the principles of the Global Compact and respect for human rights.

In 2010, 5 manufacturers of articles for major campaigns that are made in China were audited, except in the case of suppliers of well-known brands, without any incidents of note being detected. In one case the supplier was asked to include certain improvements in order to adapt to "la Caixa"'s requirements, such as employment conditions (regulation of overtime, payment periods of salaries or employee contracts, among others). Following the request, the improvements were made.

We should also mention that in 2010 PromoCaixa has achieved its goal of including in the auctioning specifications a clause that automatically makes it possible not to formalize the contract if the auditors' report deriving from the inspection of a factory, and carried out by an independent external consultancy, is negative.



## Towards a Responsible Society

The activity of "la Caixa" is closely linked to the economic and social development of the places where it operates. For the company, extending its responsible commitment among the businesses in the group and sharing best practices with other bodies is all part of Corporate Responsibility. Furthermore, it considers the spreading of knowledge among the population an essential part of its social commitment.

### Financial Education Plan



Wishing to contribute to increasing the population's economic and financial knowledge, "la Caixa" has joined the National Stock Market Commission (CNMV, as per the Spanish acronym) and the Bank of Spain's National Financial Education Plan.

The company's collaboration has focused on the distribution of educational material, making available to the public, through the corporate website, different files with basic advice on economics with the aim of helping users of financial institutions to make informed and suitable decisions.

The company's employees have been notified of the plan through the corporate intranet, where the information files have been made available to them, so that they can inform customers.

► [Access to the financial education section](#)

### Contribution to the Spread of Knowledge

Another of the company's channels for spreading knowledge among the population have been the different publications of its Research Department and of the "la Caixa" Welfare Projects, as well as the various activities organized by the chairs.

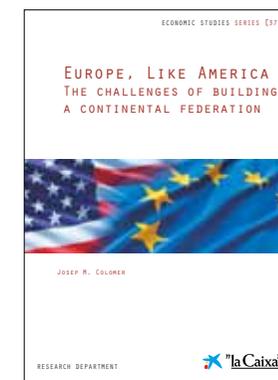
"la Caixa"'s Research Department tries to encourage debate and the exchange of experiences and opinions in all areas of society. For this it drafts and publishes different documents that can be consulted on the Research Department [website](#).

Through these publications, the company stimulates debate and the exchange of experiences of all areas of society and encourages people to learn about the major issues of the current socioeconomic situation. The aim is to make them easy to understand and place them within reach of the greatest possible number of people and businesses, without renouncing in any way scientific and methodological rigour.

Every month, the Monthly Report is drafted and published, offering a clear, orderly and rigorous synthesis of the global economic situation. The "la Caixa" Economics Documents series is also published, which in 2010 has been expanded with two new titles: the Autonomous Communities Collection in the framework of which the volumes for the Region of Murcia and the Basque Country have been published; and the Economic Studies series, within which volume 37 has been published, entitled *Europe, like America. The Challenge of Building a Continental Federation*.

The Research Department also publishes the Spanish Economic Yearbook and two series in English, addressed to the scientific and professional community: "*la Caixa*" *Economic Papers* and "*la Caixa*" *Working Papers*.

All the publications of the Department of Studies and Economic Analysis can be found in digital format on the [website](#) and most of them can also be obtained on paper.



### "la Caixa" Chairs

#### *"la Caixa" Chair of the Economy and Society*

The company also promotes the diffusion of knowledge through the activities of the "la Caixa" Chair of the Economy and Society, an academic and opinion-based forum that tackles the main issues interesting and concerning contemporary society, aiming always for intellectual excellence.

During 2010, this Chair has organized a total of ten conferences in Madrid. Among them, we should mention those in the series: "Institutional Quality: Advanced Democracy and Economy" and "The Management of the Economy: Personal Experiences". The last series managed to bring together four former Finance and Treasury ministers of the Spanish government.

Over 2010 the Chair has also organized, in Madrid, a total of six lectures. Normally in three sessions, these lectures offer systematic developments of important themes of our contemporary culture. Attendance at them is accredited with a diploma.

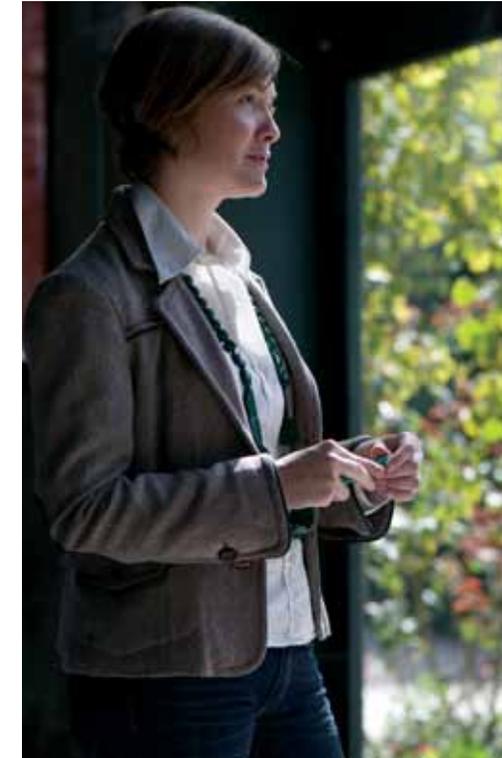
► [More information](#)

#### *"la Caixa" Chair of Corporate Social Responsibility and Corporate Governance*

The "la Caixa" Chair of Corporate Social Responsibility and Corporate Governance encourages, promotes and spreads social responsibility, especially its practical application. During 2010, among other events, it organized two sessions of the IESE business school's Continuity Programme. One of them was devoted to multilateral cooperation on climate change and the other to social entrepreneurs.

In the field of publications, the Chair has produced several chapters of books and scientific articles on corporate governance, the common good of the business, the financial crisis and microfinance. Also, the Chair's newsletter has continued to appear regularly, contributing to the spread of knowledge and interest about Corporate Social Responsibility and Corporate Governance.

► [More information](#)



## The Global Compact

### United Nations Global Compact

This section covers:

**Principle 1** Businesses should support and respect the protection of internationally proclaimed human rights.

Since 2005 "la Caixa" has adhered to the Principles of the United Nations' Global Compact, an international initiative that works to promote an ethical and responsible business culture through ten principles based on human, labour and environmental rights and the fight against corruption.

In keeping with this commitment, the company participates in the initiatives of the Spanish Global Compact Network (ASEPAM, as per the Spanish acronym) and takes a proactive stance in monographic workshops, forums and debates that are held for the exchange of best practices with other members of the association.

In turn, in 2009 and 2010 all the subsidiaries of "la Caixa" falling within the scope of this report adhered to the Global Compact: Caixa Capital Risc, GDS-Cusa, e-la Caixa, PromoCaixa, MicroBank, Servihabitat, Silk, Sumasa, Vivienda Asequible, TradeCaixa and Serviticket. All of them have continued working during 2010 to put into practice the ten principles of the Compact and have presented their first Communication on Progress, setting themselves new challenges for the future.

► [The reports are available on the Global Compact website](#)





## 6. Verification Report



*Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.*

## Independent Assurance Report on the 2010 Corporate Responsibility Report of "la Caixa"

To the Management of Caja de Ahorros y Pensiones de Barcelona ("la Caixa"):

### Scope of our work

We have performed a review, with a reasonable level of assurance, of the 2010 Corporate Responsibility Report (CRR) of "la Caixa", the scope of which is defined in "Scope of the report" and covers "la Caixa" and its main subsidiaries, with the exception of Criteria CaixaCorp Group. Our work consisted of the review of:

- The adherence of the content of the CRR to the GRI Sustainability Reporting Guidelines version 3.0 (G3) and the core performance indicators and the financial services sector supplement proposed in the aforementioned guidelines.
- The information included in the CRR relating to the application of the principles of inclusivity, materiality and responsiveness set out in the AccountAbility's AA1000 AccountAbility Principles Standard 2008 (AA1000APS).

### Assurance standards and procedures

We conducted our review in accordance with International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) in order to obtain reasonable assurance. Also, we have applied AccountAbility's 1000 Assurance Standard (2008) (AA1000AS) to provide high level of assurance on the application of the principles established in standard AA1000APS and on the sustainability performance indicators (type 2 high assurance).

Our work consisted of the application of the necessary procedures to provide a basis for our conclusions and reduce the risk of error to an acceptably low level. These procedures are the following:

- Meetings with personnel of "la Caixa" and subsidiaries that have taken part in the CRR preparation to ascertain the principles, systems and management approaches applied.
- Analysis of the processes to gather and validate the information presented in the CRR including the review and carrying out of effectiveness tests of the automatic and manual controls implemented in the information systems used to gather, load and process the information.
- Review of the security and completeness controls of the CRR information gathering system used by "la Caixa".
- Review of the steps taken in relation to the identification and consideration of the stakeholders during the year and of the stakeholder group participation processes through the analysis of the available internal information and third-party reports.
- Analysis of the coverage, materiality and completeness of the information included in the CRR on the basis of the understanding of "la Caixa" of its stakeholder groups' requirements in relation to the relevant issues identified by the organisation and described under "The Identification of Relevant Issues".
- Review of the information relating to the management approaches applied and verification of the existence and scope of the Corporate Responsibility policies, systems and procedures.
- Checking that the contents of the CRR do not contradict any significant information furnished by "la Caixa" in its Annual Report.
- Analysis of the adherence of the contents of the CRR to those recommended in the G3 Guidelines
- Verification that the core and sector indicators included in the CRR agree with those recommended by the GRI G3 Guidelines.
- Review, by means of specific review tests, on a sample basis, of the quantitative and qualitative information relating to the GRI indicators included in the CRR and of the adequate compilation thereof based on the data furnished by the information sources of "la Caixa" and subsidiaries.

### Responsibilities of "la Caixa" management and of Deloitte

- The preparation and contents of the CRR is the responsibility of the Corporate Responsibility and Brand Division of "la Caixa", which is also responsible for defining, adapting and maintaining the management and internal control systems from which the information is reported.
- Our responsibility is to issue an independent report based on the procedures applied in our review.
- This report has been prepared in the interests of "la Caixa" management in accordance with the terms and conditions of our Engagement Letter. We do not accept any liability to any third party other than "la Caixa" management.
- We conducted our work in accordance with the independence standards required by the Code of Ethics of the International Federation of Accountants (IFAC).
- Our team consisted of a combination of professionals with assurance qualifications and professionals with social environmental and stakeholder engagement experience and sustainability report assurance experience.

## Conclusions

Based on the work performed we conclude that, except for the limitations on scope or on the coverage of the indicators described in the section "Summary of indicators of the Corporate Responsibility Report 2010 (GRI)", the 2010 CRR was prepared, in all material respects, in accordance with the guidelines of the Global Reporting Initiative Sustainability Reporting Guidelines version 3.0 (G3).

The 2010 CRR was prepared, in all material respects, in accordance with the principles of inclusivity, materiality and responsiveness set out in the AA1000 APS 2008, as described in the section "Preparation of the Report".

- **Inclusivity:** "la Caixa" has developed a participation process for stakeholders that facilitates their involvement in the development of a responsible approach.
- **Materiality:** the process of determining materiality requires an understanding of important or relevant issues for "la Caixa" and its stakeholders.
- **Responsiveness:** "la Caixa" responds with specific actions and commitments to the material matters identified.

## Observations and recommendations

In addition, we presented to the management of "la Caixa" our recommendations relating to the areas for improvement in Corporate Responsibility and in the application of the principles of inclusivity, materiality and responsiveness. The most significant recommendations, which do not modify the conclusions expressed in this report, are summarised as follows:

### Inclusivity and Materiality

2010 saw a continuation of an improvement in the stakeholder analysis process to determine materiality, mainly through a survey of the employees of "la Caixa". The inclusion of various sources of information with different assessment criteria makes it necessary to plan and objectify, to a greater extent, the criteria for consolidating and prioritising the matters identified.

The reorganisation of the "la Caixa" Group announced at the beginning of 2011 makes it advisable to review the stakeholders identified and the categorisation thereof, and the communication channels to be developed.

### Responsiveness

In the CRR "la Caixa" reports on the progress made in 2010 in relation to commitments acquired and new challenges for 2011. However, these challenges, the processes undertaken to overcome them and the performance indicators should be reviewed on the basis of the impacts of the reorganisation approved in 2011.

Also, "la Caixa" should continue working to reduce the limitations on scope and on the coverage of data, especially with regard to environmental information.

DELOITTE, S.L.



Helena Redondo  
Barcelona, March 28<sup>th</sup>, 2011



**AA1000**  
Licensed Assurance Provider  
000-14

## 7. Declaration of GRI application level



### Statement GRI Application Level Check

GRI hereby states that **la Caixa** has presented its report "INFORME DE RESPONSABILIDAD CORPORATIVA "LA CAIXA" 2010" to GRI's Report Services which have concluded that the report fulfills the requirements of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

1 April 2011, Amsterdam

A handwritten signature in blue ink, appearing to read "Nelmara Arbex".

Nelmara Arbex  
Deputy Chief Executive  
Global Reporting Initiative



The "+" has been added to this Application Level because **la Caixa** has submitted (part of) this report for external assurance. GRI accepts the reporter's own judgment for choosing its assurance Provider and for deciding the scope of the assurance.

*The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. [www.globalreporting.org](http://www.globalreporting.org)*

**Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 28 February 2011. GRI explicitly excludes the statement being applied to any later changes to such material.

## Credits

### Coordination of contents:

KPMG

### Layout:

BAETICA

### Images:

Èxit de Disseny (front page, pages 4, 5, 8,9, 11, 12, 13, 14, 16, 20, 21, 22, 29, 32, 36, 40, 42, 46, 47, 48, 50, 51, 53, 55, 60, 67, 73, 92, 93, 97, 101, 104, 106, 108)

Pedro Madueño (page 2)

Carles Nin Barrull (Nin Studio) (pages 23, 62, 63)

Txema Salvans (page 76)

Segui Arquitectura (pages 79, 87)

Jordi Nieva (pages 80, 83)

Roc Herms (pages 81, 86)

Mariona Villavieja (page 84)

UNICEF Ethiopia/Indrias Getachew (page 85)

Antonella Delussu (page 98)

### For further information:

#### **General**

Caja de Ahorros y Pensiones de Barcelona, "la Caixa"

Business address: Av. Diagonal, 621-629 –  
08028 Barcelona, Spain

Tax Identification Number: G-58899998

Telephone no.: (+34) 93 404 60 00

Fax: (+34) 93 339 57 03

Website address: [www.lacaixa.es](http://www.lacaixa.es)

#### **Corporate Responsibility Department**

T1, Ground Floor. Avda. Diagonal, 621-629. 08028, Barcelona

Telephone no.: (+34) 93 404 60 00

[www.lacaixa.es/corporateresponsibility](http://www.lacaixa.es/corporateresponsibility)

If you wish to send us any remarks or have any queries regarding this report, please write to the following address:

[rsc@lacaixa.es](mailto:rsc@lacaixa.es)