

**Corporate
social
responsibility
report
2010**

Corporate social responsibility report 2010



The Global Reporting Initiative (GRI) has declared that this report fulfils the requirements of Application Level A+.

Chairman's message

Once again, our Corporate Social Responsibility report presents the progress we made during the year and sets out the key indicators in the GRI G3 Sustainability Reporting Guidelines and its Financial Services Sector Supplement. The report was checked by external auditors and fulfils the requirements for an A+ Application Level, the highest level recognised by the Global Reporting Initiative.

In a year marked by a complex economic and financial situation and the beginning of a process of restructuring in the Spanish financial sector, Banco Sabadell maintained its high level of commitment to society and its stakeholders.

The Group attained two major milestones in 2010. One was the integration of Banco Guipuzcoano following a friendly takeover bid. This operation also brought a sizeable number of new shareholders into Banco Sabadell. Banco Guipuzcoano is publishing its own corporate social responsibility report for 2010. The other milestone was the creation of Sabadell United Bank by merging TransAtlantic Bank (acquired in 2007) with Mellon United National Bank (acquired in 2009). This transaction was another step forward in the Banco Sabadell group's strategy of expansion in the US.



Banco Sabadell continues to focus on its policy of excellence in customer service. According to Bank of Spain data, for the eighth consecutive year, Banco Sabadell was the Spanish financial institution with the lowest number of complaints in relation to average business volume. The bank also retained its leading position in the Equos league table of branch network quality, and its customer satisfaction metrics are above the market average according to the FRS INMARK report.

In 2010, the bank also developed projects aimed at fostering participation, innovation and mutual commitment with stakeholders.

In the area of participation and innovation, we developed the BS Idea and Feedback platforms and played a very active role in the social networks. The BS Idea platform enables employees to propose ideas in any area of the organisation; the ideas are then voted on by the employees and evaluated by an improvement team. After one year in operation, BS Ideas has 7,675 registered users and has received over 3,000 ideas and more than 25,000 votes. The Feedback platform enables customers to send in comments, requests and suggestions with respect to our products and services. Since it was launched, we have received numerous ideas from customers, some of which have led to the development and implementation of new applications. This suggestion box platform together with Banco Sabadell's presence in the social networks enables us to forge even closer links with our customers and encourage their participation through an innovative environment.

Another key value of the year was the commitment on the part of employees, customers and suppliers to Banco Sabadell's corporate social responsibility policy.

The support of our customers made it possible for the ethical and solidarious products marketed by the group to make donations to a number of NGOs in 2010. Specifically, to support the work being done by Caritas España to combat social exclusion, that organisation was selected to receive 50% of the donation from the Urquijo Inversión Ética y Solidaria fund. Also, for the first time, one of the funds that Banco Sabadell markets, namely BanSabadell 25 F.P., adopted the UN Principles for Responsible Investment (PRI).

To ensure its suppliers' public commitment, Banco Sabadell implemented a code of conduct that establishes principles of ethics and corporate social responsibility that suppliers are required to adopt in order to qualify for inclusion in our procurement system.

Our corporate volunteer programme attained a notable level of participation, for the second consecutive year: "Ojos del Sahara" by the Ojos del Mundo Foundation, "Nuestra Comunidad" and "Nuestra ciudad" by the Junior Achievement Foundation, and the 2010 edition of the TV3 Telethon. In parallel, we implemented measures to guarantee equal opportunities and promote skill development among our employees. In July 2010, we signed an equality plan aimed at avoiding any type of discrimination between women and men in the company. This plan was complemented by the introduction of additional work-life balance initiatives. Progress was made in developing employee skills by implementing a talent management model and defining a model of leadership in the group. That model makes it possible to detect talent in the organisation and develop specific training plans. A number of "upgrade" development programmes were implemented for future commercial managers, branch managers and SME banking managers

with a focus on ensuring growth and development on the part of employees with potential. In 2011, a corporate programme will be launched to enhance leadership capacity throughout the organisation by providing access to person and team management functions. The programme will take over from the BS Líderes pilot initiative in the Operations Department. The second class under this pilot programme, involving which 22 work groups and a total of 97 employees, graduated in 2010.

With regard to the environment, the bank renewed the ISO 14001 certification of four of its corporate buildings and made further progress with developing programmes to contribute to the fight against climate change. Following the external verification of the corporate inventory of CO₂ emissions in 2010, a number of energy efficiency and saving measures were implemented, leading to an 18% reduction in our electricity consumption in Spain. Additionally, in 2010 Banco Sabadell signed a supply contract for electricity from renewable sources with Nexus Renovables, as certified by the Spanish National Energy Commission.

In 2011, we face new challenges and objectives in a constantly-changing financial situation. We are convinced that our actions in the field of corporate social responsibility enable us to improve our business performance while contributing to sustainable development and benefiting society.

José Oliu Creus
Chairman

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Group profile

Basic data

Organisation structure

Businesses

Associations and committees

Awards and distinctions



**“I’ve been learning
and striving to excel
from day one”**

Pep Guardiola, July 2010

**“In our case,
for 130 years”**

Banco Sabadell, September 2010

New Cuenta Expansión

The bank of the best companies. And yours.

B Sabadell

BASIC DATA

Founded in 1881, Banco Sabadell is Spain's fourth-largest banking group, with a network of banks, brands, subsidiaries and affiliates that covers all areas of the finance business.

Key figures of Banco Sabadell group

	31.12.2010	31.12.2009	31.12.2008
Key Figures (€ '000)			
Total assets	97,099,209	82,822,886	80,378,065
Loans and advances to customers - gross, excluding repos	73,057,928	65,012,792	64,704,240
Income and earnings performance (€ '000)			
Gross income	2,331,339	2,505,030	2,226,845
Operating profit before impairment and other provisions	1,136,304	1,325,477	1,114,613
Net attributable profit	380,040	522,489	673,835
Ratios (%)			
Profitability and efficiency ratios			
ROA (net profit / average total assets)	0.44	0.64	0.85
ROE (net attributable profit / shareholders' equity)	7.32	11.36	16.16
Cost/income (general administrative expenses / gross income)	46.20	43.05	43.97
BIS capital ratio			
Core capital	8.20	7.66	6.67
Core capital (including generic provisions net of taxes)	8.56	8.14	8.06
Tier I	9.36	9.10	7.28
Tier I (including generic provisions net of taxes)	9.72	9.58	8.68
Risk management			
Loan loss ratio	5.01	3.73	2.35
Loan loss coverage ratio	56.6	69.0	106.9

* All data in the table include Banco Guipuzcoano

Economic value generated, distributed and retained (thousand euro)

	2010	2009
Direct economic value generated		
Net revenues plus revenues from financial investments and sales of asset (includes gross income + capital gains on asset sales)	2,627,450	2,588,605
Economic value distributed		
Payments to suppliers	302,063	272,202
Personnel expenses (includes Social Security payments)	679,721	715,323
Corporate income tax and other taxes	135,690	94,335
Investment in the community	2,656	2,619
Economic value retained (economic value generated less economic value distributed)		
	1,507,320	1,504,126

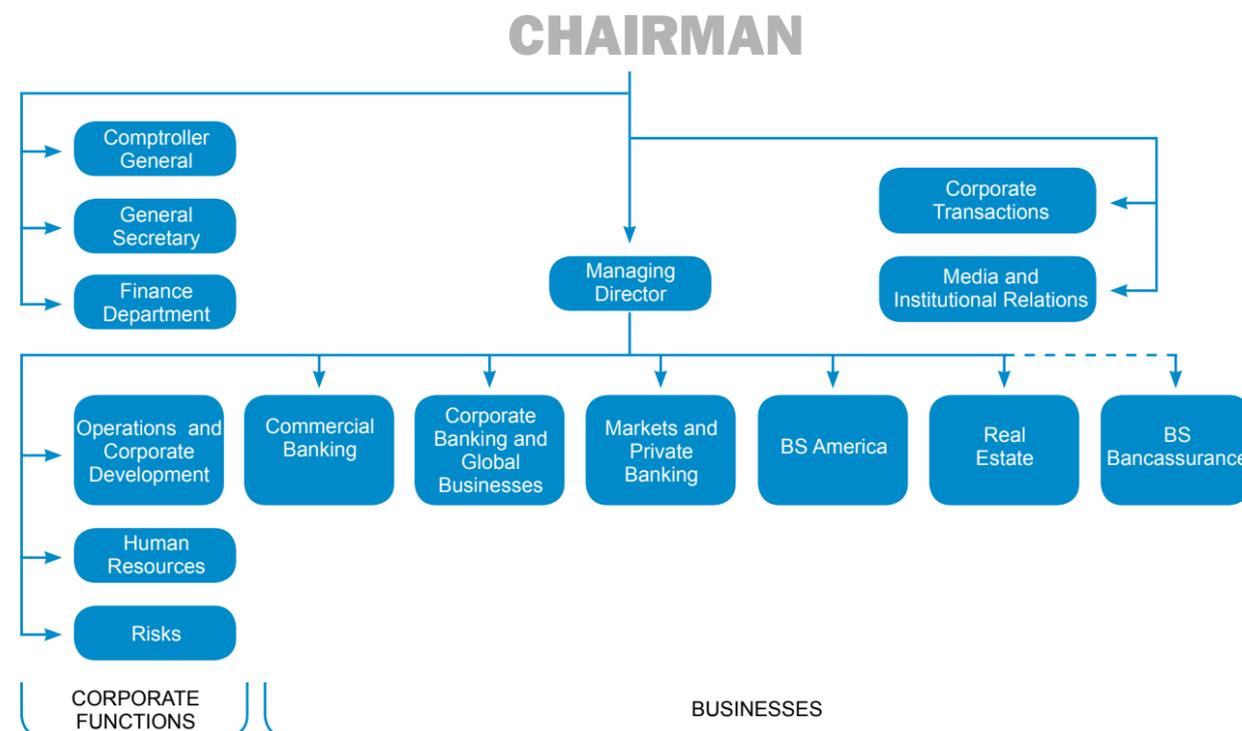
* All data in the table include Banco Guipuzcoano

Other figures

	2010	2009	2008
No. of shareholders	126,263	89,910	88,289
<i>* Includes Banco Guipuzcoano</i>			
Number of branches	1,467	1,214	1,247
<i>* Includes Banco Guipuzcoano branches</i>			
Total group employees	10,777	9,466	9,929
<i>* Includes Banco Guipuzcoano employee data</i>			
Main suppliers	64	71	-
Total suppliers	234	250	-
Number of locations with ISO 14001 certification	4	4	3
% of employees who work in certified locations	15%	15%	14%
Expenditure on sponsorship and patronage	2,655,572	2,618,928	3,867,999
<i>* The 2010 figure includes Banco Guipuzcoano and is not comparable to previous years due to a change in the methodology</i>			

ORGANISATION STRUCTURE

The Banco Sabadell Group's organisation structure includes horizontal and oversight functions reporting directly to the Executive Chairman, whereas business and corporate functions report directly to the CEO.



BUSINESSES

Banco Sabadell is Spain's fourth-largest banking group, with a network of banks, brands, subsidiaries and affiliates that covers all areas of the finance business. It has 1,428 branches in Spain and 39 branches in other countries.

In 2010, Banco Sabadell acquired Banco Guipuzcoano following a friendly takeover bid, which was accepted by 97.1% of shareholders and a subsequent delisting offer to complete 100% of capital. The goals and features of the takeover bid evidence Banco Sabadell's decision to maintain Banco Guipuzcoano as a distinct brand and a separate sphere of action within the Banco Sabadell group.

Also in 2010, Banco Sabadell completed the acquisition of Mellon United National Bank, which was renamed Sabadell United Bank, and in August 2010 successfully absorbed TransAtlantic Bank. Sabadell United Bank is the sixth-largest bank in Florida in terms of deposits, and aims to expand business volume in the coming years by focusing on small and medium-sized companies and professionals.

Banco Sabadell opened a representative office in the Dominican Republic in 2010.



**SabadellAtlántico**

Commercial Banking and
Corporate Banking
Serving: all of Spain except
Asturias and León
www.sabadellatlantico.com

**BancoHerrero**

Commercial Banking and
Corporate Banking
Serving: Asturias and Castilla-León
www.bancoherrero.com

**Banco Urquijo**

Private banking
Serving: all of Spain
www.bancourquijo.com

**Sabadell United Bank**

Corporate and personal
banking
www.sabadellunited.com

**SabadellSolbank**

Commercial Banking for
European residents in Spain's
tourist zones
Serving: the Mediterranean
coast and the islands
www.solbank.com

**ActivoBank**

Online banking for individuals
Serving: all of Spain
www.activobank.com

**Banco Guipuzcoano**

Commercial Banking
www.bancoqui.com

**Commercial Banking**

- SabadellAtlántico
- Banco Herrero
- Solbank
- ActivoBank

**Corporate Banking
and Global Business**

- Corporate Banking
- Structured Finance
- Corporate Finance
- Consumer Finance BS Fincom
- BS Capital
- Global Business

Markets and Private Banking

- BS Private Banking
- Banco Urquijo
- Investments, Products and
Analyses
- Treasury and Capital Markets
- Securities Trading
and Custody
- Bancassurance

BS America**Other businesses**

- Solvia
- BancSabadell d'Andorra

International presence

Subsidiaries and investees

- Andorra
- Hong Kong
- US
- Mexico
- Portugal
- Dominican Republic

Branches

- US
- France
- Morocco
- UK

Representative offices

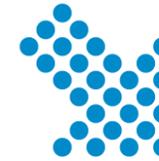
- Algeria
- Brazil
- Chile
- China
- UAE
- India
- Mexico
- Dominican Republic
- Singapore
- Turkey
- Venezuela



At 31 December 2010, Banco Sabadell group's only subsidiary operating under special rules was BancSabadell d'Andorra, which complies rigorously with the standards set by the Bank of Spain.

ASSOCIATIONS AND COMMITTEES

- [Club de Excelencia en Gestión](#)
- [Spanish Association for Quality \(AEC\)](#)
- [Spanish Banking Association \(AEB\)](#)
- [Asociación Española de Directivos \(AED\)](#)
- [The European Money and Finance Forum \(SUERF\)](#)
- [European League for Economic Cooperation \(ELEC\)](#)
- [Fundación Consejo España-EEUU](#)
- [Fundación Consejo España-China](#)
- [Círculo de Empresarios, Madrid](#)
- [Círculo de Economía, Barcelona](#)
- [Barcelona Chamber of Commerce, Industry and Navigation](#)
- [Sabadell Chamber of Commerce](#)
- [Barcelona Centre Logístic](#)
- [Ethos Ramon Llull Foundation](#) - Chair of Applied Ethics
- [IESE Business School](#) - Banco Sabadell Chair on Emerging Economies
- [Barcelona Graduate School of Economics \(BGSE\)](#)
- [Instituto de Estudios Económicos \(IEE\)](#)
- [Fundación ESADE – Esade Business School](#)
- [Foundation for Applied Economic Studies \(FEDEA\)](#) - Chair on talent, hard work and social mobility
- [Fundación de Estudios Financieros](#)
- [Prince of Asturias Foundation](#)



Member of the United Nations Global Compact Network Spain since 2005

Member of 2026.CAT Sustainable Development Strategy Advisory Board and Steering Committee (Catalonia)

Member of the Advisory Board of the Luis Vives Foundation's Corporate Social Responsibility magazine

Member of the external corporate social responsibility committee for the company SECE

Vice-Chairman of the Environment Committee at the Spanish Association for Quality (AEC)

Executive President of Club de Excelencia en Gestión in Catalonia

AWARDS AND DISTINCTIONS

Excellence

EFQM

Banco Sabadell maintained the Seal of Excellence granted by the European Foundation for Quality Management (EFQM).

AENOR / ISO

In 2011, the group plans to renew its ISO 9001:2008 certification for 100% of the financial group's processes and activities in Spain.

Bank of Spain

For the eighth consecutive year, Banco Sabadell was the financial institution with the lowest ratio of complaints to the Bank of Spain with respect to business volume.

STIGA

Banco Sabadell is a leader in objective quality of service in commercial networks according to the Equos Report produced by STIGA.

AQmetrix

Banco Sabadell ranked third in terms of internet service quality for business customers and fourth for individual customers.

Transparency

United Nations

[Banco Sabadell is among the top 44 companies worldwide in terms of the quality of its Global Compact Progress Report.](#)

MERCO

[Banco Sabadell, leader in transparency and accessibility.](#)

Innovation

NCA y Asociados

According to NCA y Asociados, Banco Sabadell is the leading Spanish bank in social networks.

Economic

Instituto de Crédito Oficial

Banco Sabadell ranked third among the banks handling credit lines from the Official Credit Institute (ICO), with a market share of 8%.

Expansión magazine

Banco Sabadell is named one of the most efficient banks in the world.

El Economista magazine

Sabadell BS América Latina Bolsa FI, one of the funds with the best returns in 2009.

Euromoney magazine

Banco Urquijo, best Spanish bank for Private Banking.

La Vanguardia newspaper

Sabadell BS Japón Bolsa, FI, the Spanish international equities fund with the best returns.

Dirigentes magazine

Award for the bank's business track record.

Ausbanc

Gold Euro Award for the best bank in 2009.

Project Finance Magazine

North American Renewables Deal of the Year 2009.

Project Finance Magazine

North American Transport Deal of the Year 2009.

The Beacon Council

[Distinction for its track record and commitment to southern Florida.](#)

StarMine Consultora

2010 StarMine Awards for the best research houses.

Social

Asociación Catalana de Críticos de Arte

Two initiatives sponsored by Banco Sabadell and the Banco Sabadell Foundation were among the ten chosen for ACCA Awards. The exhibition "Looking in from outside. Art and AIDS" of the ArtAids Foundation and conservation of cultural heritage in the restoration of the Can Domenech building and its conversion into the Cerdanyola Art Museum.

Environmental

AENOR / ISO

The four corporate headquarters, where approximately 15% of the total labour force work, renewed their ISO 14001:2004 certificates.

European Commission's Joint Research Centre (JRC)

Banco Sabadell obtained the Greenbuilding Seal for its Polinyà logistics centre.

U.S. Green Building Council (USGBC)

The new Centro Banco Sabadell building in Sant Cugat del Vallès is being developed in line with LEED-NC (New Construction) certification requirements.

Sustainability indices

FTSE4Good and FTSE4Good IBEX

Since 2008, Banco Sabadell has been included in the FTSE4Good and FTSE4Good IBEX sustainability indices.

Ethibel Investment Register

Since January 2008, Banco Sabadell has been a member of the Ethibel Investment Register, which selects companies on the basis of corporate social responsibility criteria: internal social policy, environmental policy, external social policy and ethical economic policy, as rated by the Vigeo rating agency.

UNEP Finance Initiative

BanSabadell 25, FP adopted the Principles for Responsible Investment (PRI).

Rating agencies

SAM

A 5-point increase between 2008 and 2010 in the general rating under the SAM questionnaire which is used for the purposes of inclusion in the Dow Jones Sustainability Indices.

CDP

Banco Sabadell attained a high score in the Carbon Disclosure Leadership Index (CDLI), which measures transparency and quality of replies.

Corporate Social Responsibility Observatory

Banco Sabadell is among the top 15 most transparent companies, having climbed 5 places in the ranking since 2009.

Merco Empresas 2010

Banco Sabadell gained 7 positions in the league table of best companies to position 61 in 2010.

Responsible banking

Preventing money laundering
and terrorist finance

Market transparency
and investor protection

 Sabadell

**“Everyone
must fight to be
the best, and
to do things
right”**

Pep Guardiola, July 2010

 **S**

PREVENTING MONEY LAUNDERING AND TERRORIST FINANCE

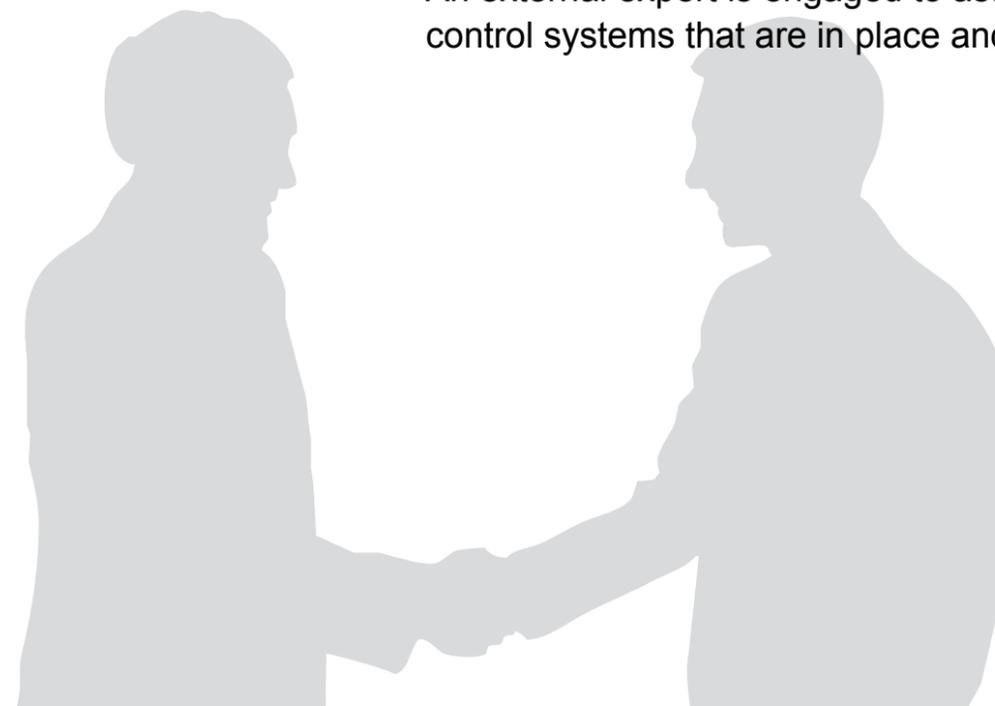
For Banco Sabadell, it is very important to ensure market transparency and avoid being used for fraudulent means, especially for money laundering and financing terrorist activities.

In order to avoid being used for the purposes of money laundering or terrorist finance, Banco Sabadell group considers it crucial to have extensive knowledge about its customers and their activity.

Accordingly, it has a number of rules and procedures:

- Group-wide regulations on the prevention of money laundering, one for correspondent banks and a specific one for each domestic or international subsidiary, and one for branches outside Spain.
- Group regulations on blocking terrorist finance.
- **Customer acceptance policies** with different levels of authorisation depending on the associated money laundering risk.

- Regulations to identify, accept and get to know customers. Data is compiled on the customer's planned banking activity, together **with Know Your Customer (KYC) questionnaires**, adapted to the money laundering risk associated with the activity described by each customer.
- A smart system **for tracking suspicious transactions**, which generates alerts that are referred, if appropriate, to the Bank of Spain's Money Laundering Unit (SEPBLAC).
- An automated control system for checking possible matches with persons associated with terrorist activities and people holding public office and their related parties.
- Obligatory training for all new employees and an annual training plan, involving on-site and on-line training courses for all employees and specific actions aimed at groups posing a specific risk, subsidiaries and branches outside Spain.
- An external expert is engaged to assess the procedures and control systems that are in place and issue an annual report.



Specialised team

Employees specialised in prevention of money laundering and blocking terrorist finance.



The group has an Internal Control and Communication Unit, headed by the Comptroller General, to ensure compliance with the laws on the prevention of money laundering and on blocking the financing of terrorism.

Training data

6 Training actions



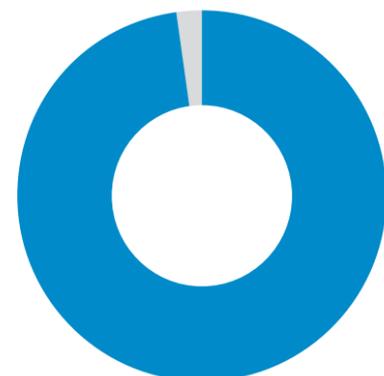
1,285
Distance



79
face-to-face



1,364 Total attendees



98%

Percentage that completed the obligatory course on preventing money laundering

MARKET TRANSPARENCY AND INVESTOR PROTECTION

In accordance with the applicable regulations, the group commits to safeguarding market transparency, proper price discovery, and investor protection.

Accordingly, it has a number of rules and procedures:

- [Internal Code of Conduct in connection with the Securities Markets](#) approved by the Board of Directors; the code's aim is to provide people involved with the necessary knowledge and enable them to apply the rules regarding conduct with regard to the securities markets.
- An internal regulation on managing inside information and a regulation on reporting suspicious transactions.
- **A policy on conflicts of interest.**
- [MiFID policies](#): policies on executing and managing orders, outsourcing, and safeguarding financial instruments.
- An interactive system to manage compliance with the Internal Code of Conduct.
- A system to detect potential cases of market abuse.

34 Responsible banking

- An investor protection oversight programme to ensure that the group complies properly with the requirements contained in the Securities Market Law and the transposition of the MiFID into Spanish law.
- An annual training plan with on-site and on-line training courses for employees dealing with sensitive areas, specifically, detection of potential market abuse, closely connected with the obligations arising from MiFID and the Internal Code of Conduct.

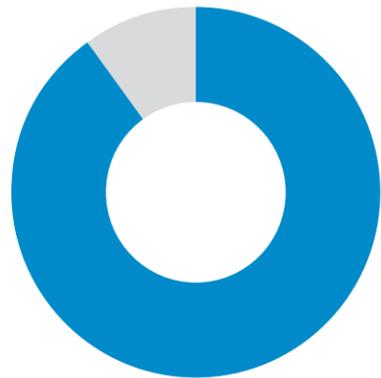
The Corporate Ethics Committee ensures compliance with the general code of conduct and rules in connection with the securities markets.

Training data

3 Training actions



1,233
Attendees



90% Percentage that completed the obligatory course on MiFID



CSR at Banco Sabadell

Mission, vision and values

Codes and policies

CSR management

Dialogue with stakeholders

 **B Sabadell**

The bank of the best companies. And yours.

“The driver is passion”

Pep Guardiola, July 2010

**The driver of everything,
in reality**

Banco Sabadell, September 2010

New Cuenta Expansión

bancosabadell.com

MISSION, VISION AND VALUES

Banco Sabadell understands that corporate social responsibility integrates the social and environmental aspects of its business strategy. Social responsibility is an opportunity to maintain a constant positive dialogue with all stakeholder groups in pursuit of mutual benefit.

Banco Sabadell's mission

To offer customers banking and financial solutions that are second to none.

Banco Sabadell's vision

- To be a leader in business and personal banking.
- To become a benchmark for quality in complementary businesses: insurance, asset management, real estate, venture capital, securities, etc.
- Sustainable growth in profitability.
- Solvency.
- Independence.
- Integration and links with the regions.

Banco Sabadell's values

Banco Sabadell has adopted 10 values with which it identifies.

- Prudence
- Closeness
- Austerity
- Adaptability
- Innovation
- The desire to serve
- Business approach
- Working together
- Ethics and social responsibility
- Professionalism



CODES AND POLICIES

To ensure ethical and responsible behaviour, Banco Sabadell has internal rules and codes of conduct which are more stringent than the legislation in force:

- The [Code of Conduct](#) applies to all persons forming a direct part of the group, either as an employee or as a member of a governing body. Partner organisations are also required to comply with the Code in all business dealings with any Group company.
- The [Internal Code of Conduct in connection with the Securities Markets](#) imposes specific obligations on directors and on employees whose work is connected with the securities markets.
- The [Ethics and human rights policy](#) includes the general principles in the area of ethics and human rights reflected in the different stakeholder policies.
- The group's [Corporate Social Responsibility Policy](#) subscribes to the principles defined in the European Commission's Green Paper: *"a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis"*. This policy defines the principles which underlie a set of rules and plans of action regarding stakeholders in all areas of the group.

The policies for relations with stakeholder groups were approved by the Board of Directors and establish guidelines in all of the bank's areas of activity.

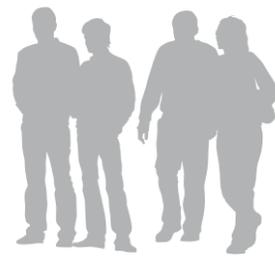
- [Commitment to the Global Compact](#)
Banco Sabadell joined the United Nations Global Compact in 2005, thereby making a commitment to the ten principles relating to human, labour and environmental rights and the fight against corruption. In coherence with the requisites of the Global Compact, since 2006 the bank has published an annual [progress report](#), in line with the format established by the Global Compact Network in Spain, which reflects its actions and significant events during the year with regard to each of the Global Compact's ten principles. The bank participates actively in workshops on the implementation of the 10 Principles and round table discussions organised by the Global Compact Network in Spain.



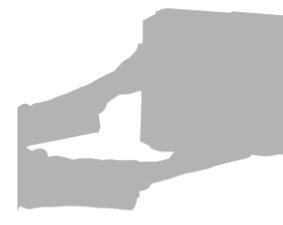
Shareholders
and investors



Customers



Employees



Suppliers



Environment



Society

CSR MANAGEMENT

The **Compliance, CSR and Corporate Governance Department's** mission is to promote, implement and coordinate any initiatives with an impact on our corporate social responsibility approved by the **Board of Directors**. This department, which reports to the Comptroller General, ensures proper progress in all areas of activity.

The group also has Banco Urquijo's CSR Committee, which meets monthly to promote its initiatives. The **Corporate Ethics Committee's** goal is to ensure that all of Banco Sabadell's actions are guided by ethical principles. The committee's five members are appointed by the Board of Directors in order to advise it on the adoption of policies to promote ethical behaviour by the Group; it meets at least once each quarter.

Any employee may contact the Corporate Ethics Committee to raise any related issue using a confidential e-mail address. The Corporate Ethics Committee periodically informs the Board of Directors and the Audit and Control Committee about its activities.

The Committee is supported by the human and material resources of the Group's Compliance Department. The Compliance Department also participates in the approval circuits of all the Group's work procedures and ensures compliance and ethics within the group, thereby minimising reputational and legal risks.

The Compliance, CSR and Corporate Governance Departments have the following email address: rsc@bancsabadell.com for answering queries about Corporate Social Responsibility.



Banco Sabadell participates in various fora and work groups with a view to sharing and raising awareness about best practices in social responsibility and the environment.



DIALOGUE WITH STAKEHOLDERS

Banco Sabadell seeks to continuously improve communications channels, adapting to new technologies and changes in society. Accordingly, the bank aims to enhance participation of its stakeholders and be aware of their expectations.

Shareholders and investors



- Investor Relations Department
InvestorsRelations@bancsabaddell.com
- Shareholder Relations Service
accionista@bancsabaddell.com



- Investor Day
- Sessions with institutional investors
- Shareholders' forum
- Webcasts
- Corporate Governance Report
- Presentation of quarterly earnings
- InfoAccionista quarterly bulletin
- Regulatory disclosures

SHARE
HOLDERS AND
INVESTORS



Customers



- Customer service from any of the group's branches 365 days a year, 24 hours a day, calling 902 323 000, on twitter at [@BancoSabadell](https://twitter.com/BancoSabadell) or by email
- Customer Care Service (SAC) and Customer Ombudsman



- Banco Sabadell on social networks
<http://twitter.com/BancoSabadell>
<http://youtube.com/BancSabadell>
<http://flickr.com/BancoSabadell>
- Ideas and suggestions platform
- The group's blog and websites
- Welcome programme for new customers
- Customer satisfaction surveys
- Focus groups with customers regarding specific topics



Employees



Human Resources Department
RRHH@bancsabadell.com



- BS Idea platform
- Annual meeting of executives
- Breakfasts with the CEO
- Performance review (GDP) and goal-setting sessions
- Best Workplaces survey
- Induction Pack
- Corporate intranet (People Portal, BS Campus Portal, etc.)
- Virtual human resources guide
- Canal BS magazine



EMPLOYEES

Environment



ENVIRONMENT

- Environment Committee:
medioambiente@bancosabadell.com
- Carpooling platform for employees.
- Environmental category in the BS Idea platform
- ISO 14001 audit report
- Corporate emissions audit
- Fora and conventions

NGOs, foundations and others



- Banco Sabadell Foundation:
fundacionBS@bancsabadell.com
- Banco Herrero Foundation:
fundacionBH@bancoherrero.es
- Sponsorship and patronage committee
- Banco Urquijo



- The group's [blog](#) and [websites](#)
- [Auditors' report and financial statements](#)



NGOS FOUNDATIONS AND OTHERS

SUPPLIERS



Suppliers

Procurement department



- [Procurement website](#)
- Satisfaction survey
- Evaluation of suppliers

Banco Sabadell and its shareholders

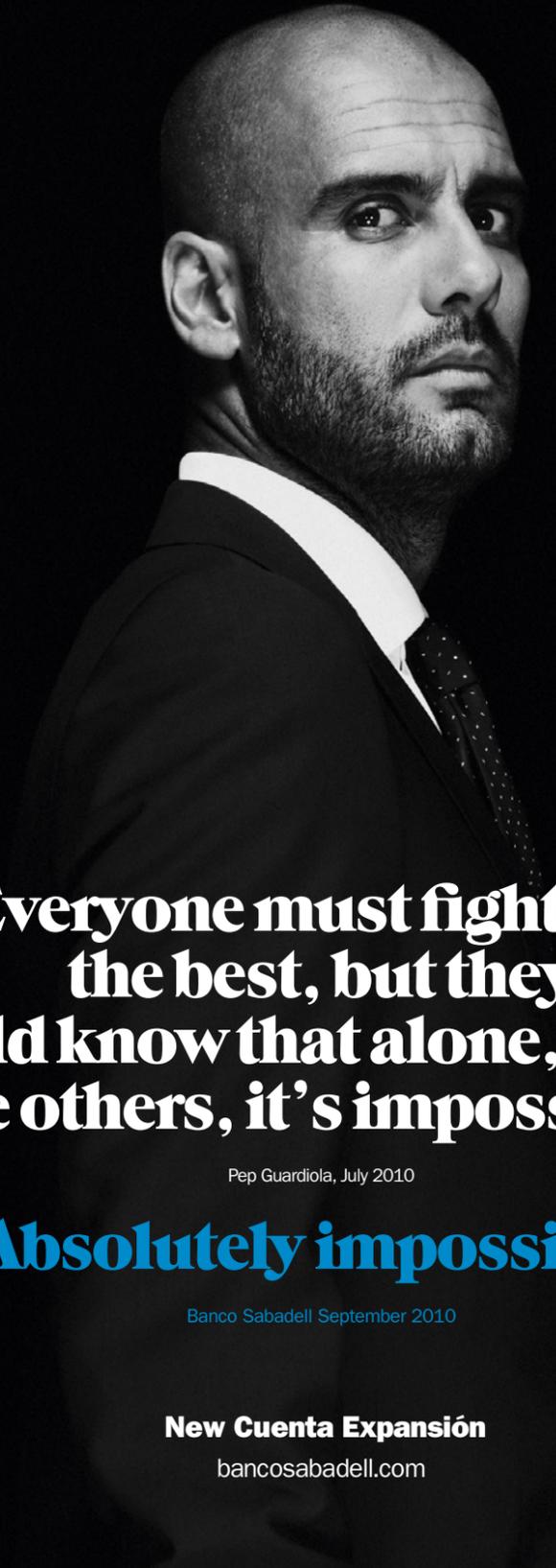
Shareholder profile

Balanced corporate governance

Transparency and participation

 **Sabadell**

Chosen by the best in business And by people like you.



“Everyone must fight to be the best, but they should know that alone, without the others, it’s impossible”

Pep Guardiola, July 2010

“Absolutely impossible”

Banco Sabadell September 2010

New Cuenta Expansión

bancosabadell.com

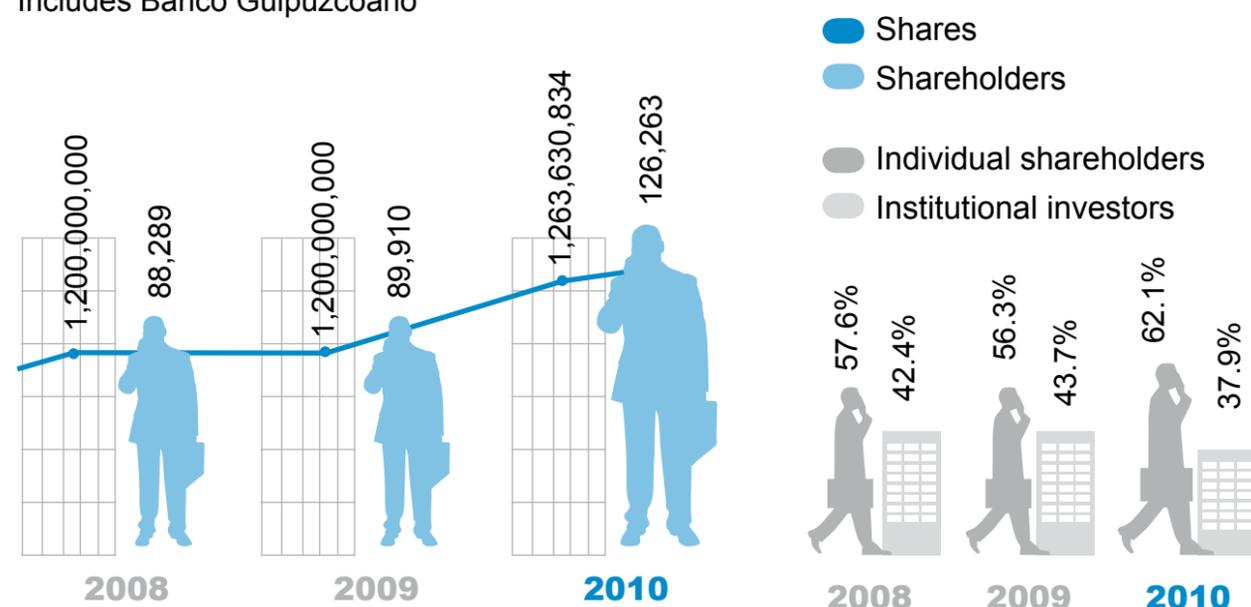
Banco Sabadell's commitment to its shareholders is based on providing a return on investment, the bank's high level of solvency, and a balanced and transparent system of corporate governance that encourages shareholder participation in how the business is managed.

SHAREHOLDER PROFILE

Banco Sabadell is a public limited company whose capital, as of 31 December 2010, is divided into 1,263,630,834 registered shares, owned by 126,263 shareholders.

Capital structure

Includes Banco Guipuzcoano



Distribution of shareholding by size of stake at 31 December 2010

Number of shares	Shareholders	Number of shares	% of total
12,000 or less	116,080	193,854,327	15.34%
From 12,001 to 120,000	9,259	288,800,666	22.85%
From 120,001 to 240,000	520	86,360,656	6.83%
From 240,001 to 1,200,000	334	154,314,086	12.21%
From 1,200,001 to 15,000,000	63	226,950,198	17.96%
More than 15,000,000	7	313,350,901	24.80%
TOTAL	126,263	1,263,630,834	100.00%

Iberclear data

Only 4 shareholders own more than 3%

	% of total voting rights
BANCO COMERCIAL PORTUGUES, S.A.	5.362
Direct rights	0.458
Through Fundo de Pensões do Grupo BCP	4.904
INVERSIONES HEMISFERIO, S.L.	5.005
Through Jaipur Investment, S.L.	
FAMOL PARTICIPACIONES, S.L.	4.935
MR ISAK ANDIC ERMAY	5.419
Through MAYOR VENT, S.L. UNIPERSONAL	

BALANCED CORPORATE GOVERNANCE

Every year Banco Sabadell publishes a [corporate governance report](#), which is available on the group's website.

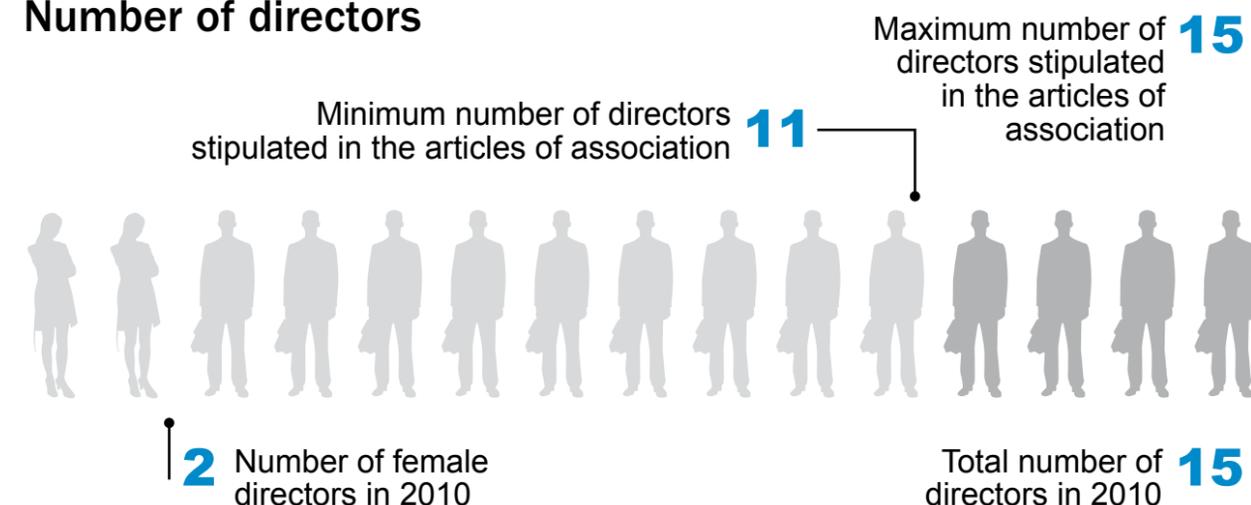
Of the 58 recommendations in the Unified Code of Good Governance, Banco Sabadell complies with 50 and explains 3; the remainder are not applicable

Composition of the Board of Directors

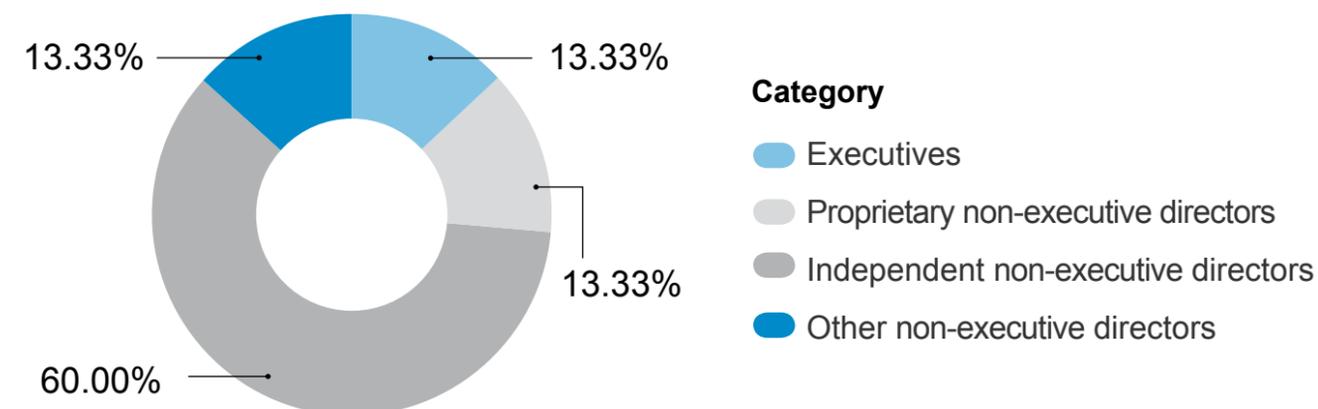


The following texts are on the group's website, www.grupobancosabadell.com: the [Shareholder and investor policy](#) and governance rules of Banco Sabadell and of the general meeting.

Number of directors



Breakdown of the Board of Directors by director category



The directors' professional and personal resumes can be viewed on the website, www.grupobancosabadell.com.

All directors are provided with information on the agenda at least seven days prior to each Board of Directors meeting.

Number of meetings held in 2010 by the Board of Directors and its various committees

Number of Board meetings	16
Number of Board meetings held without the Chairman	0
Number of Board meetings held without attendance by all directors	11
Meeting attendance	91.12%
Number of Executive Committee meetings	36
Number of Audit and Control Committee meetings	7
Number of Strategy Committee meetings	5
Number of Risk Control Committee meetings	25
Number of Nomination and Remuneration Committee meetings	11

The committees and the Board of Directors evaluate their own performance and that of the Chairman and the Managing Director on a yearly basis.

TRANSPARENCY AND PARTICIPATION

The main channel for shareholders to participate in running the company is the General Meeting.

In 2010, the General Meeting was held on 25 March and an Extraordinary Meeting was held on 18 September to approve the integration of Banco Guipuzcoano.

Before the General Meeting, all of the legal documentation related to the proposals is available on the [corporate website](#). The speeches given by the chairman and managing director, and the minutes of the meeting, are also made available on-line after the meeting.

Percentage of capital represented at the meetings

Date of General Meeting	% in attendance	% represented	Total
25.03.2010	4.96%	62.33%	67.29%
18.09.2010	1.070%	67.33%	68.40%



Banco Sabadell has an established procedure on-line for granting proxies and voting instructions; it was used by 160 shareholders (4,819,215 shares) at the last meeting.

In order to safeguard minority shareholders' voting rights, each shareholder's votes at the General Meeting are capped at 10%

To ensure 100% access to information, the bank has two specialised departments at the service of shareholders and investors:

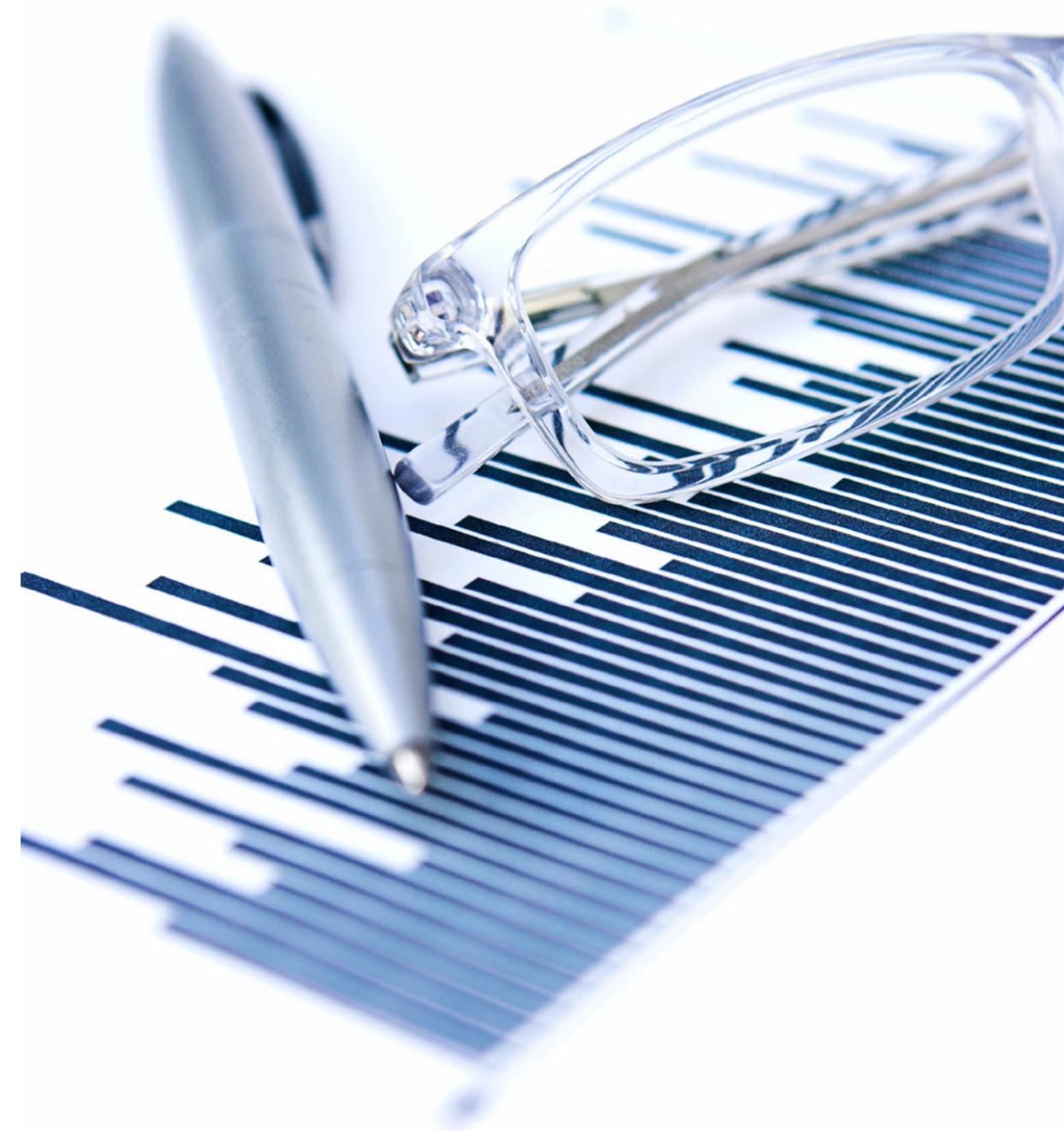
Shareholder relations and Investor relations.

The bank publishes the following on its [corporate website](#): annual and quarterly reports, executive summaries, the InfoAccionista bulletin for shareholders, and earnings webcasts. Additionally, an Investor Day is held regularly in which investors and analysts can receive extensive information about the bank.

Electronic Shareholders' Forum

In 2010, Banco Sabadell created its [Electronic Shareholders' Forum](#) and approved the corresponding regulation with a view to facilitating dialogue between shareholders.

Prior to each General Shareholders' Meeting, registered users may submit communications for publication in the Forum, including: complementary proposals to the agenda announced in the Meeting Notice, initiatives to reach the percentage required to exercise minority rights).



Banco Sabadell and its customers

Excellence in service

Closeness
to customers

Responsible
products and services

**“They test me every day.
And I have to find the solution”**

Pep Guardiola, July 2010

“Every day”

Banco Sabadell, septiembre de 2010

New Cuenta Expansión
Come in and let our personal agents advise you

The bank of the best companies. And yours.

B Sabadell

COMMITMENTS 2010

Excellence in service

- Renew EFQM Seal of Excellence.
- Improve customer loyalty and retention ratios.
- Maintain service quality in handling customer complaints (ratio of complaints to Bank of Spain with respect to business volume).
- Review and adapt Customer Care Service procedures to reduce response times.

Multi-channel innovation

- Attain 99% availability of BS Online service.
- Internetise 75% of operations.
- Promote the use of the BS Móvil platform by adding more transactions.

Products and services

- Improve the socially responsible products on offer, especially those aimed at specific groups.

OBJECTIVES 2011

Multi-channel innovation

- Allow for 80% of operations to be conducted online.
- Achieve 13% of BS Online customers actively using BS Móvil.
- Increase electronic correspondence with customers and reduce physical deliveries.
- Consolidate the Direct Office as a tool for customer management.

PROGRESS 2010

Excellence in service

- Banco Sabadell maintained the Seal of Excellence granted by the European Foundation for Quality Management (EFQM).
- This welcome programme enabled Banco Sabadell to sell additional products to 77.77% of all new customers. Customers receive tailor-made offers according to the results of the initial questionnaire.
- For the eighth consecutive year, Banco Sabadell was the financial institution with the lowest ratio of complaints to the Bank of Spain with respect to business volume.
- A series of measures were applied which enabled the bank to reduce complaint and claim response times by 13%-40%, depending on the complexity of the issue.

Multi-channel innovation

- The BS Online service attained 99.92% availability and 76.3% of operations were internetised.
- To facilitate the use of BS Móvil among customers, the application was adapted for the iPad, iPhone, Android and Blackberry.
- Substantial increase in transactions via mobile phone (deposits, securities, funds, cards, etc.).
- Increased the number of users receiving SMSs by 65% to over 500,000.

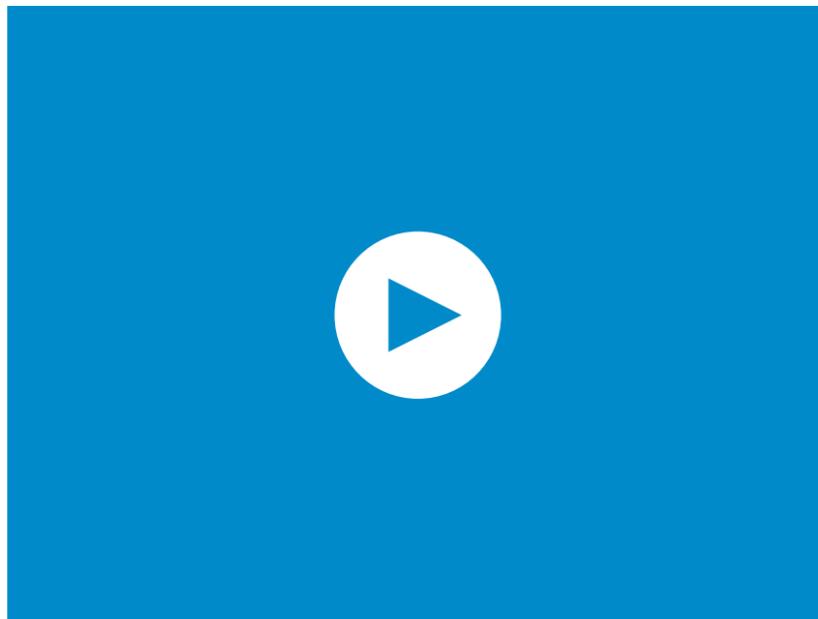
Products and services

- The bank launched a new product, Cuenta Expansión, which provides individual customers with the best return on their money. The Cuenta Expansión is a direct deposit account for wages and pensions which manages individuals' money at no extra cost. Moreover, the bank offers a 3% rebate on Spanish direct debits.
- Banco Urquijo's Ethics Committee has allocated 50% of the Urquijo Inversión Ética y Solidaria fund's donation to Caritas España, which fights social exclusion.

CHOSEN BY THE BEST IN BUSINESS. AND BY PEOPLE LIKE YOU

Because of its focus on constant improvement, in 2010, Banco Sabadell was not content just to be the bank chosen by the best in business; rather, it sought to extend its reach to all of society.

With regard to individuals, rather than merely attracting new customers, Banco Sabadell wants to develop a relationship of closeness and permanence by offering a quality service and an accessible personal manager. The bank, which has been offering this service to companies for years, is certain that it can provide individual customers with the same rigour and efficiency in managing their money. Josep Guardiola, coach of FC Barcelona, transmits this message to society, through his ability to lead and his positive, respectful and fighting attitude.



EXCELLENCE IN SERVICE

Banco Sabadell's customer policies and its code of conduct establish a strong commitment to honesty, professional responsibility, transparency and quality of service. Teamwork at Banco Sabadell enables the bank to offer award-winning service, recognised with the Seal of European Excellence and certified to the ISO 9001 standard in 100% of the group's processes and activities in Spain.

Quality policy

"Attain, maintain and improve service quality through an overall approach based on excellence."



Customer protocol

"Obtaining a customer means going beyond a sale; it means creating a long-term relationship and a commitment"



Ten rules of good service

"The idea that should underlie everything we do: the responsibility principle"

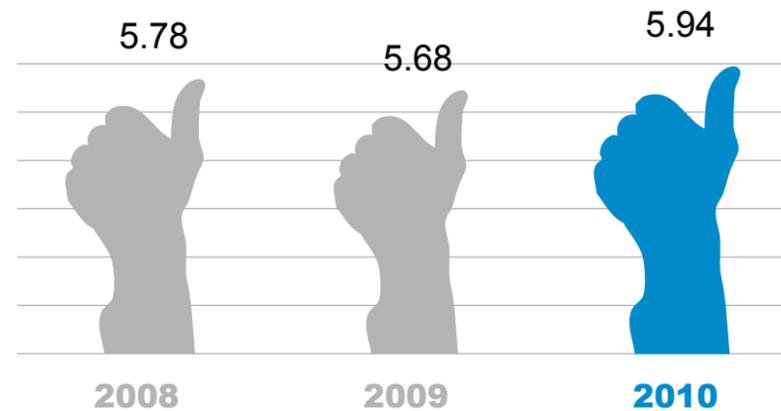
Gauging satisfaction and quality

Banco Sabadell periodically performs surveys and studies to identify key factors and areas for improving quality at all of its branches. According to the results, the bank establishes action plans tailored to individual branches with specific quality goals, as well as more general action plans to address areas for improvement or opportunities of a more general nature.

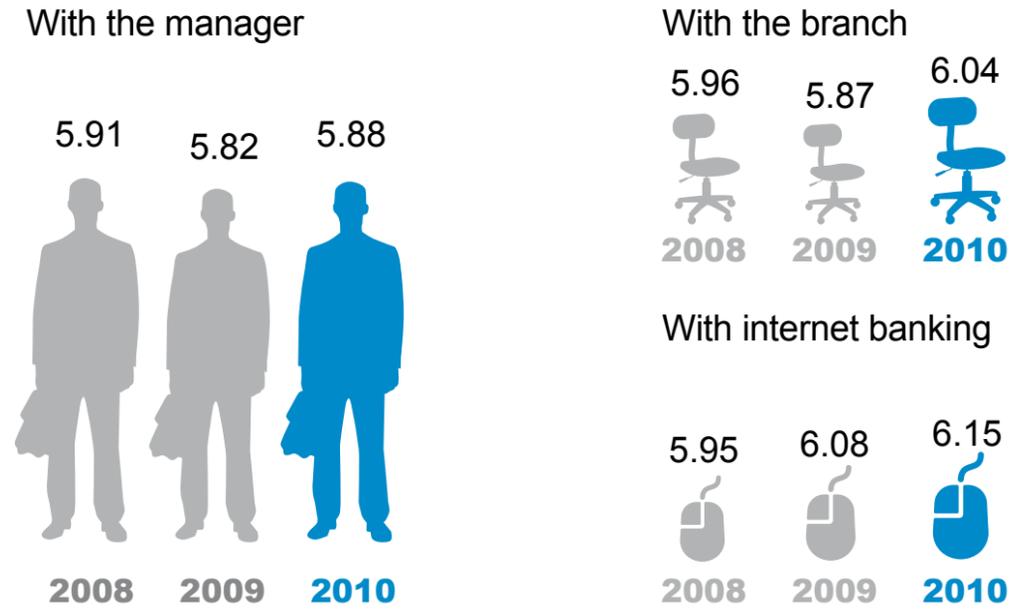
Customer satisfaction

In 2010, Banco Sabadell performed over 27,000 telephone surveys of customers to obtain information on their expectations for products and perception of the quality of service offered by the bank.

Overall satisfaction of Banco Sabadell customers (scale of 1 to 7)



Customer satisfaction (scale of 1 to 7)



Since 2006, new customers have been surveyed with a view to ascertaining their first impressions of the bank. In 2010, a **welcome programme for new customers** was implemented, by which the customer receives personalised attention services for the first month. This enables the bank to ensure that the customer has at his/her disposal all of the information on the bank's services and the most appropriate products for money managing.

84.5% of customers would recommend the bank to a third party

93.54% of customers will remain with the bank

Banco Sabadell has focus groups comprising a semi-permanent sample of 200 customers who are polled regularly in quantitative or qualitative surveys. The purpose of this initiative is to create products that are better adapted to customers' needs, design the most efficient campaign for a given product, and be able to improve customer service on the basis of a search for mutual benefit.

Create products which are better adapted to customers' needs

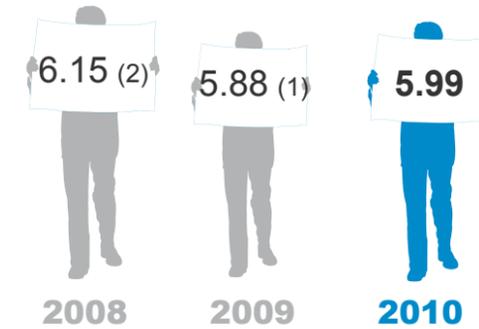
Quality of service

To ensure the excellence of service provided and to continuously improve its quality, Banco Sabadell performs pseudo-purchases in person and by phone. One example is the Mystery Shopper technique, by which an expert evaluator visits branches pretending to be a customer. They analyse the quality of the components of customer service at the branches. Pseudo-buyers perform telephone audits of all of the group's brands, evaluating the quality of customer service and advice.

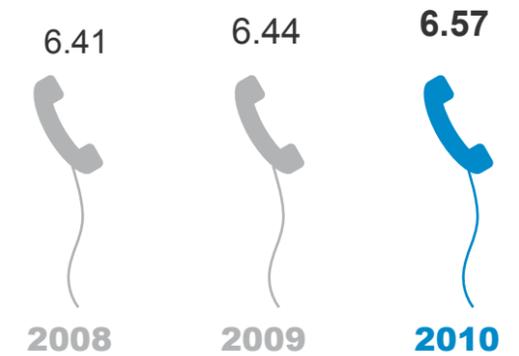
Branch network quality ranking

(scale of 1 to 7)

Overall result of mystery shopper survey

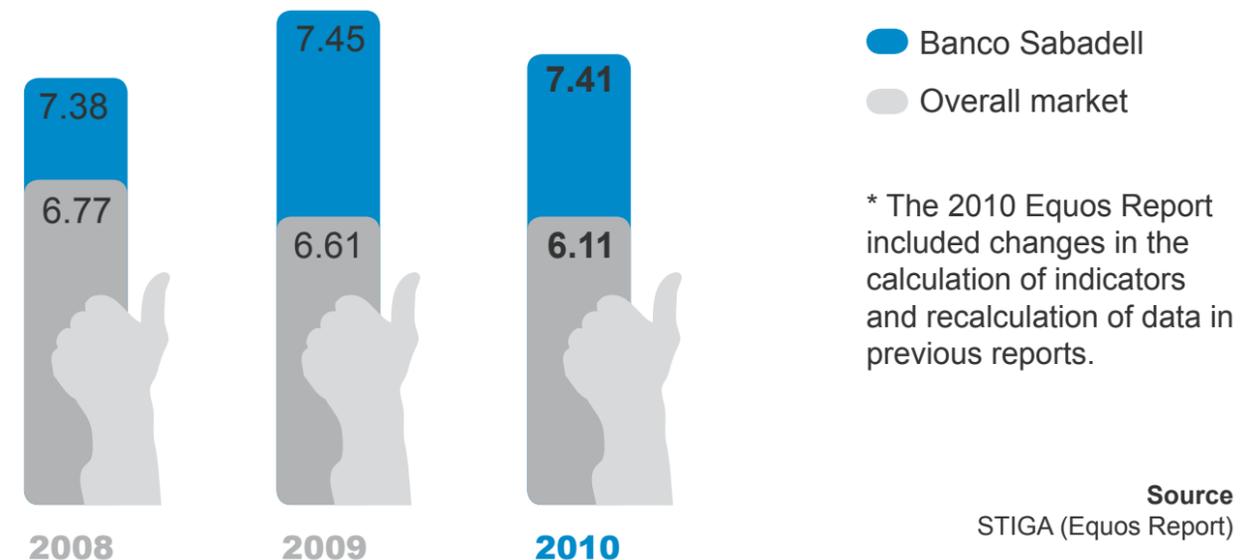


Overall result of telephone assessments



(1) The 2009 result was recalculated to include cross-selling.
 (2) The 2008 result could not be recalculated to include cross-selling.

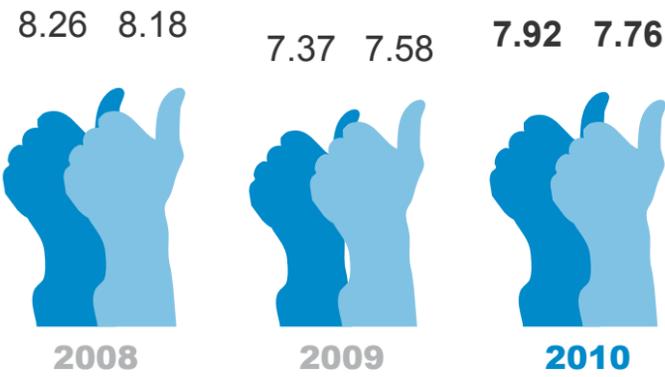
Objective quality ranking of banks' commercial networks (scale of 1 to 10)



Source STIGA (Equos Report)

Satisfaction survey (scale of 0 to 10)

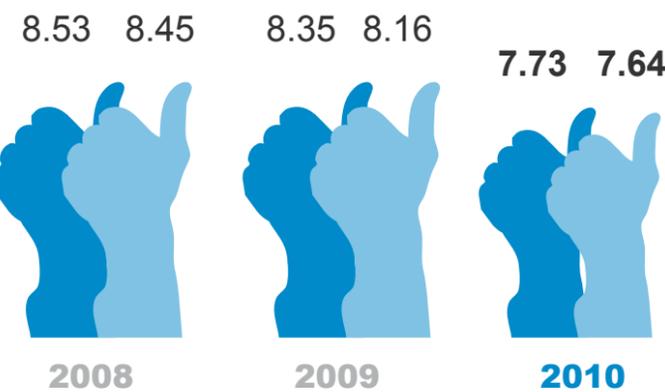
Individual customer



● Banco Sabadell
● Overall market

4th in internet customer service quality for individuals

Business customer



● Banco Sabadell
● Overall market

3rd in internet customer service quality for businesses

Source FRS INMARK and AQmetrix

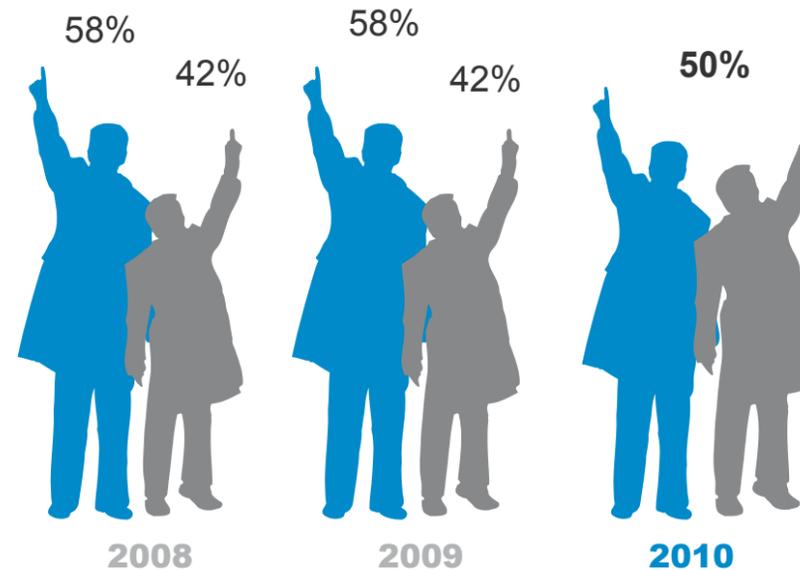
Satisfactory results in surveys and studies are supported by third-party studies, such as the Equos Report, the INMARK financial performance report, and AQmetrix. Banco Sabadell is a leader in objective quality of service in commercial networks according to the Equos Report, and individual customer satisfaction levels are above the market average, according to the INMARK FRS report.

Claims and complaints management

When a customer or user has a problem that cannot be resolved through the usual channels, it can be taken up with the Customer Care Service (CCS). CCS is independent of the group's commercial and operational lines, and is governed by Banco Sabadell group's Regulation for the defence of financial customers and users. The customer may file a complaint or claim with the CCS or with the Ombudsperson in any Banco Sabadell group branch. The bank provides customers with a specific form with a view to facilitating the process, although customers may present their complaint or claim via any other format that guarantees the claimant's identity.

Breakdown of complaints and claims

● Complaints
● Claims



Claims and complaints



The group also has a **Customer Ombudsman** empowered to resolve the claims lodged by Banco Sabadell customers and users, in the first and second instance, and to resolve issues referred by the CCS. Decisions made by the CCS and the Ombudsperson are binding on all units of the bank.

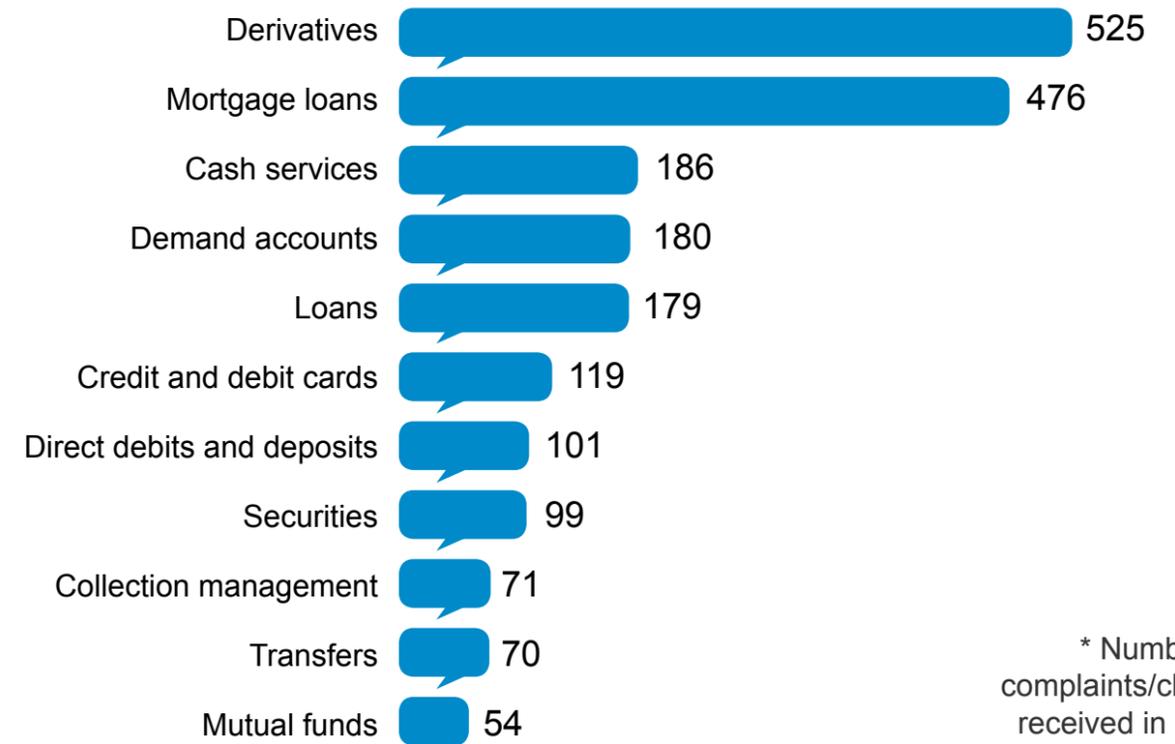
For the eighth consecutive year, Banco Sabadell was the financial institution with the lowest ratio of complaints submitted to the Bank of Spain with respect to business volume.

Main reasons for claims or complaints



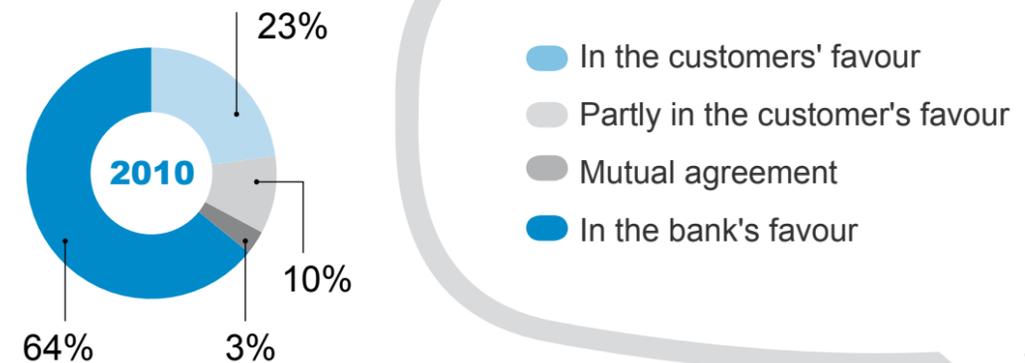
* Number of complaints/claims received in 2010

Main products giving rise to complaints and claims



* Number of complaints/claims received in 2010

Decisions by the Customer Care Service and Customer Ombudsperson



With a view to improving customer relations, the Ombudsperson makes recommendations to enhance good financial practices and the relationship of trust between Banco Sabadell group and its customers. Additionally, the Board of Directors receives an annual report from the Customer Ombudsperson and the Customer Care Service on claims and complaints handled during the year. In an effort to avoid claims and improve customer service, the report includes a section on good banking practices for employees and bank executives, with a view to improving customer service.

Response time is a key factor in customer care; consequently, whereas the maximum time established by regulation for responding to a complaint is 60 days, Banco Sabadell's average response time was:

Average response time (in number of days)

	2010	2009	2008
Simple issues	5.98	9.85	6.76
Issues of average complexity	10.54	16.63	7.95
Very complex issues	34.12	39.30	30.92

As a result of the economic situation, there was a notable increase in complaints received and in average response times in 2009. In 2010, despite the increasing number of complaints, the bank reorganised its internal resources and optimised management of claims, thereby reducing average response times.



CLOSENESS TO CUSTOMERS

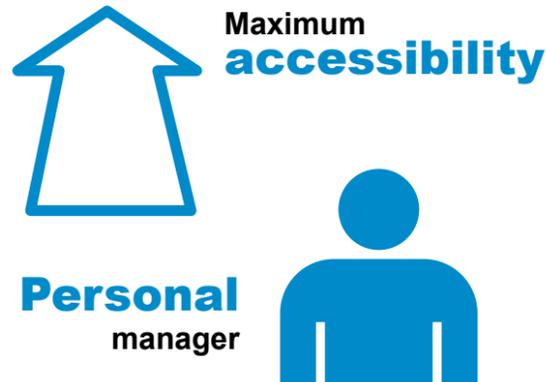
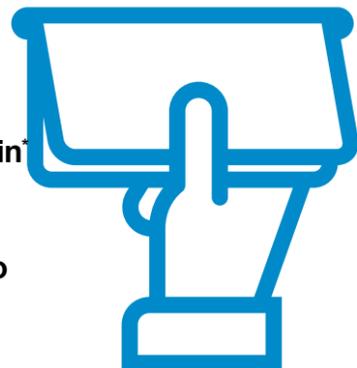
Physical closeness

With over 1,450 branches and a management team which is always at the service of the customer, Banco Sabadell implemented a business model based on proximity.

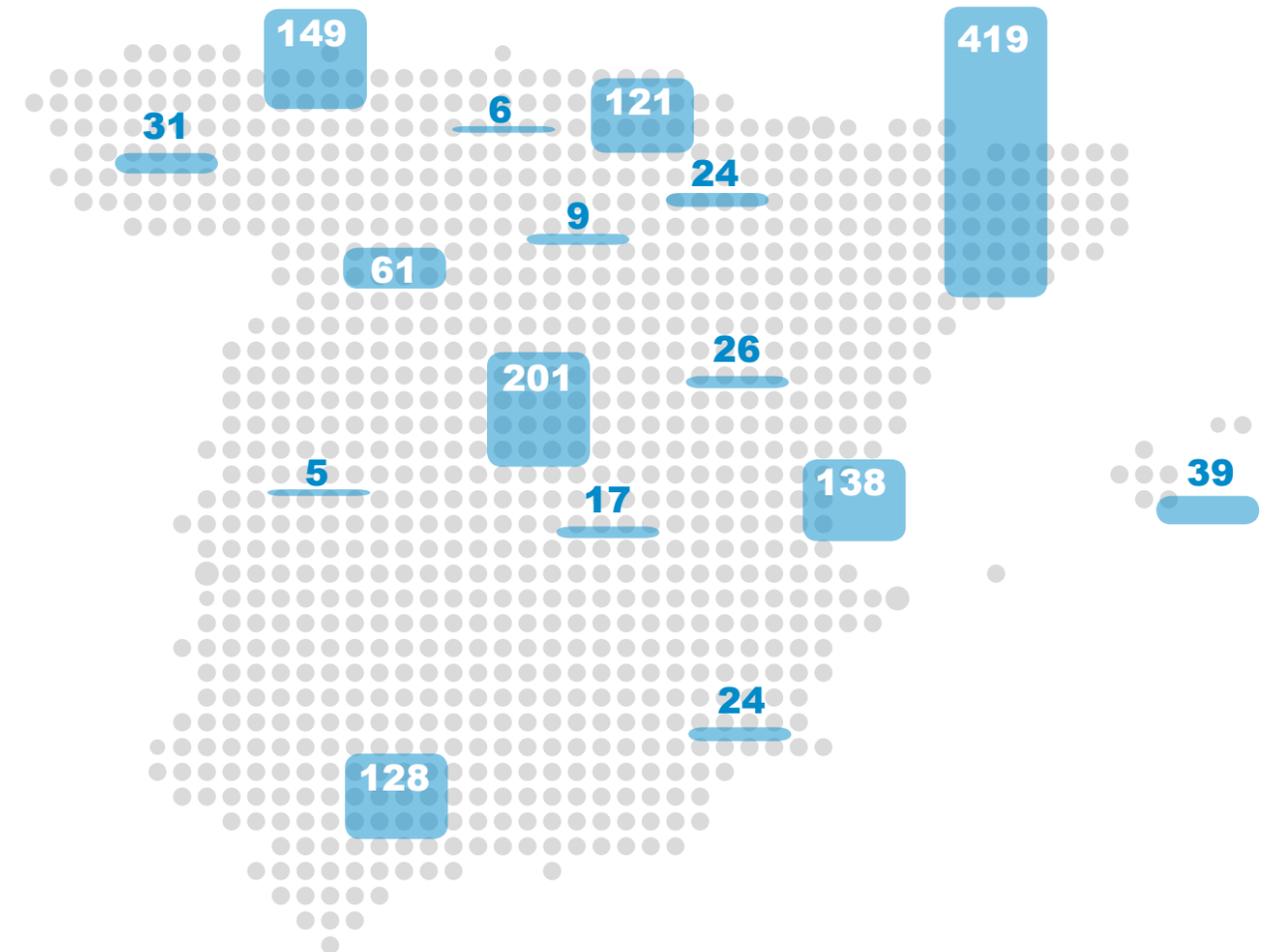
Banco Sabadell also has a network of 1,703 automatic teller machines (ATMs) in Spain. An initiative commenced in 2009 to replace ATMs with more ergonomic and user-friendly models, which included faster machines with a large touch screen and headphone connection. Under the project, 720 ATMs were placed in 2010.

Banco Sabadell endeavours to provide the utmost level of accessibility to all users, both physically and virtually. All of the group's new installations and offices undergoing comprehensive refurbishment are designed in line with the current accessibility rules and ensure access to people with disabilities.

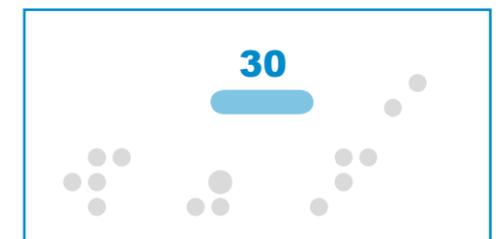
1,703
ATMs in Spain*
Includes
* Banco
Guipuzcoano



Branches by region in 2010



* Includes Banco Guipuzcoano



Multi-channel closeness

Banco Sabadell understands that new communications technologies are an opportunity to improve access to its services, especially in terms of opening times, queries about products and services and quick and easy execution of everyday transactions. Customers can access the bank's products and services at all times and from anywhere by internet (BS Online), mobile (BS Móvil) or phone (Oficina Directa).

The group's websites currently have Extended Validation SSL certificates, email sent from the bank is authenticated with a digital signature certified by VeriSign, and customers are ensured security and protection in distance banking through:

- Personal passcode and a private PIN card.
- Security messages sent to their cell phones.
- Card [protection services](#) and a second code sent to the customer by SMS.
- [Security tips](#)
- Customer service via telephone, 24-7 on 902 323 000.



Personal
access and
private bank
card



SMS
alerts



Card
protection

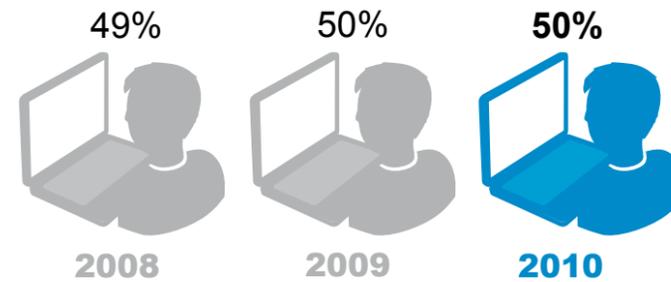


Security
tips



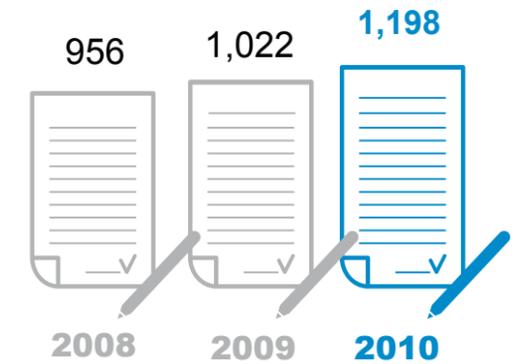
Personalised
attention
24 x 7

Percentage of customers that make active use of distance banking



**An "active customer" is defined as one who makes at least one transaction per quarter*

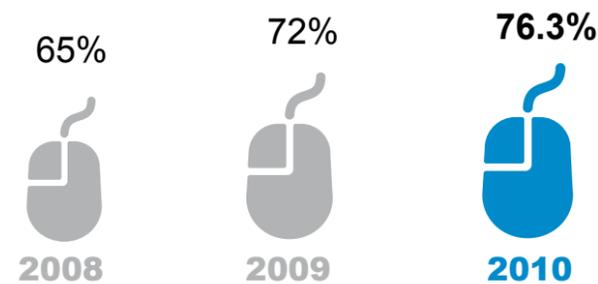
Distance banking contracts (thousand)



In 2010, a growing number of customer transactions were conducted via the internet, [BS Online](#); 7 out of every 10 transactions were performed online. In 2010, the group's websites added new functions and services for customers and businesses (cash transfer orders, multiple signatures on transactions by companies, improvements in direct deposit and debit management, SMS service for businesses, etc.).

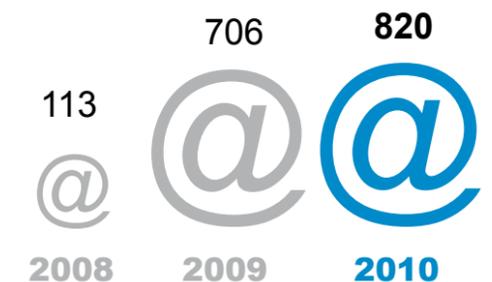
Customer internetisation

Customer internetisation



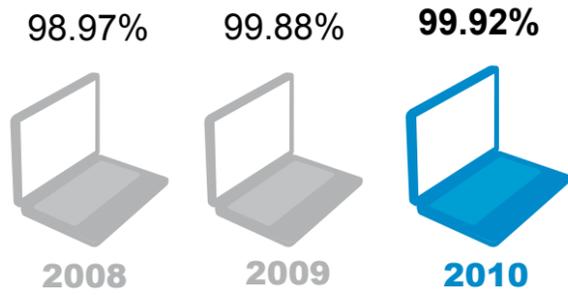
**Percentage of total available transactions that are conducted via the internet*

Customers signed up for e-mail (thousand)



Availability of BS Online service

Availability of BS Online service



Transactions/processes available on the web



* BS Online service uptime

With [BS Mobile](#), Banco Sabadell customers can perform everyday bank transactions from their mobile device. They can check their account balance and transactions, order transfers, buy and sell securities, and use their debit cards. BS Mobile also enables customers to: add credit to their mobile, manage the bank's SMS service, locate branches and ATMs and contact their manager with the touch of a button.

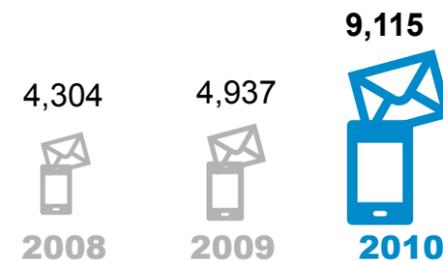
To facilitate the use of BS Mobile among customers, the application was adapted in 2010 for the iPad, iPhone, Android and Blackberry.

Messages to mobile phones

Number of customers subscribed to SMS alerts (BS Mobile)



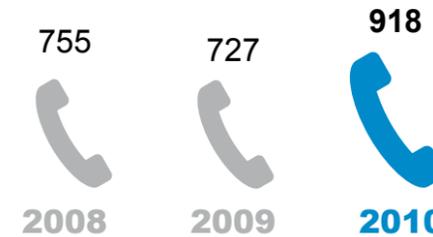
SMS messages sent to customers via BS Mobile (thousand)



The telephone channel, [Oficina Direct](#), enables customers to obtain information about products and services, make bank transactions, and buy financial products. Customer service (902 323 000) also helps resolve doubts and inform customers performing operations via the group's websites.

Telephone banking service

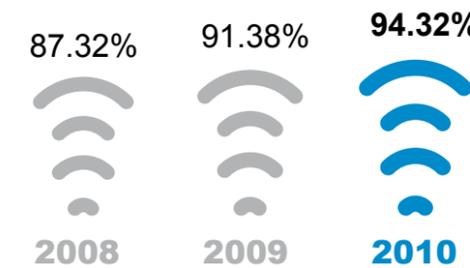
Number of telephone calls handled (thousand)



Number of transactions and queries made by telephone (thousand)



Telephone banking accessibility



*Percentage of calls received and handled by the Contact Center

Social networks

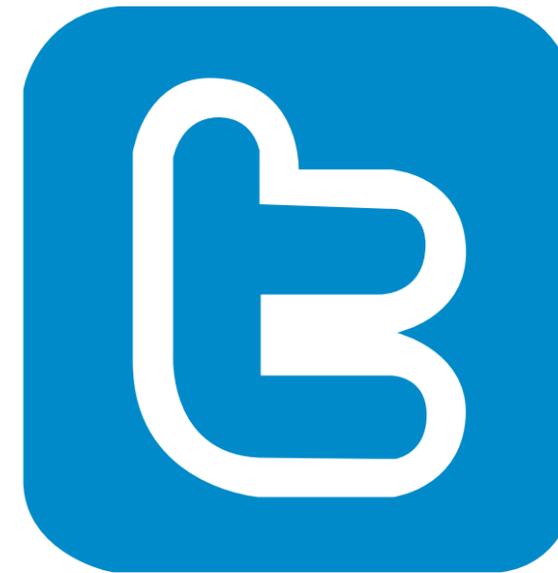
Banco Sabadell is a pioneer in its use of [social networks](#). The bank provides [customer service via Twitter](#), which operates 24 hours a day, every day, and it has its own pages on [Facebook](#), [Flickr](#) and [YouTube](#).

The group's customers also have a new platform available as of 2010: feedback.bancsabadell.com, which allows them to submit comments, suggestions and ideas about the bank's products and services. Since this service began, more than 50 ideas and almost 825 comments have been received. Some of the suggestions received have been implemented, such as the development of a specific BS Móvil application for the iPhone, and allowing bank statements for the last 24 months to be viewed online (BS Online).

According to NCA y Asociados, Banco Sabadell is the leading Spanish bank in social networks.



The bank's use of social networks is aimed at providing excellent service and enhancing customer proximity. Customers may ask questions, chat, and propose suggestions by publishing an idea on the suggestions portal, tweeting, sending an email or calling Oficina Directa.



<http://twitter.com/BancoSabadell>



<http://youtube.com/BancSabadell>



<http://flickr.com/BancoSabadell>



<http://blog.bancsabadell.com>



<http://socialmedia.bancsabadell.com>



<http://feedback.bancsabadell.com>

RESPONSIBLE PRODUCTS AND SERVICES

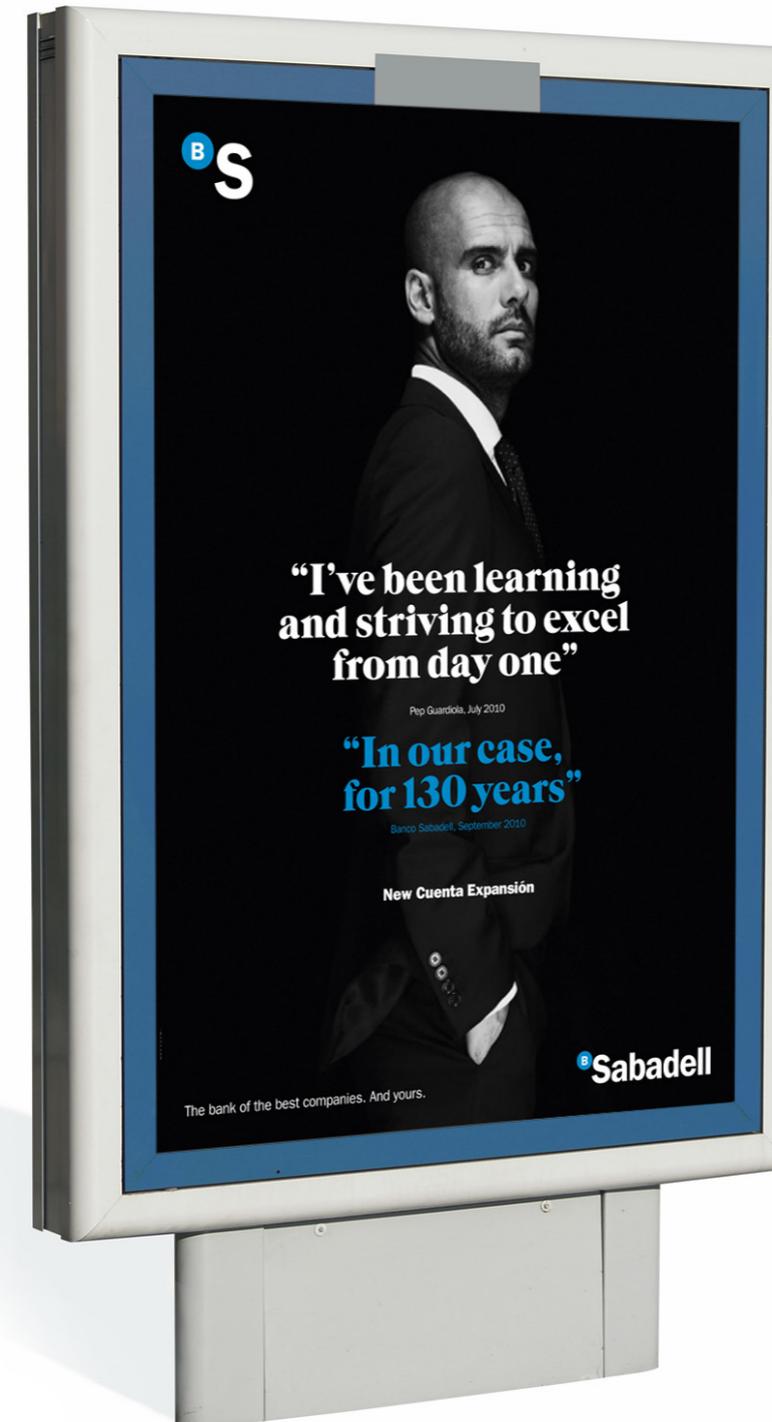
Banco Sabadell is focused on innovating and developing financially responsible solutions while meeting the needs of individuals and professionals and contributing towards sustainable development.

To ensure that all information, sales and operations align with the laws in force, the Compliance Department oversees the design and implementation of the products sold by the bank and of its advertising campaigns. The group is also a member of AUTOCONTROL (Spanish advertising self-regulation organisation), evidence of its commitment to responsible advertising.

Adapting financial services

Banco Sabadell sells financial products which are adapted to its customers' needs.

In 2010, the group launched a new product, Expansion Account, which seeks to provide individuals with the same rigour and effectiveness in money management as provided to companies, SMEs and self-employed persons.



For you

The Expansion Account is a direct wage and pension deposit account in which individuals' money is managed at no extra cost: no fees, 3% rebate on direct debits, all multi-channel services and, most importantly, a personal manager who provides tailor-made services.

For juniors

The Junior account is commission free and helps children understand the importance of money management. www.paraquesirveeldinero.com

For young people

The ClickOK account offers good returns with no fees and includes a selection of financial and non-financial products designed especially for young people. www.bsclickok.com

For seniors

BS Senior is a programme with countless benefits, offering specific financial services for people over 55. www.infosenior.es

For foreign residents

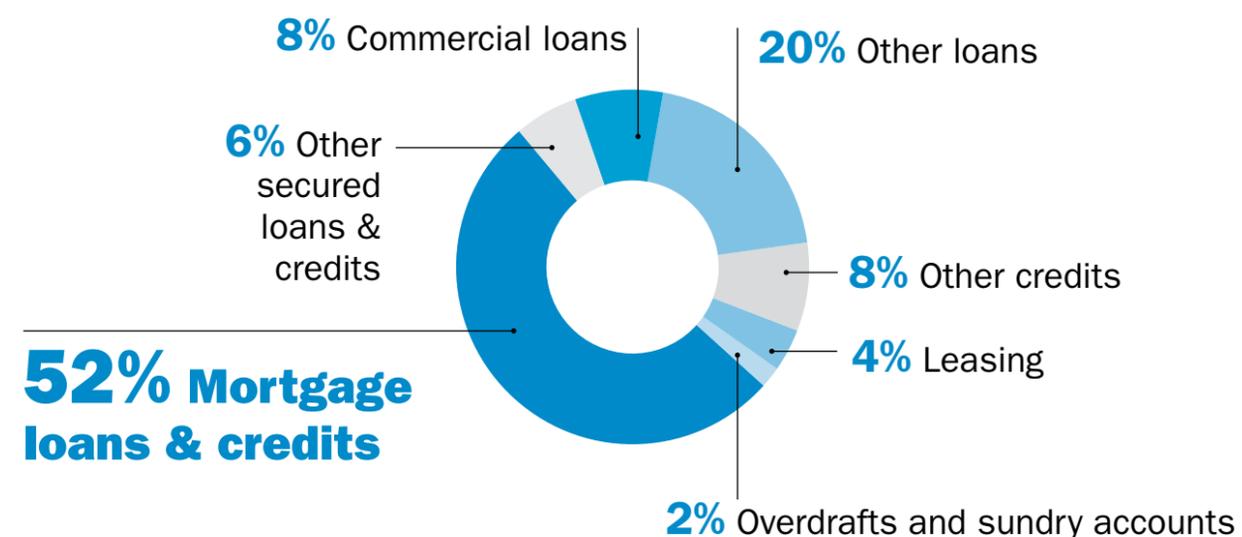
SabadellSolbank is the bank for foreign residents in Spain, providing multilingual service and a high degree of specialised customer service. www.solbank.com

For self-employed persons, businesses and microenterprises

BS Negocios is a pack of products and services designed especially to provide tailor-made and specific solutions for day-to-day banking for self-employed persons, retailers, franchises, professionals and microenterprises.

In 2010, gross customer lending at Banco Sabadell increased by 12.4%, proof that, even in adverse economic scenarios, Banco Sabadell has been able to provide funding to individuals and businesses.

Loans to customers



73,057.9 million euro
in gross lending to
customers in 2010

**Does not include repos*

**Consolidated figures at year-end including Banco Guipuzcoano*

Banco Sabadell adhered to more state and regional agreements in 2010 with a view to meeting the specific funding needs of individuals and businesses. Banco Sabadell also frequently attends roundtable discussions and seminars organised by business and professional associations so as to provide information about the funding available for each sector.

ICO credit lines

Banco Sabadell signed the following ICO credit lines in 2010:

Individuals

- Plan Avanza 2007-2010: promotes the incorporation of information and communication technology.
- ICO Plan Vive 2008-2010: incentive to scrap an old car and buy a new one.
- ICO Moratoria Hipoteca 2009-2010: for people with a home mortgage.

Self-employed workers, SMEs and companies:

- ICO Economía Sostenible: provides funding for projects aimed at sectors with long-term growth potential which create jobs and are sustainable from an economic, social and environmental standpoint.
- ICO Inversión 2010: preferential condition and subsidised finance for projects in Spain by self-employed workers, SMEs and other companies.
- ICO Liquidez 2010: provides working capital to self-employed workers, SMEs and other companies in Spain.
- ICO Internacional 2010: preferential condition and subsidised finance for companies' internationalisation.
- ICO Mejora Competitividad: provides financial support to companies in a range of sectors to innovate their manufacturing processes and for new projects.

In 2010, Banco Sabadell ranked third among entities with credit lines from the Official Credit Institute (ICO), with a market share of 8%



Línea BS-BEI Pymes 2009-2010

Banco Sabadell joined the SME finance line launched by the European Investment Bank to encourage productive investment projects.

Líneas CDTI

The Centre for the Development of Industrial Technology (CDTI) channels funding and support to R&D and innovation projects in Spain and abroad with a view to improving technology at Spanish companies. Banco Sabadell is one of the four banks acting as intermediaries for the CDTI and it offers access to the Prefinanciación CDTI+i+d+i and the CDTI Innovación Tecnológica credit lines.

The agreements signed with official bodies in 2010 provided 1.718 billion euro in funding to customers.



Creating social and environmental benefits

Socially-responsible investing aims to promote more responsible behaviour by companies and improve society and respect for human rights and the environment.

Banco Sabadell offers its customers two socially responsible investment (SRI) products and a solidarious endowment insurance policy and the possibility of donating Travel Club points to solidarity programmes. In 2010, one of the bank's pension funds, BanSabadell 25FP, became a signatory of the Principles for Responsible Investment (PRI) in the asset owner category. The principles, an initiative of the United Nations, include environmental, social and governance criteria in investment policies and practices.

The two socially responsible investment products are the: **mutual fund Urquijo Inversión Ética y Solidaria, FI and investment company Urquijo Cooperación S.I.C.A.V., S.A.** Neither product invests in companies whose activities are harmful to human rights, social justice, and the environment; when selecting investments, companies in the FTSE4GOOD index are rated positively. Both are solidarious and donate a percentage of their management fees to [solidarity projects](#).

Urquijo Inversión Ética y Solidaria FI

- Characteristics of the investment | **ethics and solidarity**
- Manager | **Banco Sabadell Inversión**
- Marketer | **Banco Urquijo, Banco Sabadell**
- Assets | **4,859,104.15 euros**
- Number of investors/shareholders | **183**
- Scope | **global**
- Selection criteria | **negative and positive**
- Supervision of selection criteria | **Ethics Committee**
- Fee assigned to NGO (% of assets) | **0.35%**
- Fee assigned in 2010 (corresponding to 2009) | **13,110.36 euros** | Beneficiary NGOs | **Cáritas Española and Fundación Entreculturas**

**figures at 31 December 2010*

Urquijo Cooperación SICAV

- Characteristics of the investment | **ethics and solidarity**
- Manager | **Urquijo Gestión**
- Marketer | **Banco Urquijo**
- Assets | **10,020,730.33 euros**
- Number of investors/shareholders | **174**
- Scope | **global**
- Selection criteria | **negative and positive**
- Supervision of selection criteria | **Ethics Committee**
- Fee assigned (% of assets) | **0.60%**
- Fee granted in 2010 (corresponding to 2009) | **56,003.54 euros** | Beneficiary NGOs | **Fundación Xaley, Congregación de los Sagrados Corazones, Franciscanas de la Purísima Concepción, Fundación Privada Amigos de Emilie de Villeneuve, Asociación Nuevos Caminos and Fundación Solidaria Tai**

**figures at 31 December 2010*

Plan de pensiones ético y solidario

Plan de Pensiones Ético y Solidario is a product launched jointly by Banco Sabadell with Intermón Oxfam and ESADE in 2003. An ethics committee, comprised of specialists from ESADE and Intermón-Oxfam, supervises and validates the plan's ethical criteria and determines the securities which are suitable for the fund's investment portfolio, according to the process and criteria detailed below.

BanSabadell Pensions donates a part of the plan's management fee (0.5% of assets) to Intermón-Oxfam for development and humanitarian aid projects.

- Characteristics of the investment | **ethics and solidarity**
- Manager | **BanSabadell Pensiones**
- Marketer | **Banco Sabadell**
- Assets | **4,643,519 euros**
- Number of investors | **464**
- Selection criteria | **negative and positive**
- Supervision of selection criteria | **Ethics committee**
- Fee assigned (% of assets) | **0.50%**
- Fee assigned in 2010 | **13,609.09 euros**
- Beneficiary NGO | **Intermón Oxfam**

**figures at 31 December 2010*



BS Assured Future Plan

BS Assured Future Plan is a solidarious endowment insurance policy which the bank launched in 2008. It enables young people to save money, available on a fixed future date, which can be used for university studies in another country, to buy their first car, a down payment on a home, etc. BanSabadell Vida donates 0.7% of the returns on BS Ahorro Futuro to Manos Unidas, which allocates the funds towards children's causes.

- Characteristics of the investment | **ethics and solidarity**
- Characteristics of the insurance | **solidarity**
- Manager | **BanSabadell Vida**
- Marketer | **Banco Sabadell**
- Number of insurance policies | **2,062**
- Assets | **3,828 thousand euro**
- Fee assigned (% of assets) | **0.70%**
- Beneficiary NGO | **Manos Unidas**

**figures at 31 December 2010*

Travel Club points

Banco Sabadell has formalised an agreement with Travel Club which enables customers to make purchases with their cards and accumulate Travel Club points, which they can later donate, as they wish, to solidarity programmes that seek to improve education for thousands of children in disadvantaged communities in South America and Africa. In 2010, the bank supported two Ayuda en Acción projects: one to build schools and to provide psychosocial attention and vocational training in refugee camps in Haiti, and the other to build dining halls and classrooms with a view to improving health and education for 600 children in Ecuador. <http://travelclubsolidario.blogspot.com/>

Banco Sabadell and its employees

Workforce description

Career development

Freedom of association and collective bargaining

Equality, work-life balance and integration

Safety and well-being

Dialogue and participation

B S

**To grow,
you need ambition
and luck.**

**The other 99% involves
surrounding yourself
with the best**

That is the **Expansión Negocios Account**, designed to enable the self-employed, businesses and small companies to grow.

Come in and let our personal agents advise you

Chosen by the best in business. And by people like you.

B Sabadell

COMMITMENTS 2010

Information management

- Implementation of the second phase of employee self-service in the Human Resources Management portal.

Executive management

- Implementation of the Executive Management Programme to develop the company's top management.

Fostering volunteering

- Expansion of the corporate volunteer programme. Creation of a specific website for these initiatives.

OBJECTIVES 2011

Equality

- To implement the Equality Plan in accordance with the deadlines established in the agreement with workers' representatives.

Fostering volunteering

- To create a Portal to encourage social action by Banco Sabadell employees.

Leadership

- To extend the managerial development programme to include the bank's top 300 executives.

PROGRESS 2010

Information management

- Following implementation of the wages, training and labour relations modules, all human resources processes are integrated in a single area. This helps our professionals manage their careers as well as day-to-day activities at the company.

Executive management

- The bank's key executives have been identified. In accordance with the policies set out by the Executive Evaluation Committee, those key executives will be managed and developed differently with a view to enhancing the profile of the BS leader.

Fostering volunteering

- This year the initiative was extended to include more programmes and participants. Causes which are particularly sensitive for our employees were given priority.

PROFILE OF WORKFORCE

New needs arising from the financial scenario require different strategies in personnel management, leveraging in-house talent to drive growth and create value for our employees. The group continues to strengthen its workforce by hiring leading professionals in all areas of activity, which contributes new expertise and growth opportunities for all staff.

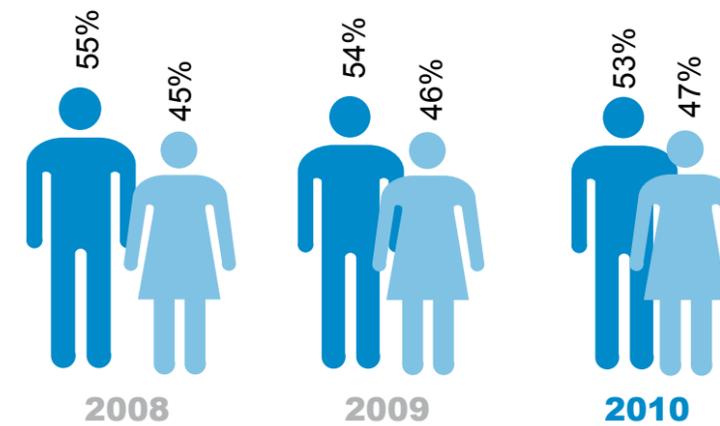
Banco Sabadell recognises the value of a workforce whose preparedness and professionalism improves each day. In 2010, the group implemented various initiatives in the areas of talent management, recruitment, and mutual commitments.

Number of employees

	2010	2009	2008
Equivalent average workforce*	9,743	9,625	10,122
Workforce at year-end	9,624	9,466	9,929
Domestic workforce at year-end	9,000	9,171	9,631

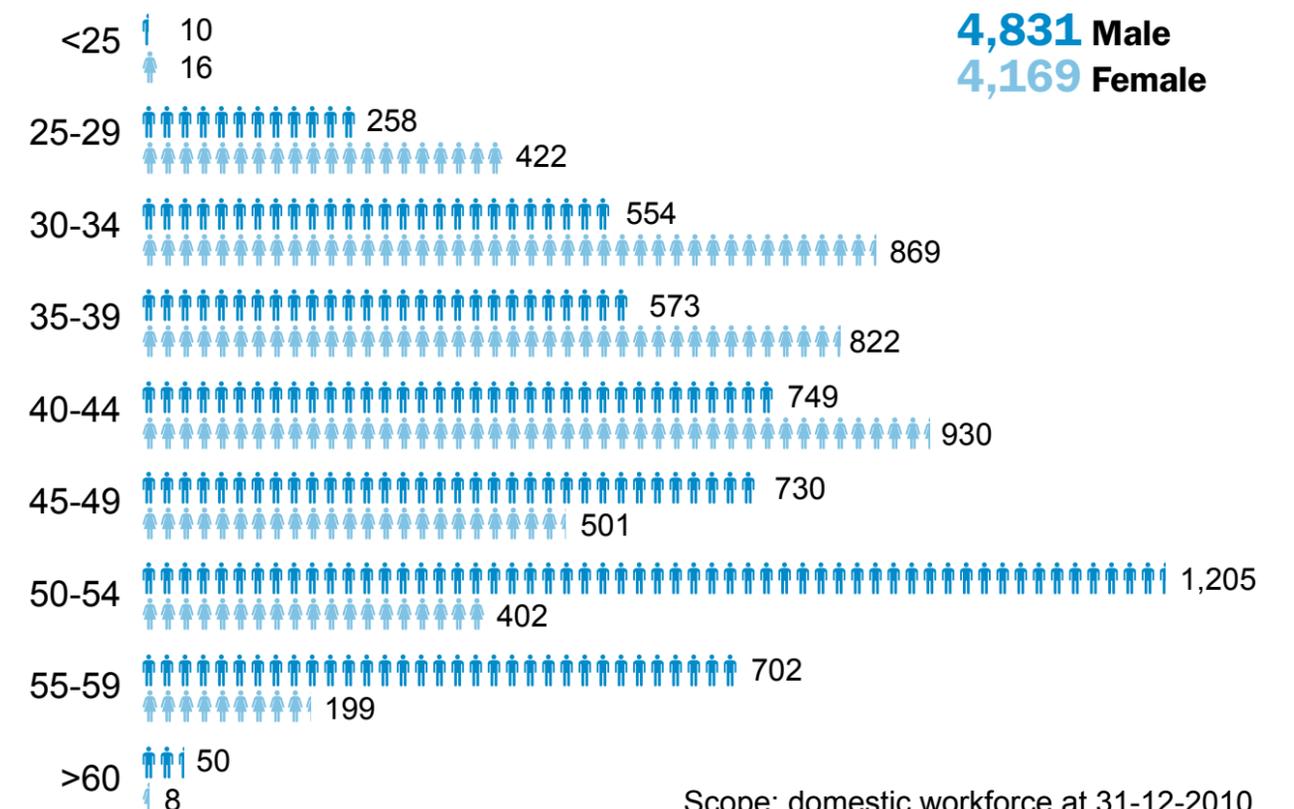
* Total personnel at month-end.

Workforce breakdown by gender



Scope: workforce at year-end.

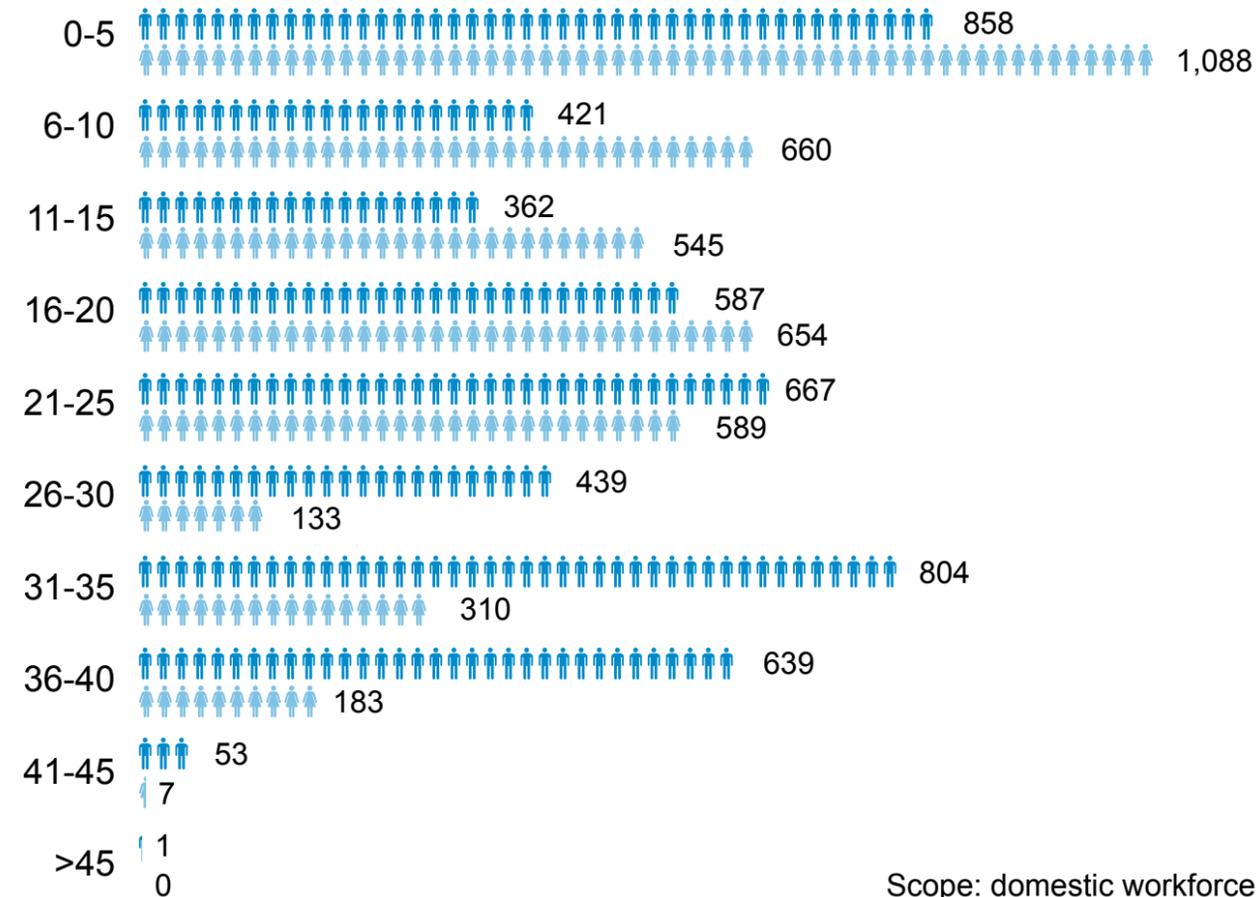
Workforce breakdown by age



Scope: domestic workforce at 31-12-2010.

Breakdown of employees by length of service

4,831 Male
4,169 Female



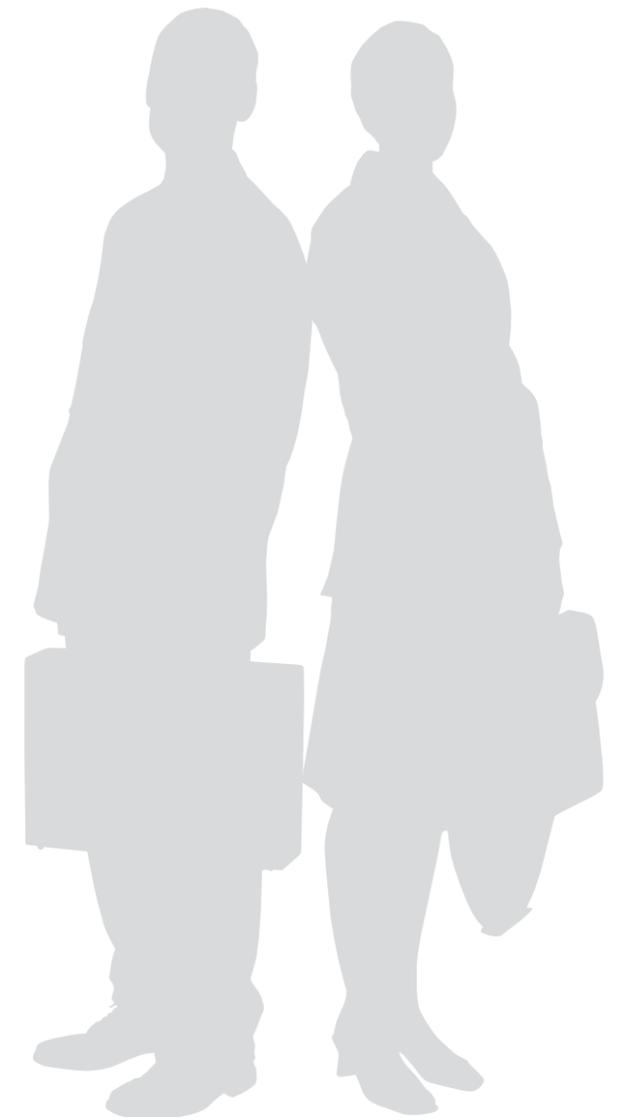
Scope: domestic workforce at 31-12-2010.

Job category breakdown

Job category	2010	2009	2008
Male clerical staff	40%	41%	43%
Female clerical staff	60%	59%	57%
Male management	72%	73%	74%
Female management	28%	27%	26%
Male senior management	92%	92%	92%
Female senior management	8%	8%	8%

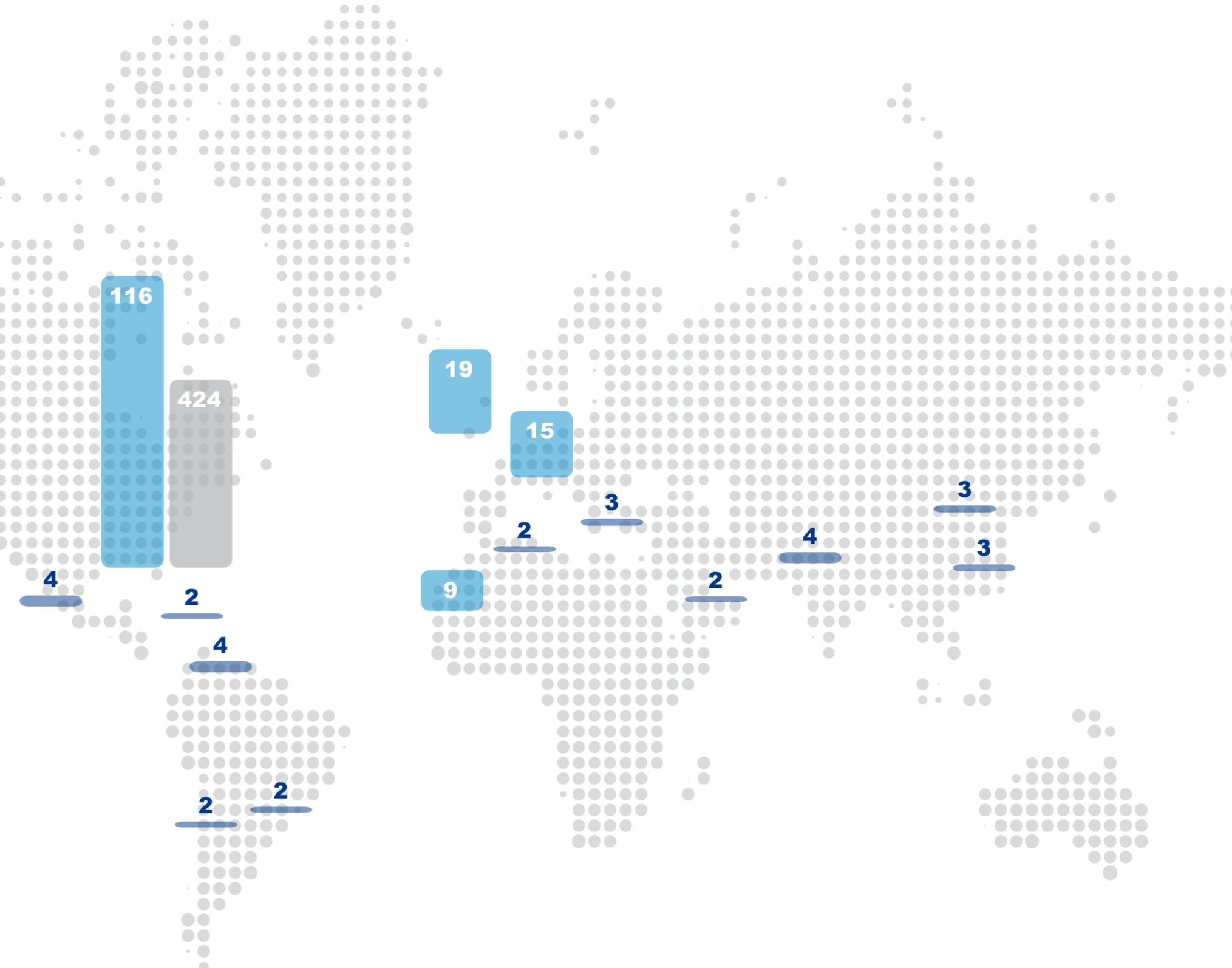
Scope: workforce at 31-12-2010.

99% indefinite contracts



Distribution of workforce outside Spain

Total employees in overseas network	2010	2009	2008
Branches			
London	19	19	20
Paris	15	15	14
Miami	116	110	115
Casablanca	9	8	-
Representative offices			
Algiers	2	3	3
Caracas	4	4	4
Dubai	3	3	-
Istanbul	3	3	3
Mexico City	4	4	3
New Delhi	4	4	4
Beijing	3	3	3
Santiago (Chile)	2	2	2
Santo Domingo	2	-	-
São Paulo	2	2	2
Shanghai	3	2	2
Other	9	8	7
TOTAL INTERNATIONAL	200	190	182
Subsidiaries			
Sabadell United Bank	424	105	116
TOTAL	624	295	298



* Sabadell United Bank includes TransAtlantic Bank and Mellon United National Bank

CAREER DEVELOPMENT

Recruitment

In line with its [human resources policy](#), Banco Sabadell has a recruitment process which ensures the use of objective criteria based on **professionalism** and finding the right person for each job with the potential for advancement within the company.

All new hires receive an induction manual, which contains basic information about Banco Sabadell and sets out the scope for professional development within the organisation.

Staff for Banco Sabadell's overseas locations are generally hired locally, in accordance with each country's legislation.

In 2010, the company focused on improving the induction process and access to new functions with specific face-to-face programmes.

122 new hires in 2010



Performance and potential management

At Banco Sabadell, performance evaluation is an ongoing process of identification, measurement and development of the employee, in accordance with strategic objectives and [the organisation's values](#).

Once per year, each employee meets with his superior to discuss his/her performance and possible advancement.

Performance and potential management provides a joint evaluation of the appraiser and the appraisee, based on the **ten corporate competencies**:

Customer focus, results orientation, team management and teamwork, initiative, negotiation, willingness to change, communication, information management, knowledge and experience, and ethics and commitment

Evaluation also offers the possibility of understanding employees' motivation and concerns regarding relocation and the future of their careers.

The degree of achievement of objectives established by the employee and his/her superior at the beginning of the year is also evaluated.



This year, a **potential management model** was implemented as part of the annual performance review. This model helps identify employees with the capacity to take on more responsibilities.

The Human Resources team assigns employees identified as candidates for promotion to an appropriate development programme.

Several **development programmes** on Commercial Banking have been implemented under the **upgrade** label, for future sales managers, SME managers and branch managers with a view to ensuring their growth and development.

Of the 365 promotions within Commercial Banking in 2010, 52% were participants in the accelerated development programmes.

In 2011, Banco Sabadell will launch a corporate programme for managing people and teams, aimed at enhancing leadership group-wide. This programme will be the follow-up to the pilot initiative, BS Líderes, implemented by the Operations Department. The second edition of this initiative was completed in 2010; 97 people participated and 22 working groups were created. The projects developed by these groups have led to the implementation of specific initiatives, such as the the BSCarPooling platform, which was proposed by a working group in charge of drafting a strategic CSR map for the group.

Executive management model

In 2010, Banco Sabadell created an **executive management model**. This model arose from the creation of the **Executive Assessment Committee**, comprised of the Chairman, CEO, Comptroller General, the Operations and Corporate Development Manager, and the Human Resources Manager. The committee establishes the policies which govern management of the bank's top executives and the composition of that category. Additionally, an **Executive Management Unit** was created within the Human Resources Department, which aims to train, develop and manage executives in line with their responsibilities and needs.

One of the first initiatives was the launch of the Executive Development Programme, in which 72 executives participated in 2010; participation is expected to reach 300 in 2011. This programme primarily focuses on the implementation of the BS leadership model and on developing the four pillars of the executive profile, namely: global vision, team management, business management, and executive attitude. A **360° evaluation** was performed as part of the Executive Development Programme, consisting of self-evaluation by the executive and various assessments by his/her direct superior and co-workers.

Staff rotation

Terminations	0.36%
End of contract	0.23%
Early retirement and superannuation	0.04%
Resignations	0.43%
Total discharges	103

*Figures calculated for the group's average workforce.

Training

Banco Sabadell provides training based on function, which is ongoing and progressive and adapted to the tasks performed by each employee. In 2010, the first training plan at corporate headquarters was held for all divisions comprising the Audit Department.

BS Campus portal provides facilities to book courses (both on-line and face-to-face) and on-line training support. This portal was updated at the end of 2010 to include new functions that enable employees to better manage their training.

This year the bank implemented a special programme for private banking employees consisting of a three-day training event and communities of practice.

The bank also signed several agreements with universities both for training programmes and to select students for its internship programme.

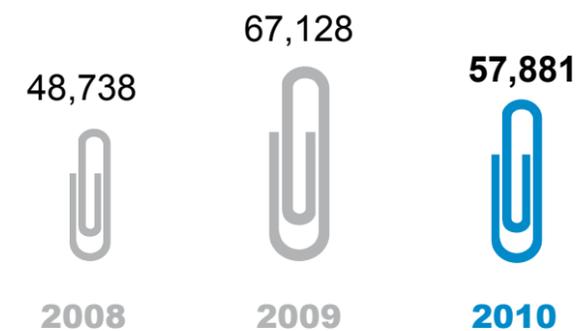
LAUDE programme

The LAUDE programme, which commenced in 2009, recognises courses provided by the bank as academic credit by the University of Barcelona's Institute for Lifelong Learning (IL3-UB) under the new framework of the European Higher Education Space (EHES).

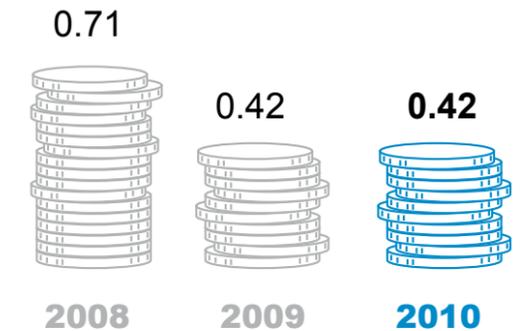
Employees are eligible for three certificates: a Diploma in Banking Products and Services, a Postgraduate Degree in Commercial Banking, and a Master's in Investment Consultancy. In the first edition of this programme, 35 certificates were awarded: 27 diplomas, 7 postgraduate degrees and 1 master's.

Over 50 people are registered for the second edition. Two sessions are expected to be held each year with more than 100 Commercial Banking employees. Over 30 branch managers have commenced a training programme through which they will obtain a Master's in Bank Branch Management.

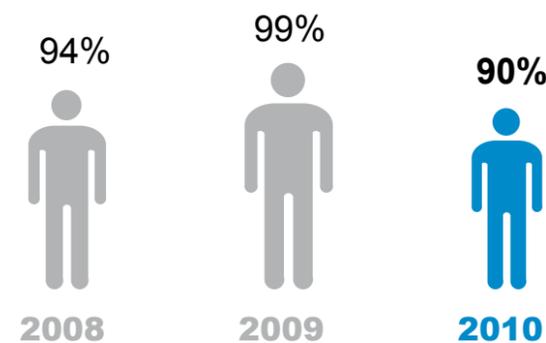
Training actions



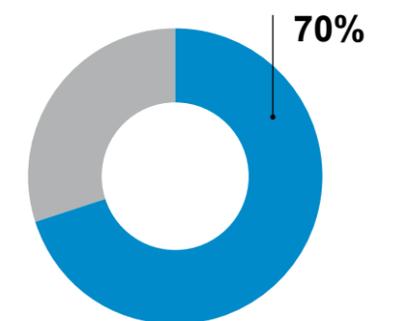
Investment in training as a % of personnel expenses



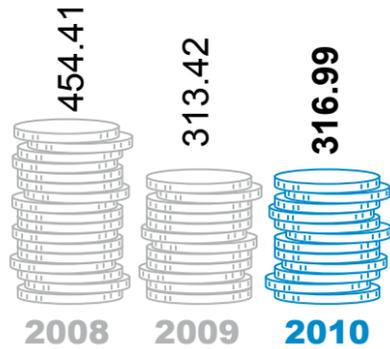
Employees who have received training



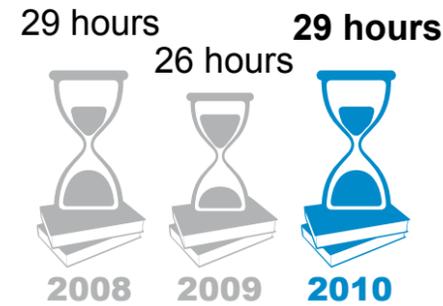
Training during working hours (%)



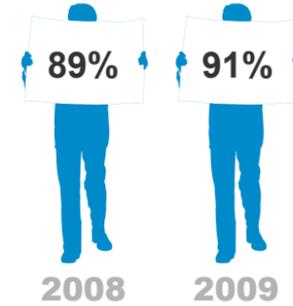
Investment in training per employee (euro/employee)*



Hours of training per employee



Face-to-face trainee satisfaction index



In addition to the fixed and variable compensation, employees get special conditions on financial products and services and receive social benefits.

47% of employees have a zero-interest loan.

In 2010, 54.1% of employees' children received educational aid, for a total of 5.39 million euro.

Compensation

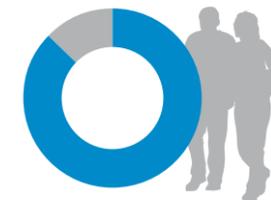
Banco Sabadell's compensation system is based on the principles of internal fairness, external competitiveness, transparency, differentiation, flexibility, simplicity, confidentiality and communication, as set out in the [human resources policy](#).

The compensation policy is based on the responsibility of each post and the performance of each employee; it does not discriminate based on gender, race, etc.

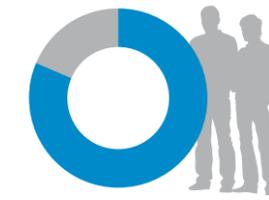
In 2010, 19% of the workforce benefited from a flexible compensation system, and more than 40% will benefit in 2011.

Flexible compensation enables employees to optimise remuneration by arranging for products to be charged directly against their paycheck (health insurance, home rental, daycare, training, etc.). All offers are published on a specific website.

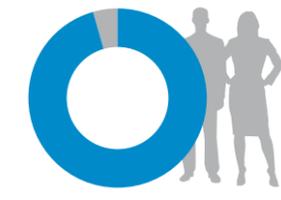
Compensation and benefits



87.36% of employees with variable remuneration



81.64% of clerical employees with variable remuneration



95.59% of managers with variable remuneration



100% of senior managers with variable remuneration

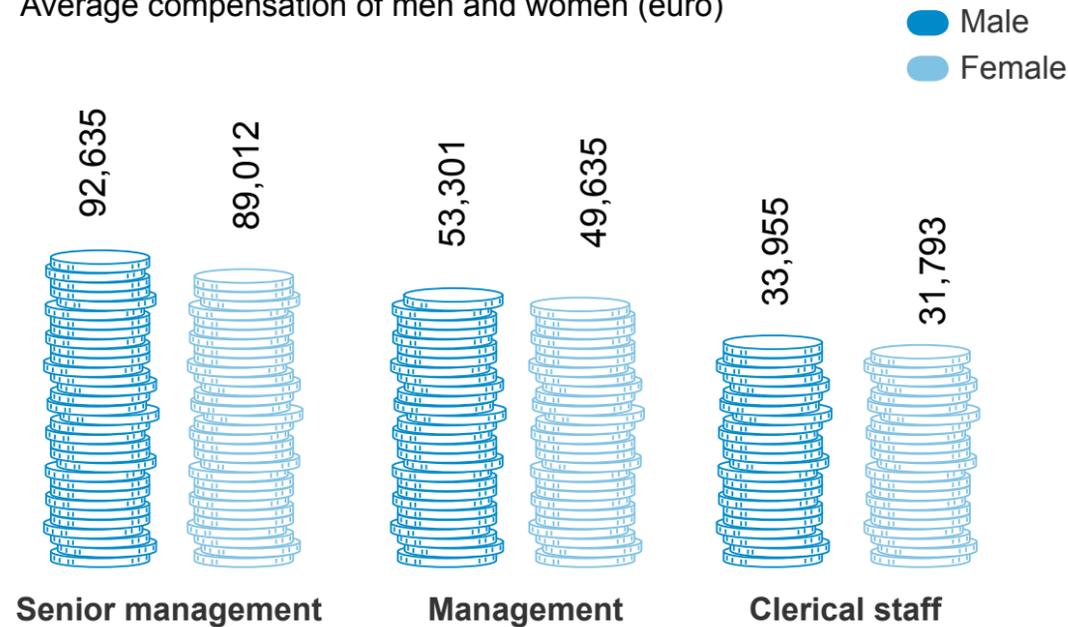


100% of employees with life insurance

Scope: average workforce in Spain.

Job category

Average compensation of men and women (euro)



The fact that the average male remuneration is higher is due to the higher average length of service of this group. Remuneration does not include benefits or variable remuneration.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Banco Sabadell respects and guarantees employees' basic rights, including freedom of association and collective bargaining, in line with Spanish law. These principles are reflected in the [code of conduct](#) and [human resources policy](#).

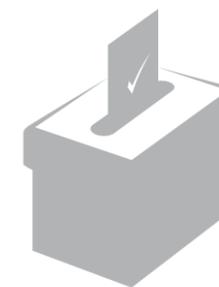
The union representatives represent the entire workforce, not just their own members; accordingly, labour agreements apply to all employees within their scope (industry, group, company, etc.).

Union elections are held every 4 years; the most recent elections took place in December 2010 and had a 76% participation rate.

Banco Sabadell management meets periodically with the general secretaries of the various trade unions and they participate regularly in various committees (National Health and Safety Committee, Committee for Equal Opportunities, Training Committee and the Pension Plan Oversight Committee). **Dialogue with the unions led to additional agreements in 2010:**

- Agreement on the modification of working hours.
- Equality Plan for men and women at Banco Sabadell.
- Collective agreement on minimum levels and replacement of examinations with skill assessments.
- Collective agreement on remuneration items.

All employees are given a month's notice of significant organisational changes.



76% Percentage of employees who participated in the last union election (December 2010)



100% Percentage of employees represented by unions or covered by collective agreements

EQUALITY, WORK-LIFE BALANCE AND INTEGRATION

Equality

Banco Sabadell guarantees equal opportunities at all levels of the relationship between employees and the company: recruitment, training, promotion and working conditions. These principles are reflected in the group's [human resources policy](#) and the [code of conduct](#).

In 2010, Banco Sabadell signed its [equality plan](#), which seeks to avoid all discrimination among employees, in compliance with Organic Law 3/2007 of 22 March.

The plan pursues the following objectives:

- To prevent and penalise gender discrimination.
- To promote work-life balance measures.
- To guarantee a balanced composition of the workforce by gender in all areas and at all levels.
- To promote internal rotation to cover vacancies.
- To prevent and penalise sexual harassment.

To this end, lines of action with effective systems for monitoring and evaluating objectives have been established in the areas of training, promotion and professional development, wages, work-life balance, domestic violence and sexual harassment.

With a view to monitoring implementation of and compliance with the equality plan, the Committee for Equal Opportunities was maintained and renamed the Equality Plan Monitoring Committee; it is comprised of employee and bank representatives.

Equality and diversity figures

53% of promoted employees are women

47% of the workforce are women

28% women executives

 **2** women directors

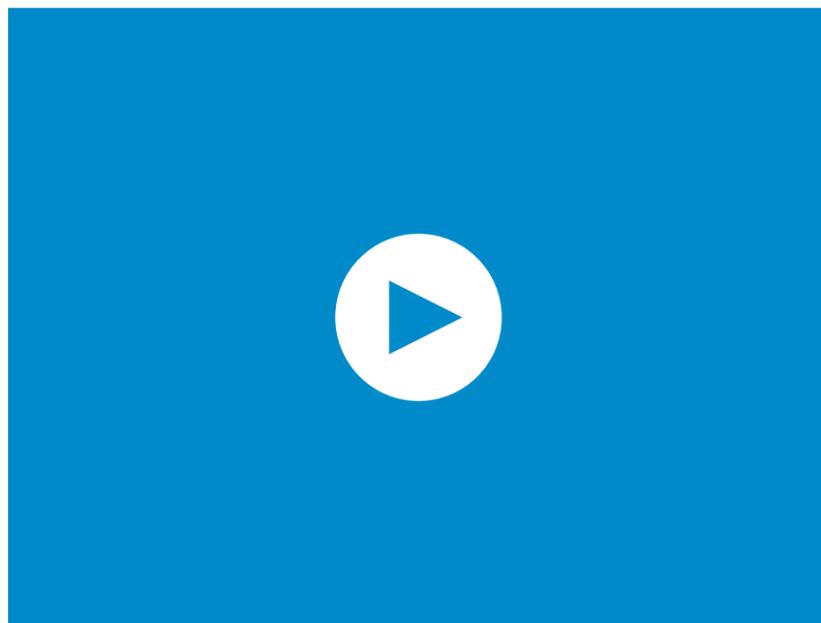
In Spain, employees come from over **30** nationalities



The bank sponsors a series of seminars on Women and Leadership with a view to raising awareness in the business world about the role of female executives.

Several conferences were organised in 2010 which included the participation of business, sports and cultural personalities.

[Carme Rusalleda: "We have had many proposals for transferring our model to other countries, but they didn't take off because they didn't respect our work philosophy"](#)



[Edurne Pasabán's presentation at the "Women and Leadership" forum](#)

Work-life balance

Since 2005, employees have been provided with a series of benefits by Banco Sabadell and union representatives in accordance with work-life balance measures. The agreement was later expanded to include improvements in the 21st Banking Collective Agreement and the equality plan adopted in July 2010.

All benefits have been communicated to the entire workforce by means of a guidebook; information is also available on the intranet, in the virtual guide for employees, and is distributed to new personnel in the induction manual.

Short working day

Non-paid

Reducing the working day by at least 1/8 and at most 1/2 to care for:

- Children under 12.
- People with disabilities (physical, psychological and sensorial).
- Relatives up to the second degree who cannot care for themselves due to age, an accident, or illness.

Paid

Working day shortened by one hour for at most two months to:

- Care for a child under 8 who has suffered an accident and/or serious illness requiring hospitalisation.

230 employees with a shorter working day at their own request

Sabbatical

Maternity

Until the child turns 3.

Caring for relatives

Caring for relatives up to the second degree who cannot care for themselves due to age or who have suffered an accident or serious illness, for up to 3 years.

Special unpaid leave

From 1 to 6 weeks for:

- International adoption or assisted reproduction techniques.
- Relatives up to the second degree who have suffered an accident and/or serious illness requiring hospitalisation.
- Studies.
- Personal matters.
- Victims of domestic violence.

Paternity leave

13 days for births, adoption and fostering; may be extended by two days for second and subsequent children.

145 employees with paternity leave

Flexitime

To address urgent needs on the part of employees who have:

- Children aged under 12.
- Relatives up to the second degree who are disabled or aged over 65.

Breastfeeding hour

Shorter working hours, or one hour off for breastfeeding a child under 9 months.

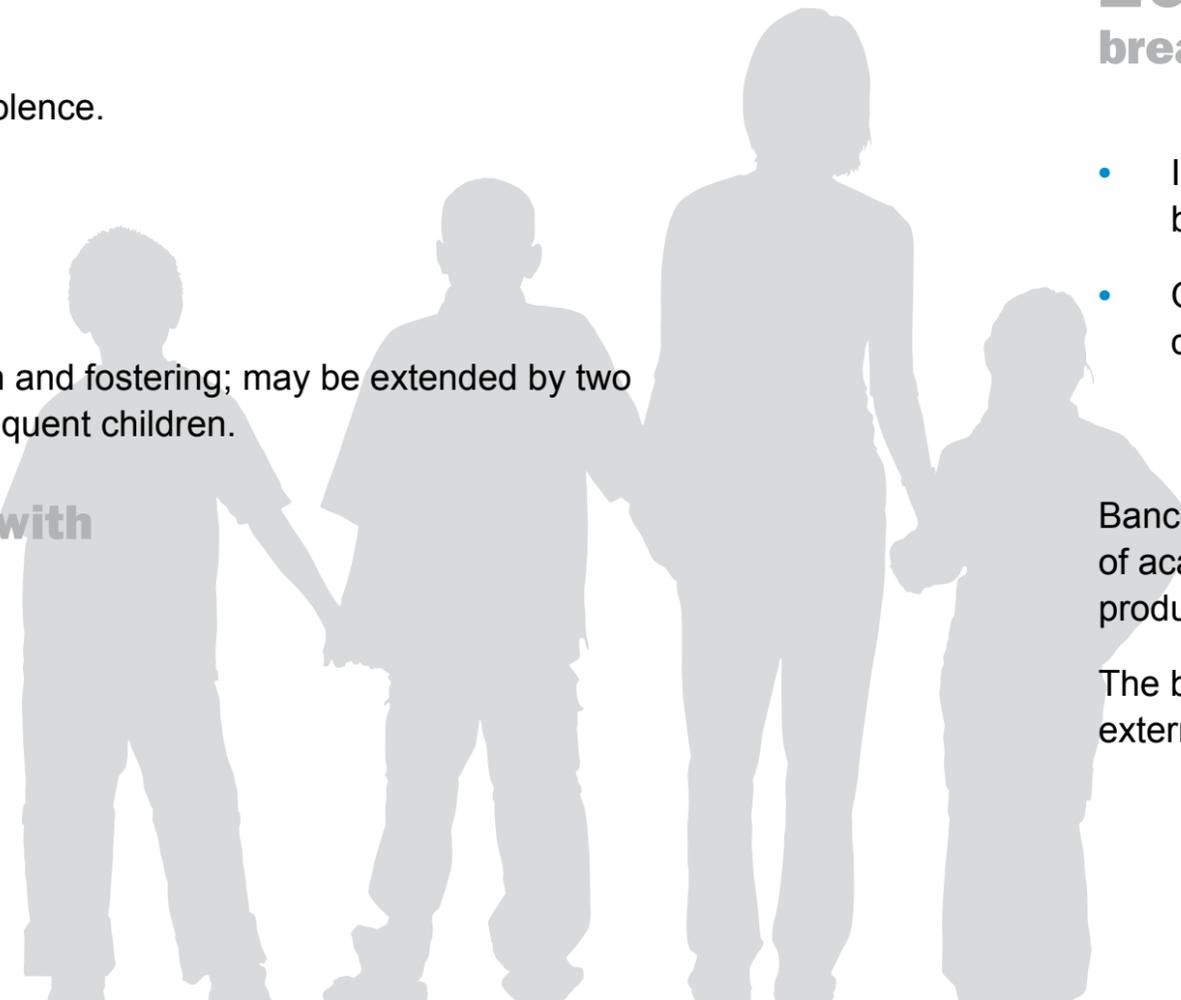
It is also possible to take the breastfeeding leave all together, which adds three weeks to the total leave for childbirth.

206 employees with accumulated breastfeeding leave

- In the case of multiple births, the employee is entitled to one breastfeeding hour per child each day,
- Or an additional four weeks of maternity leave, with another 15 days off for each child born after the third.

Banco Sabadell provides employees with social benefits in the form of academic aid and special deals on health, insurance and financial products.

The bank provides its employees with a site on the intranet containing external and internal offers and financial services.



Integration

Banco Sabadell's non-discriminatory personnel hiring policy strengthens diversity and integration in the workplace.

The bank employs 59 people with disabilities. In compliance with Spain's Integration of People with Disabilities Act (LISMI), the bank pursues other avenues such as acquiring services and supplies from sheltered workshops. All current job offers for people with disabilities are published by the bank on its employment portal, [disjob](#). The group organises job training where necessary, in line with special sensitivity protocols drawn up by the Medical Department. Additionally, the bank's Labour Relations Department provides advisory services for employees with disabilities on administrative paperwork (municipal, regional and government), providing this group with an extra benefit that goes beyond the workplace.

SAFETY AND WELL-BEING

Banco Sabadell applies a policy of constantly improving its employees' working conditions and health.

The Safety Plan is designed and drafted by the Combined Safety Unit and it is debated in the National Health and Safety Committee.

Every year, the company publishes an **annual report on health and safety initiatives**.

Workplace safety training

All Banco Sabadell personnel and new hires receive information on workplace risk prevention and **are required to attend an online 2-hour course on health and safety at work**.

814 employees in the customer service and zone support area attended this **course on basic workplace health and safety functions**, thereby guaranteeing that there is a trained person in each work centre.

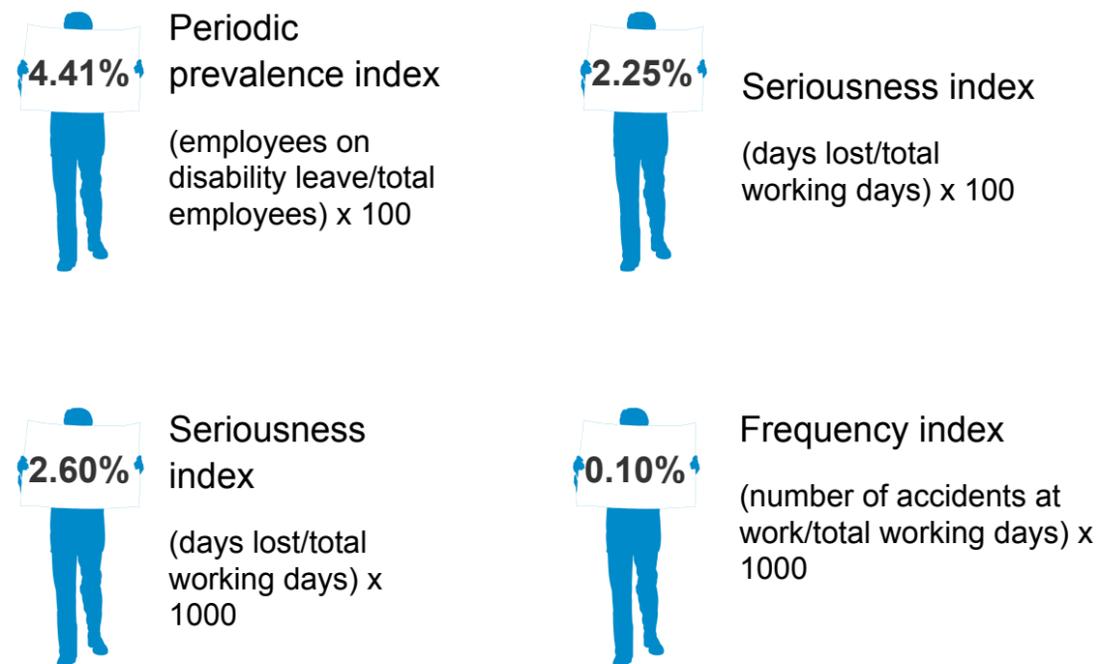
Additionally, communication channels distribute reports and ergonomics tips and equipment manuals related to the inherent risks of the bank's activity.

Risk assessment

An initial risk assessment is performed for each new work premises and in the event of refurbishment or layout changes. A follow-up assessment is performed at a later date to evaluate both individual workstations and common areas, as well as aspects such as temperature, relative humidity, etc.

Between 2009 and 2010, 965 employees participated in the voluntary stress management course available on the training portal.

Absenteeism index in 2010



Since 2010, the absenteeism indices have been aligned with the general calculation criteria for banks.

DIALOGUE AND PARTICIPATION

Banco Sabadell has several channels of dialogue between the various levels of the bank aimed at enhancing two-way internal communication between the bank and its employees and involving employees in the bank's projects.

The bank provides employees with all relevant information related to human resources management and the bank's activities via the induction manual, the corporate intranet and the in-house magazine.

Every year, face-to-face events are organised, specifically: executive conventions, breakfasts with the CEO, and performance and potential reviews.

The bank also added new communications channels in 2010 with a view to encouraging participation, social action and interaction with the community.



A code on social network usage was drafted in 2010 with a view to encouraging active responsible participation by employees.

Communication channels

Virtual human resources guide

In 2010, the bank launched a new virtual human resources guide, which reflects the main aspects affecting employees during their working lives.

The guide includes the principal internal regulations in human resources.

BS CarPooling

In 2010, a new BS CarPooling platform was launched, providing employees with an agile way to contact each other and organise carpools, thereby contributing to sustainability.

Banco Sabadell's Private Banking Community

In 2010, the bank launched a new e-learning community which allows multidirectional communication, identification of best practices, and knowledge management among members.



BS Idea

Banco Sabadell launched its BS Idea platform at the end of 2009, enabling employees to propose ideas to improve all areas of the company.

The ideas with the most employee votes win a prize and are analysed by an improvements committee, which makes a decision on implementation. This interactive platform also provides an excellent communication channel whereby employees can express concerns and share experiences on processes and products.

7,675 users are registered

This year 3,173 ideas and 2,974 comments were received, together with 25,442 votes

A total of 19,000 euros were distributed between the 185 winning proposals

Satisfaction survey

For the third consecutive year, the bank was included in the annual "Best Workplaces" study performed by the [Great Place to Work Institute](#), in which over 5,000 companies and 1.5 million employees in 32 countries participate.

The survey is comprised of 58 questions about credibility, respect, fairness, pride and camaraderie. In addition to providing the benchmark for measuring employee satisfaction, it also makes it possible to compare companies considered by the market to be

excellent places to work. In the 2010 survey, in which 957 employees participated, 66% considered Banco Sabadell to be an excellent place to work, and the bank's scores in the five dimensions of the model (credibility, fairness, camaraderie, pride and respect) improved with respect to previous years.

The survey was expanded in 2011 to include all employees and will replace the employee satisfaction survey conducted until 2008.

Most notable responses in "Best workplace" study

- 72%** They provide me with training and other avenues for professional development.
- 88%** This is a physically safe place to work.
- 68%** My superiors clearly express their expectations.
- 91%** We are treated fairly, regardless of race.

7 out of every 10 are proud of their work



** Excerpt from the Great Place to Work Institute report*



957 responses

48% response rate



- 72%** I can pose any reasonable question to my superior and receive a direct answer.
- 82%** Seeing what we've achieved makes me proud.
- 77%** I want to continue working here for a long time.
- 87%** We are treated fairly, regardless of our sexual orientation.
- 79%** I am treated well, regardless of my post.
- 79%** This is a pleasant place to work.

Employee participation in the bank's social projects

Ojos del Sahara (Eyes of the Sahara)

For the second consecutive year, Banco Sabadell collaborated with the Ojos del Mundo Foundation on one of its missions in the Sahara. Specifically, the bank offered its employees the possibility of being chosen to participate in the Foundation's activities for 15 days while receiving their regular wages.

This year, Sandra Porcar was chosen. You can read about her exciting day-to-day experiences on the blog <http://www.bsambullsdelmon.com/>

TV3 Telethon

In addition to providing economic support for the 2010 edition of the TV3 Telethon, Banco Sabadell also promoted and coordinated the participation of its employees. The TV3 Telethon Foundation organises an annual campaign to encourage and promote biomedical research and raise awareness about different illnesses.

29 Banco Sabadell employees volunteered in this edition, which focused on medullary and brain lesions.

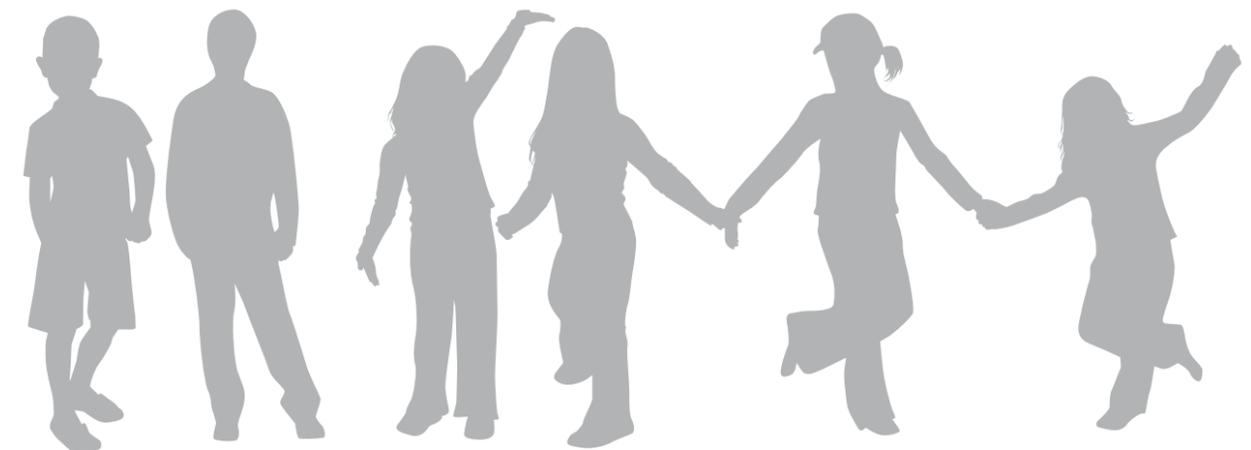
Junior Achievement Foundation

Banco Urquijo renewed its commitment to children through the **'Our Community' and 'Our City'** programmes, carried out in cooperation with the [Junior Achievement Foundation Spain](#), to promote social integration and knowledge of their surroundings by children aged 7-8, by teaching them real aspects of the business world.

In 2010, 13 Banco Urquijo employees participated in volunteer programmes aimed at helping 57 students at schools in the Madrid region.

Workmates for a Day

The Workmates for a Day programme aims to provide 16- and 17-year-olds with the opportunity to spend a full day working with professionals in a range of sectors. This will help them select their future studies. In 2010, six students from Madrid and Barcelona shadowed bank professionals for a day.



Food bank

A food drive was organised in the corporate centres in Catalonia and Madrid, together with an annual monetary donation made by the Bank.

486 kilos of food were collected in Madrid and 528 in Catalonia.

Smile Doctor

More than 260 hospitalised children will be visited by a Smile Doctor, from the [Theodora Foundation](#) as part of the internal campaign organised by Banco Urquijo. For two months, the bank's customers and employees had the opportunity to contribute to the foundation through collection boxes located throughout the Banco Urquijo branch network.

2,600 euros were collected, and will be donated in full to the Smile Doctor project, which brings laughter to both hospitalised children and their visiting families.

Employee Sandra Porcar
working with the Ojos del
Mundo Foundation in the
Sahara



Banco Sabadell and the environment

Environmental management
and eco-efficiency

Climate change and sustainability

Environmental
awareness-raising

 Sabadell

“When you do something, it’s not enough to believe you should be doing it; you have to feel you should be doing it”

Pep Guardiola, July 2010



COMMITMENTS 2010

Environmental management and eco-efficiency

- Introduce new energy efficiency measures at corporate buildings and branches.

Combating climate change

- Implement the second phase of the CO₂ emissions inventory project.

OBJECTIVES 2011

Environmental management and eco-efficiency

- Obtain Class B energy classification for the new CBS building.
- Improve energy efficiency of the climate control systems in the current CBS headquarters.
- Roll out the RED PLUS programme of virtual workspaces.

Combating climate change

- Obtainment of LEED Gold certification for the construction phase of the new CBS building.
- Eliminate R-22 gas from all the group's air conditioning equipment.

PROGRESS 2010

Environmental management and eco-efficiency

- Programme to replace 250 ATMs with more efficient machines made from recyclable materials.
- Development of oversight mechanisms for waste management in branches that are being closed.
- Commence tests of lighting activation/de-activation using presence detectors and LED lamps in the corporate headquarters.
- Recycled paper accounts for 90% of all paper used at corporate headquarters.
- Development of an online guide to provide continuity to staff awareness-raising initiatives.

Combating climate change

- In 2010, Banco Sabadell signed a contract for the supply of electricity from renewable sources with Nexus Renovables.
- Development and implementation of the BS Carpooling programme.
- Replacing 70 air conditioning machines that used R-22 gas.
- Implementation of control over emissions of gases that deplete the ozone layer (R-22 and F-200) in all corporate buildings.

ENVIRONMENTAL MANAGEMENT AND ECO-EFFICIENCY

Banco Sabadell wishes to contribute to the improvement of sustainability by concentrating its efforts on minimizing the possible environmental impacts of its activity. This commitment is set out in the [group's environmental policy](#), which underpins the environmental management system (EMS) that was implemented in 2006 in line with the [ISO 14001:2004](#) standard.

The **Environment Committee** is entrusted with ensuring compliance with environmental policy and governing the environmental management system throughout the organisation. A key feature of the committee, which was created in 2006, is its role as both supervisor and promoter of environmental performance. The committee meets at least once per quarter to cover an agenda that includes managing suggestions and proposals for improvement received from employees and requests from outside the group, and tracking the environmental scorecard (CMMA).

At present **four of the corporate headquarters, where 15% of the workforce is located, are certified to ISO 14001**. This environmental management standard is applied to all the corporate headquarters and is steadily being applied to the branch network.

Environment Committee

MISSION

Ensure adherence to environmental policies and govern the environmental management system.

CONTACT

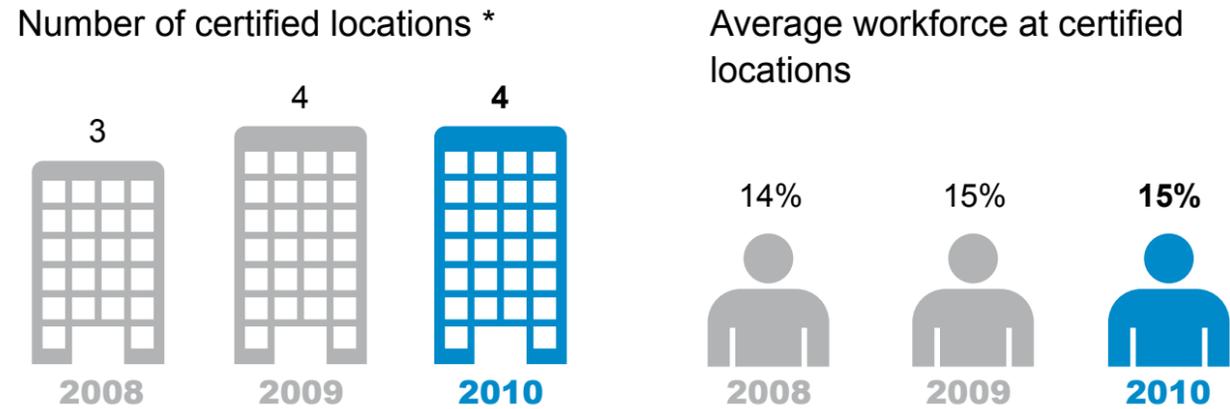
Anyone inside or outside the organisation may contact the Committee at: 0901medioambiente@bancsabadell.com

MEMBERS

Comprised of representatives of the following departments:

- General Services and Procurements
- Compliance, CSR and Corporate Governance
- Maintenance
- Technology
- Risks
- Structured Financing
- Energy
- Communication and Institutional Relations

Buildings certified to ISO 14001



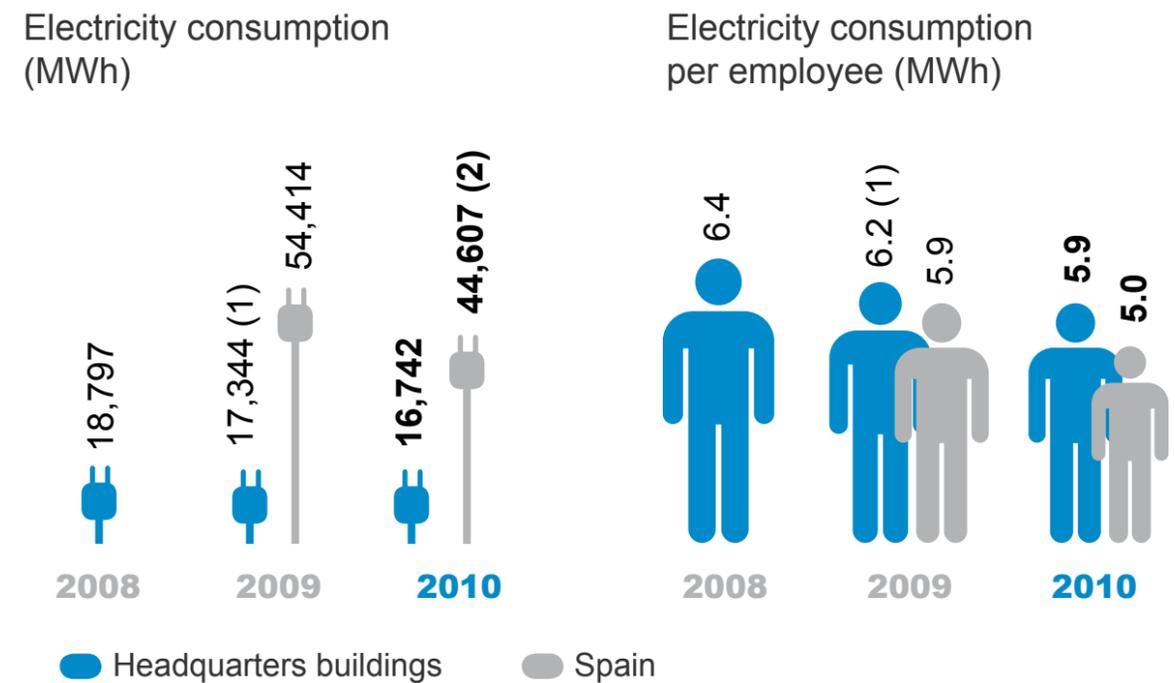
*Registered office, Sabadell, Barcelona; **Centro Banco Sabadell**, Sant Cugat del Vallès, Barcelona; **Torre BancSabadell**, Barcelona; **Serrano building**, Madrid.

The group is working on such projects as improving the energy efficiency of its installations, controlling and minimising resource consumption and reducing the environmental impact of communications with customers. Each year, the committee reviews the EMS to assess important environmental issues and to establish environmental programmes, whose compliance is tracked on a quarterly basis. The group's commitment to environmental improvement results in a series of specific environmental programmes on eco-efficiency, consumption reduction and waste management.

Energy consumption

In 2010, a number of energy efficiency and saving measures were implemented at all headquarters and branches, leading to an **18% reduction in electricity consumption.**

Energy consumption indicators



(1) Updated with final consumption data at 31 December 2009.

(2) Consumption at certain offices was estimated from cost figures.

Henceforth:

*Headquarters buildings: refers to national offices (Fruela in Oviedo, Príncipe de Vergara and Serrano in Madrid, Plaza de Catalunya in Sabadell, Centro Banco Sabadell in Sant Cugat del Vallès and Torre BancSabadell in Barcelona), where 2,847 employees worked in 2010 (i.e. approximately 30% of the workforce).

* Data for Spain is calculated using the workforce in Spain and data on headquarter buildings is calculated using the workforce at those offices; both data correspond to year-end.

PROGRESS 2010

- First phase of the RED PLUS programme rolled out at a number of pilot branches. The programme involves replacing PCs with thin clients, which use 90% less energy.
- Implementation of lighting systems with presence detection on all office floors of Centro Banco Sabadell and pilot implementations at other headquarters buildings.

ECO EFFICIENCY

- The four corporate headquarters are certified to ISO 14001:2004.
- Greenbuilding Seal for the Polinyà logistics centre.
- The new Centro Banco Sabadell building in Sant Cugat del Vallès is being developed in line with LEED-NC (New Construction) certification requirements.

Lighting

- The branch network is equipped with a centralised lighting and climate control system.
- Illuminated signs are timed in line with the hours of darkness.
- Low-consumption lamps.

Climate control

- Banco Sabadell offices adhered to the Catalonia regional government's campaign ("Aquest estiu, no passis fred") to reduce the use of air conditioning, which recommends setting climate control systems at 25°C in summer and 22°C in winter.
- At the headquarters buildings and larger branches, the bank has climate control systems that recover energy.

Computer hardware

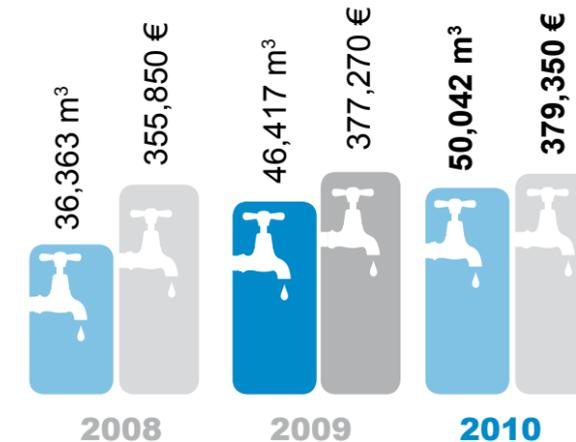
- PCs in all corporate offices have an automatic shut off function.
- Computer hardware has energy saving features and TFT monitors have been installed throughout the group.

Water consumption

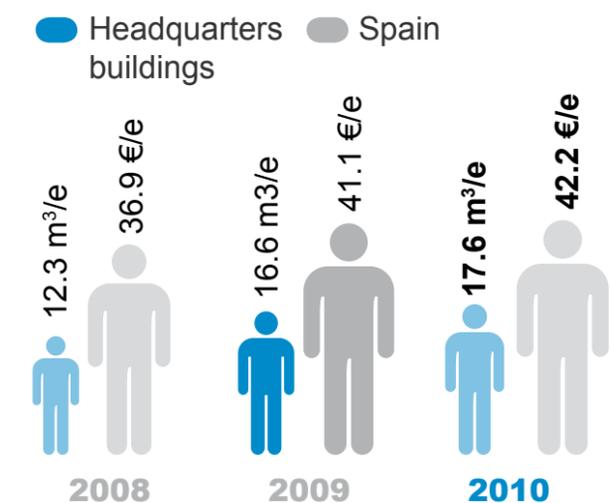
Convinced that the best way to really save water is to raise awareness, this aspect has been included in the protocol and the guide to good environmental practices in the administrative area.

Indicator

Total water use



Water consumption per employee



PROGRESS 2010 ECO-EFFICIENCY

The new CBS building, which is currently under construction, includes a pond for collecting rainwater for use in watering the garden. The project includes selecting native low-water use plants for the garden.

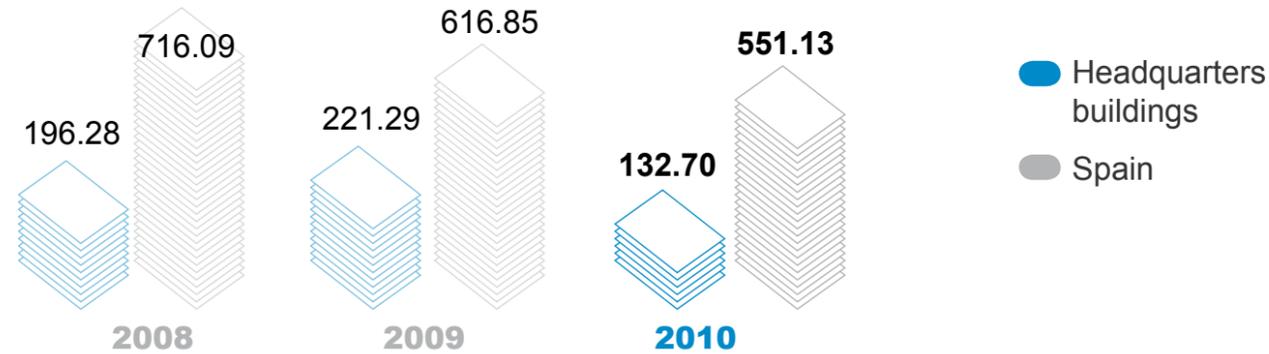
- Efficient mechanisms are also being incorporated into toilet cisterns and taps to optimise water management.
- Dissemination of environmental best practices in the employee magazine.
- With regard to waste water management, all our offices are connected to the public sewage network.

Paper consumption

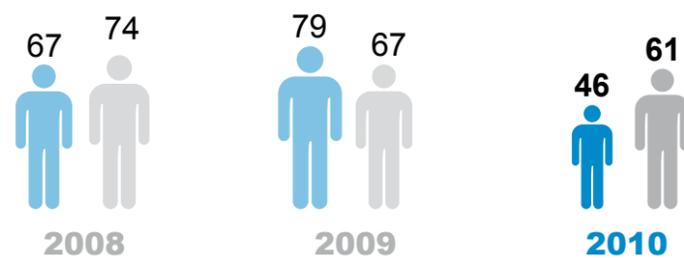
The awareness-raising campaigns and reduction measures implemented throughout the group have had a positive effect. We consumed a total of 551 tons of A4 paper in 2010, i.e. 11% less than in 2009.

Paper consumption indicators

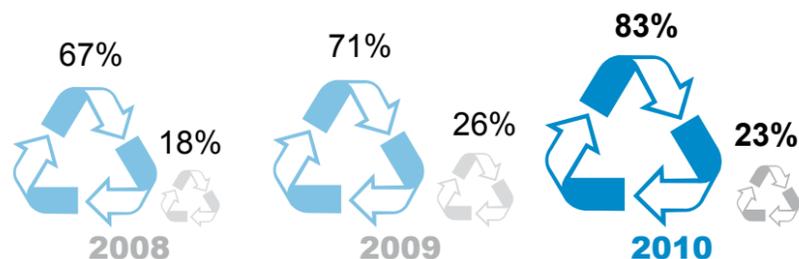
Paper consumption (tonnes)



Paper consumption per employee (kg)



Use of recycled paper (%)



* All data related to paper refers to A4 size.

PROGRESS 2010

- The RED PLUS programme involves installing digital tablets at branch offices for customer signature, making it possible to eliminate shipping of paper listings. This initiative spares printing of 16 million sheets of A4 paper each year.
- Since 2009, the bank has been working so that any process involving postal mail to customers can be performed via the internet. E-mail communication with customers was fully implemented in 2010.

ECO EFFICIENCY

Administrative tasks and internal communication

- Conventional paper is chlorine-free, certified by the FSC and produced to ISO 9001 and ISO 14001 standards.
- All the corporate headquarters used recycled paper for internal purposes.
- All printers are configured for duplex printing by default.
- A guide on proper e-mail usage is available.
- The staff magazine is also printed entirely on recycled paper.

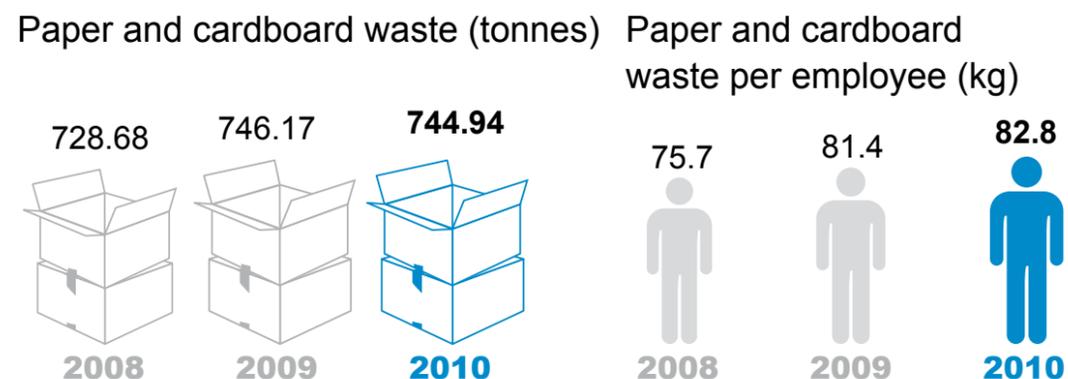
Communications with customers

- Banco Sabadell's alternative communication channels with customers include: the video web channel, which distributes video content; the BS Mobile phone service, used by 500,000 customers to receive SMS alerts; the DMT service for certifying electronic mail; and the RSS feed for press releases and corporate communiqués.

Waste management

At Banco Sabadell we have a sound track record in selective waste collection and treatment. All the corporate headquarters have facilities for separate waste collection (paper, plastic packaging, organic matter, used toner cartridges, electronic waste, and batteries). Selective packaging waste collection was implemented on a pilot basis at branches in 2009, and work is being done to extend it to the entire network.

Indicators of waste in Spain



Paper and cardboard waste

- Throughout the group's entire branch and corporate office network, used paper must be treated as documentation for shredding. Following shredding, almost 100% is recycled via authorised waste managers.

- Because of legal requirements, Banco Sabadell archives customer documentation for ten years at its general archive in Polinyà. The historical archives that were destroyed in 2010 (relating to 2000) accounted for approximately 40% of the paper waste produced by the group. This figure will tend to rise in proportion to the group's expansion.

Toner cartridges

- Toner waste produced at corporate headquarters is managed directly by the IT team, which replaces cartridges and organises the collection of waste by the authorised manager.
- Banco Sabadell participates in the HP Planet Partners programme for collection and reuse of toner cartridges at all of its offices. The toner supplier collects and manages the used cartridges with the commitment to recycle them at ISO 14001-certified plants.

Electronic waste

- Banco Sabadell separates and recycles its e-waste via authorised managers and donates usable IT material to local associations and NGOs.
- Banco Sabadell is a permanent participant in the "Donate your mobile" campaign organised by Fundación Entreculturas and the Red Cross. Employees are periodically reminded about the phone donation scheme. This campaign collects old mobile phones and encourages handset reuse and recycling. The funds are allocated to social action projects.

Special waste

- There is a group-wide system for collecting used batteries.
- The bank also generates some hazardous waste, although in minor amounts and more sporadically, such as fluorescent tubes and batteries, which are always processed by authorised waste managers.

CLIMATE CHANGE AND SUSTAINABILITY

In view of the challenge posed by climate change and the need for solutions, Banco Sabadell has made a number of commitments in recent years with regard to its facilities and the products and services it sells.

Some of the group's initiatives are long-term; for example, joining the Global Compact in 2005, implementing the EMS and obtaining ISO 14001 certification for four corporate centres, and investing in and funding renewable energy projects. Banco Sabadell's most recent commitments include joining the GreenBuilding Programme, participating in Catalonia's 2026.CAT Sustainable Development Strategy Advisory Board, joining Carbon Disclosure Project España and signing an agreement with SENDECO2 to act as the central counterparty in emissions trading.

Inventory of CO₂ emissions

		(tonnes of CO ₂)	2010	2009
	Scope 1 (direct activities)	emissions generated by company installations and vehicles	349	354
	Scope 2 (indirect activities)	emissions due to electricity consumption nationwide	17,397	21,288
	Scope 3 (indirect activities)	emissions derived from business trips other than in company vehicles	1,867	2,054
Total emissions generated by Banco Sabadell in Spain			19,313	23,695

BANCO SABADELL reports its emissions of CO₂ in accordance with "The GHG Protocol. A Corporate Accounting and Reporting Standard. Revised edition", using the operational control and centralised roll-up methods.

In 2010, Banco Sabadell engaged Det Norske Veritas Business Assurance España S.L.U. (DNV) to verify its inventory of corporate emissions of CO₂ for 2009. This inventory enabled the group to implement a number of initiatives at different levels of the organisation which resulted in a 17% reduction of its total emissions in Spain. The main progress within each scope delimited by the GHG Protocol is detailed below.

Scope 1

Emissions from the group's direct activities and installations (tonnes of CO₂)



	2010	2009
Gasoil consumption (electricity generators and fire-fighting equipment)	11	13
Propane gas consumption (propane gas boilers)	4	4
Natural gas consumption (boilers, foodservice and humidification equipment)	192 ⁽¹⁾	182
Company vehicles (owned or leased)	142	155
Total (emissions generated by company installations and vehicles)	349	354

(1) This datum is not comparable with the previous year due to the implementation of new humidification systems that maintain a relative humidity of 40%, in accordance with current legislation.

1.8% of Banco Sabadell's total emissions in Spain are due to direct activities of the group

Progress 2010

- The four corporate headquarters renewed their ISO 14001:2004 certification in 2010.
- The goal of replacing 70 cooling systems and implementing control of diffuse emissions of R-22 and F-200 gases from climate control equipment was achieved at all corporate headquarters buildings.

More information about eco-efficiency in energy consumption.

Scope 2

emissions from the group's indirect activities (tonnes of CO₂)



2010: **17,397**

2009: **21,288**

Total (emissions due to Banco Sabadell's electricity consumption nationwide)

Electricity consumption in 2010, by primary source	% of total consumption	tonnes of CO ₂
Solar	2%	0
Wind	16%	0
CCGT	23%	4309
Hydro	14%	0
Nuclear	21%	0
Coal-fired	8%	3988
Oil/gas-fired	1%	372
Cogeneration	12%	2395
Renewables	3%	0

88.7% of Banco Sabadell's total emissions in Spain are due to the group's electricity consumption

Progress 2010

- In 2010, a number of energy efficiency and saving measures were implemented at all headquarters and branches, leading to an 18% reduction in electricity consumption.
- In 2010, Banco Sabadell signed an electricity supply contract with Nexus Renovables, a company which supplies energy from renewable sources as certified by the Spanish National Energy Commission.
- First phase of the RED PLUS programme rolled out at a number of pilot branches. The programme involves replacing PCs with thin clients, which use 90% less energy.
- Implementation of lighting systems with presence detection on all office floors of Centro Banco Sabadell and pilot implementations at other headquarters buildings.

More information about eco-efficiency in energy consumption.

Scope 3

Emissions from other indirect activities of the group (tonnes of CO₂)



	2010	2009
Plane trips	924	1074
Train trips	26	48
Vehicles (except company vehicles)	917	932
Total (emissions due to business trips)	1,867	2,054

9.5% of Banco Sabadell's total emissions in Spain are due to business trips

Progress 2010

- Launch of the BS Carpooling platform to provide an agile method for enabling employees to pool their vehicles for commuting. Participants are generally car owners, although employees who do not own a vehicle may also participate.
- The bank incorporated e-learning communities into its training processes to enhance knowledge management, eliminate the barriers of distance between workplaces and minimise travel.
- The Office Communicator cooperation tool was deployed, providing personal videoconferencing and instant messaging at all branches and offices. This equipment enables the development of a new virtualised banking platform that allows mobility between workplaces and enhances system availability .

Renewable energy

Banco Sabadell wishes to foster research and development of a sustainable energy model.

It is with this goal in mind that the bank invests in and finances projects which use energy sources that are renewable and non-polluting. Since its first operation in this area in 1992, the group has provided the sector with funding, direct investment and brokerage services, placing it in a leading position in Spain:

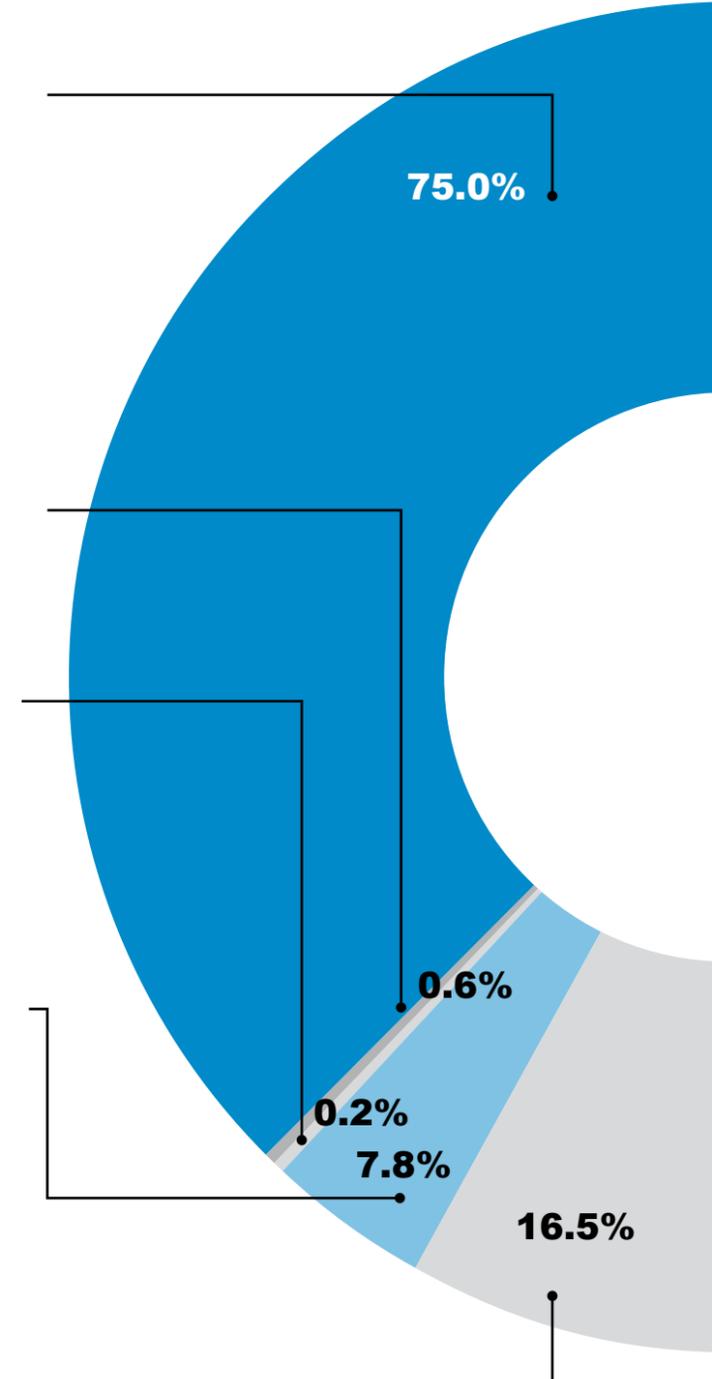
- Organised in **6,440 MW** of wind capacity (over 26% share of Spanish wind market).
- Present in **11,479 MW** of wind capacity.
- The BS Capital unit manages a portfolio of over **100 MW** of operational capacity and another **200 MW** under development, which are directly attributable to Banco Sabadell through wholly-owned subsidiaries.
- Banco Sabadell owns 10% of **SENDECO2**, the Spanish market in CO₂ emission permits.
- Banco Sabadell participated during the year in events aimed at promoting this area, which led to a number of presentations on renewable energies in **Spain's leading fora, including**: the Annual Meeting on Solar Thermoelectric Energy, the Annual Wind Energy Convention, the Spanish Wind Energy Association, etc.

Direct investment Banco Sabadell, through its wholly owned subsidiaries, Explotaciones Energéticas Sinia XXI and Sinia Renovables SCR de Régimen Simplificado, S.A., invests directly in power generation projects that use renewable energy. The bank owns stakes in ten companies in the sector, including Establecimientos Industriales y Servicios, S.L. (27%), Adelanta Corporación, S.A. (25%), Eolia Renovables, S.A. (6%), Fersa Energías Renovables (4%) and Comsa Emte, S.L. (6%), and it recently expanded its investment cycle through 2011-2013.

The Banco Sabadell group is committed to renewable energies in general, and to wind power and small hydroelectric projects in particular, in Spain, the rest of the European Union, and North America. It is also exploring the possibility of investing in other regions of the world. The portfolio of investees in the renewable field that were operational at the end of the year is detailed on the next page:



Wind	
Adelanta Corporación, S.A.	Capacity 55.2 MW Stake 25.0%
Eólia Renovables, S.A.	Capacity 451.6 MW Stake 5.6%
Establecimientos Industriales y Servicios, S.L.	Capacity 18.4 MW Stake 26.8%
Fersa Energías Renovables, S.A.	Capacity 162.9 MW Stake 3.8%
Comsa Emte, S.L.	Capacity 12.5 MW Stake 6.0%
Espirito Santo Infrastructure Fund – I, S.C.R.	Capacity 43.4 MW Stake 10.5%
Parc Eòlic Veciana-Cabaro, S.L.	Capacity 29.3 MW Stake 40.0%
Parque Eólico Magaz, S.L.	Capacity 30.00 MW Stake 49.0%
Biomass 0.6%	
Comsa Emte, S.L.	Total capacity 10.15 MW, Stake 6%
Biogas 0.2%	
Comsa Emte, S.L.	Total capacity 3.1 MW, Stake 6%
Fersa Energías Renovables, S.A.	Total capacity 1.4 MW, Stake 3.8%
Photovoltaic 7.8%	
Eólia Renovables, S.A.	Capacity 54.3 MW Stake 5.6%
Jerez Solar, S.L. (Emte Renovables, S.L.)	Capacity 5.6 MW Stake 64.4%
Comsa Emte, S.L.	Capacity 12.5 MW Stake 6.0%
Adelanta Corporación, S.A.	Capacity 0.2 MW Stake 25.0%
Fersa Energías Renovables, S.A.	Capacity 0.8 MW Stake 3.8%
Small hydroelectric 16.5%	
Adelanta Corporación, S.A.	Capacity 15.2 MW Stake 25.0%
Establecimientos Industriales y Servicios, S.L.	Capacity 53.1 MW Stake 26.8%



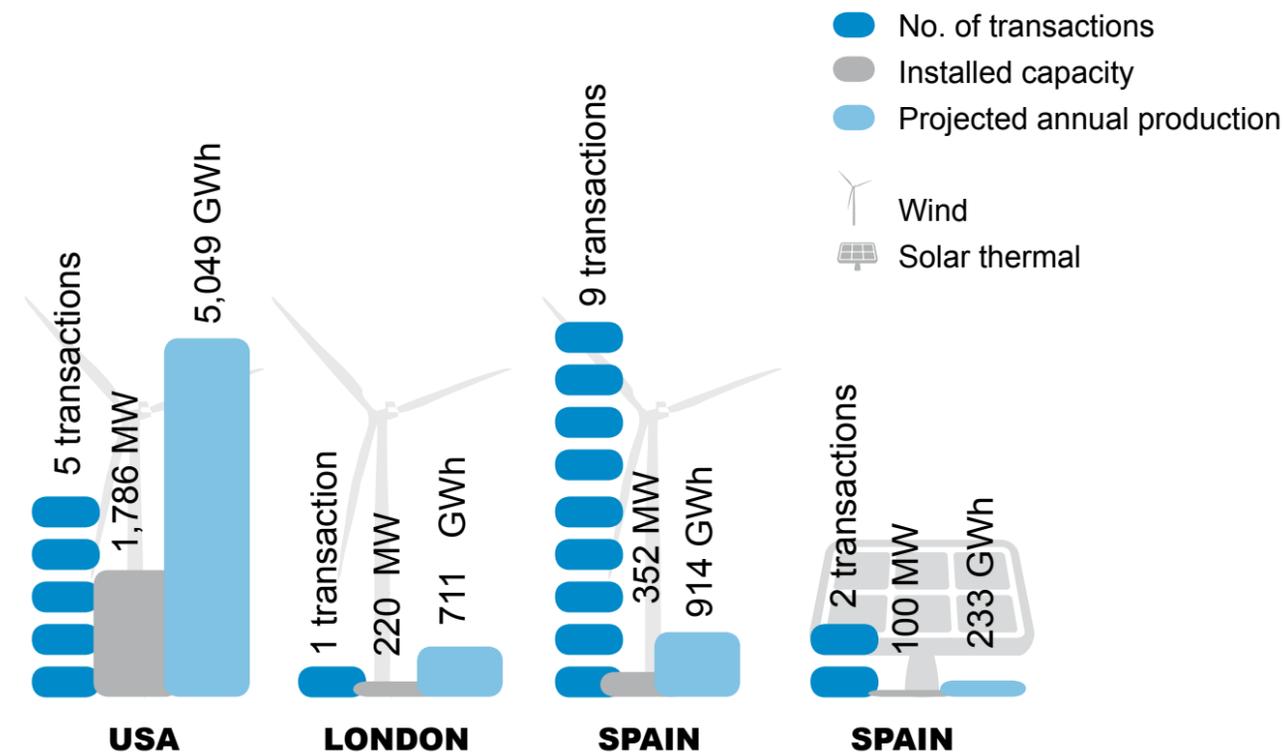
Financing and brokerage

Banco Sabadell has established itself as a leading lender to renewable energy projects; it also provides advisory and brokerage services. In 2010, Banco Sabadell provided 290 million euro in finance to 17 renewable energy projects.

Total facilities financed at 31 December 2010:

- **Wind:** 6,259 MW lead managed (participant in 9,752 MW)
- **Solar thermal:** 560 MW lead managed (participant in 660 MW)
- **Small hydroelectric:** 117 MW lead managed
- **Photovoltaic:** 103 MW lead managed
- **Biomass:** 80 MW lead managed

Facilities financed in 2010

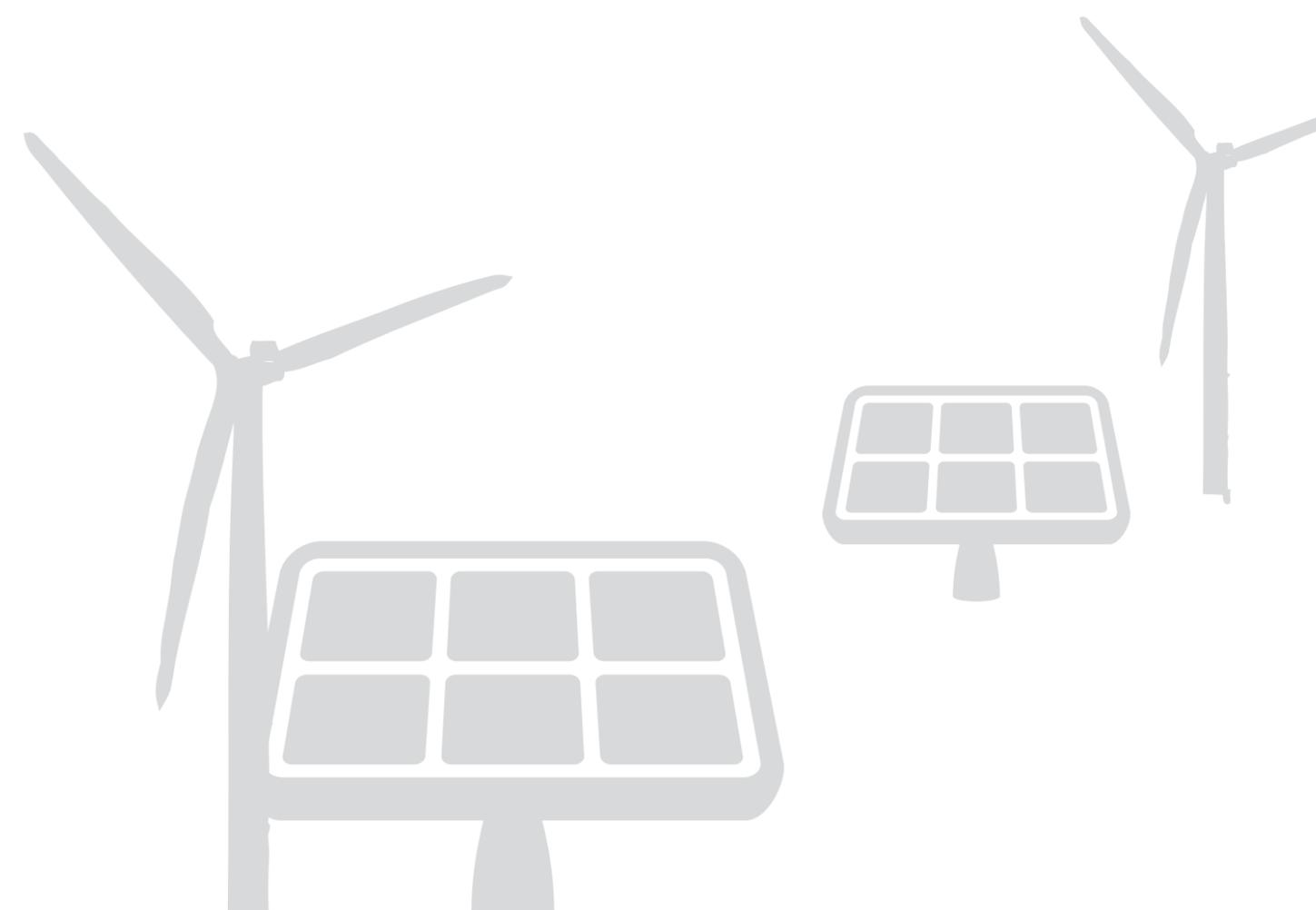


Environmental products and services

Against the current economic backdrop, the bank has sought innovative solutions that provide benefits to customers and value to products and enable it to comply with its commitment to sustainable development.

BS Leasing and BS Renting

During 2010, the bank financed a range of ecological projects involving technological innovation by commercialising various operating lease products to individuals and companies. Specifically, these included photovoltaic panels on factory roofs, wind power, cogeneration, ecological heating and LED-based public lighting projects.



Hybrid vehicle rentals

Banco Sabadell actively markets these new technologies by providing vehicle leasing products for customers, in line with the guidelines established for strategic projects at national level. The bank offers competitive prices compared with equivalent conventional vehicles.

In 2010, the bank signed an agreement with the Institute for Diversification and Saving of Energy (IDAE) to enable the group's customers to obtain the subsidy of up to €2,000 for leasing more energy-efficient hybrid vehicles. This new generation of vehicles emits considerable less CO₂, under 110 gCO₂/km.

The models available at present are: Toyota Prius DSD, Toyota Auris Hibrid 136 CV (10-2110), Lexus CT 200h and Honda Civic Hibrid.

Socially responsible investment products

Banco Sabadell offers its customers two socially responsible products which take account of sustainable development: mutual fund Urquijo Inversión Ética y Solidaria, FI and investment company Urquijo Cooperación S.I.C.A.V., S.A. Neither product invests in companies whose activities are harmful to the environment and, when selecting investments, companies in the FTSE4GOOD index are rated positively.

More information: Customers (4)

Environmental risk assessment

In order for Banco Sabadell's environmental commitment to truly cover our entire activity, we have incorporated **environmental aspects into the analysis of loan applications** and we have also defined environmental criteria that enable us to give the necessary support to analysts and to the branch network in general for making decisions about risks, commencing with those affecting borrowers that operate in potentially affected sectors from an environmental standpoint (e.g. energy, cement and paper). Accordingly, the entire branch network is equipped with a range of instruments for evaluating and managing risk which were developed to help assess the impact on companies' solvency of breaching environmental regulations. Environmental aspects are considered in the various phases of loan application risk analysis. The main aspects are shown in the graphic below.



1 Information about the borrower

Risk management should not only consider the borrower's characteristics but should also be based on comprehensive knowledge of their business, financial position, facilities and product, and the industry in which they operate.

The industry analysis includes environmental criteria for risk evaluation. It allows the bank to identify and assess the environmental impact associated with loans to companies that operate in potentially polluting industries, studying the potential effects the

project could have on the company's business activity and sustainability in the area where it operates.

The bank provides managers with:

- Information on the environmental legislation in force.
- Current industry information with a specific section on susceptibility to environmental risk for each area of activity.

Activities with environmental risk are classified in line with Law 3/1998 on Comprehensive Governmental Intervention in Environmental Matters. This regulation, which is aligned with the European directives, categorises business activity by environmental impact: high, moderate-high, moderate-low, and low.

2 Rating

Tool which weights credit risk based on statistical models according to the characteristics of each customer.

3 Risk analysis

The risk analysis includes comprehensive information on the transaction and the client, which is necessary to make a decision on the application. As set out in the internal regulation, customers with greater potential environmental risk must be analysed with a view to studying possible actions with environmental and social impacts that might affect the company.

Environmental risk is a factor that Banco Sabadell evaluates when considering loan applications for projects. An important element in the decision is the rating, which depends on the type of transaction and the field (i.e. energy, infrastructure, etc.). The rating reflects the project's credit quality and is established by the originating unit. It reflects potential environmental risk, and, if appropriate, includes a report on the environmental impact. The bank will not finance a project if there is environmental risk and an unfavourable report on the project's impact.

During 2010, authorisation was given to use the rating for calculating regulatory capital, which establishes the minimum equity the entity must have, according to Bank of Spain Circular 3/2008. Given the projects' long duration, their various phases are monitored (construction and operation), reviewing and updating (if necessary) aspects that have changed in the rating and which may affect their rating/score. This review is performed by a unit other than the originating unit.

ENVIRONMENTAL AWARENESS-RAISING

In order for the environmental management system to work properly, all the staff must be aware and involved. To this end, the entire staff has access to an on-line training course, which is obligatory for staff at the certified headquarters buildings.

Content of training for employees

- **Features of Banco Sabadell's environmental management system (EMS).**
- **Banco Sabadell's environmental policy.**
- **Best practices to minimise environmental impact.**
- **Environmental aspects arising from banking activities.**

An annual environmental communication plan is designed in order to transmit Banco Sabadell's environmental commitment and make all employees aware of best practices in this field. In 2010, the bank continued to diversify the channels and media used for this purpose, particularly promoting on-line channels.

The environmental communication plan 2010 was deployed in the following media:

Employee magazine



Every issue of Canal BS magazine includes an article on the environment.

BS al Día and the intranet



BS al día, a pop-up window that appears on all employees' desktops every morning with three news items, is used to distribute the latest news and awareness-raising messages about the environment. This channel is used in combination with the intranet and the CSR website.

"Connect with the environment" online guide



During 2010, an online guide was drafted which is available to all employees on the intranet. This project was conducted to raise awareness among employees in the branch network and at head offices about environmental management, the company's environmental footprint, the use of resources, and how to manage specific forms of waste. The guide will be published online in 2011, giving employees access to internal regulations, specific manuals and related operating platforms.

The **suppliers** that provide services with an environmental impact at certified premises receive on-site training in the Environmental Management System and the ISO 14001 standard. The bank also informs all suppliers of the group's environmental policy and uses a range of mechanisms to incorporate environmental and social responsibility into its supply chain. More information: Banco Sabadell and its suppliers.

Content of training for suppliers

- Banco Sabadell's commitment to the environment.
- Supplier involvement.
- Implementation of the environmental management system.
- Banco Sabadell's environmental policy.
- Communication channels.

Our work to raise environmental awareness is not confined to the professionals who work at the bank, since Banco Sabadell also worked in 2010 on improving the environmental aspects of its customer relations. Specific campaigns were launched to encourage customers to use online channels and eliminate postal mail. More information: Banco Sabadell and its customers.

During the year, an innovative advertising campaign was implemented in the cities of Lleida, León and Marbella. Nearly 30,000 reusable shopping bags were distributed, each with a specific design for the city in question, in order to promote sustainability and highlight the bank's commitment to the citizens, companies and institutions in each city. In 2011, the initiative will be implemented in other cities such as Girona and Gijón.

**“This is
our bag”**

**Get yours at
this branch**

**Reusable shopping
bag with an
exclusive design
for the city of León**



Banco Sabadell and its suppliers

[Profile of suppliers](#)

[Mutual commitment](#)

B Sabadell



“Only if you make demands of yourself can you make demands of others”

Expansion Account

Come in and let our personal agents advise you

Chosen by the best in business. And by people like you.



COMMITMENTS 2010

Making the hiring process faster

- Establishment of the procurement management model.

Environmental and social regulations

- Oversight of supplier compliance with the code of conduct.

PROGRESS 2010

Making the hiring process faster

- The forms sent to suppliers from the procurement website were modified to contain a statement that any certificate to the effect that the products are environmentally friendly will be rated positively.

Environmental and social regulations

- In 2010, a new feature was added to the website: suppliers must necessarily accept the supplier code of conduct as a prerequisite for acceptance as a supplier.

OBJECTIVES 2011

Making the hiring process faster

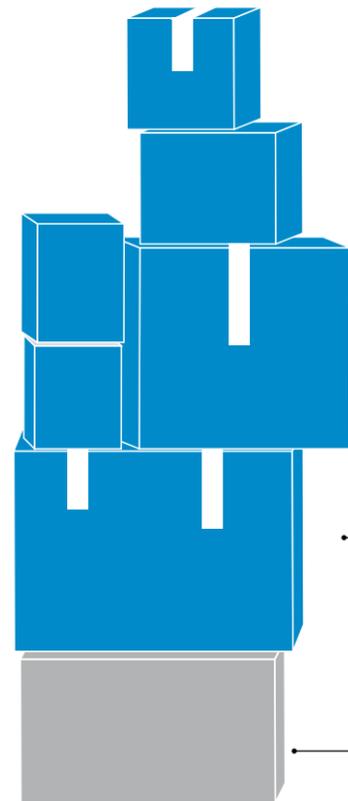
- Review of the supplier evaluation approach. Whether or not the supplier employs people with disabilities has been included as a factor for evaluation.

Environmental and social regulations

- Review of supplier policy.

PROFILE OF SUPPLIERS

Procurements in Spain are managed within the centralised system; procurements in other countries are decentralised.



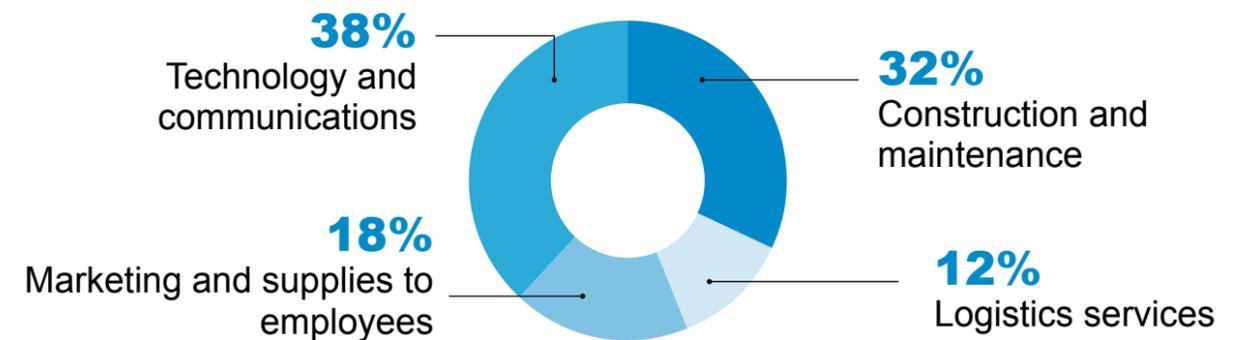
Approximately **100%** of the suppliers awarded contracts in Spain are locally based

64 main suppliers accounted for a total of 42 million euro in procurements

170 suppliers with a total allocated of 5 million euro

47 million euro allocated in 2010 to a total of **234** suppliers

Breakdown of suppliers by category



MUTUAL COMMITMENT

Banco Sabadell's relations with all suppliers are based on professionalism, mutual respect and transparency, as established in the [code of conduct](#), [supplier policy](#) and internal regulations.

To guarantee suppliers' commitment to ethical and socially responsible principles, the bank has established a number of mechanism and rules in the contract process. It is bank policy to reject any gift, consideration or personal benefit offered by suppliers.

Certification of products, services and suppliers

Any company interested in providing products or services may register on the [bank's procurement website](#) and specify their company's social or environmental characteristics (certification to **ISO 14001**, **ISO 9001**, etc.), and the characteristics of the products being offered to the bank. In 2010, a new feature was added to the website: suppliers must necessarily accept the [supplier code of conduct](#) as a prerequisite for acceptance as a supplier.

Certified suppliers have personalised access to the procurement website, which includes information [on the group's environmental policy](#).

Procurement process

The system guarantees **a minimum of 3 suppliers** bidding for each procurement process, thereby encouraging participation by new companies and ensuring equal treatment.

Supplier bids are rated positively if they are certified to **ISO 9001**, **ISO 14001/EMAS**, **EFQM** or use sheltered workshops.

The environmental features of the product (e.g. recycled, ecological or reusable materials) are also taken into account. Environmental requirements have been introduced into the pre-requisites for products or services with a significant environmental impact. For example, paper must have **FSC and PEFC** certification.

All negotiation processes and the points upon which a candidate proposal is based are transparent and a record is kept of every decision.

Procurement contract award

The procurement management model introduced late in 2009 was firmly established in 2010. This approach makes the entire procurement process faster and more agile, since the persons in charge of procurement have more autonomy.

Procurement contracts include **clauses on the environment**, respect for human rights and the ten principles of the **Global Compact**, and the necessary acceptance of the [Code of Conduct for suppliers](#).

Supplier assessment

The group's main suppliers (i.e. those billing more than 150,000 euro per year) and designated critical suppliers are evaluated each year.

Assessment of the supplier's degree of compliance:

- Punctuality in product delivery, quality control, errors and delays, returns, incidents, complaints, etc.

Weighting of positive factors:

- ISO 9001:2000 and EFQM excellence certification
- ISO 14001:2004 and EMAS certification

30% of evaluated suppliers are certified in accordance with ISO 14001 or EMAS

37% of evaluated suppliers are certified in accordance with ISO 9001

Supplier satisfaction survey

Since 2007, Banco Sabadell has conducted surveys to ascertain supplier satisfaction with:

- Degree of satisfaction with the bank throughout the duration of the contract.
- Software available to the supplier.
- Other issues related to hiring, the award process, negotiation, incident resolution, relations with bank personnel.

In 2010, the bank sent surveys to a sample of 100 suppliers, segmented on the basis of volume of business.



92% of suppliers are satisfied or very satisfied

64% response rate among the 100 surveyed (53% in 2009)



Social and cultural action at Banco Sabadell

Managing social and cultural action

Investing in society

 Sabadell

**“I’m a
great believer
in people”**

Pep Guardiola, July 2010

Chosen by the best in business. And by people like you.

 **S**

Quote from the TV spot with Pep Guardiola recorded in July 2010

COMMITMENTS 2010

Investing in society

- Remain focused on social and cultural needs, ensuring that the economic situation does not significantly affect expenditure on sponsorship and patronage.

PROGRESS 2010

Transparency

- In 2010, in line with the various approaches recognised worldwide (LBG, SAM, etc.), the group modified its method of accounting for investment in social action.
- The website was modified to publicise the activities of the foundations and the Sponsorship Commission, providing details of the initiatives and projects that are funded and the auditors' reports and financial statements.

OBJECTIVES 2011

Investing in society

- Ensure that the current economic situation does not have a significant impact on the level of attention to social and cultural needs covered by our sponsorship and patronage.



MANAGING SOCIAL AND CULTURAL ACTION

Banco Sabadell's [social and cultural action policy](#) is based on the group's commitment to society and its surroundings and its will to create value. The [sponsorship and patronage](#) activities form part of our business strategy and are guided by the civic conscience and identity of the Group, which ensures the proper use of the funds.

Banco Sabadell acts in this field through the [Banco Sabadell Foundation](#), [Banco Herrero Foundation](#), the [Banco Sabadell Sponsorship Commission](#) and the Banco Urquijo CSR Committee. Additionally, initiatives may arise from the organisation's internal committees or executive bodies. Some of the most outstanding are corporate volunteer programmes headed by the Human Resources Department and the allocation of management fees from ethical investment products, coordinated via the ethics committees and commissions.

The foundations' annual resources come from the yield on their assets and grants from Banco Sabadell. The foundations are governed and managed by their boards of trustees, which are fully empowered to act independently. This ensures the foundations' independence and avoids conflicts of interest with the Bank's commercial activities. In 2010, the bank modified the website to publicise the activities of the foundations, providing details of the initiatives and projects that are funded and the auditors' reports and financial statements.



Banco Sabadell's [Banco Sabadell Foundation](#) was established as a private institution in 1994, by a decision of the Board of Directors of Banco Sabadell, with the goal of encouraging and divulging knowledge and culture.

The Foundation's main activities include supporting research, excellence and knowledge in science, the social sciences and the humanities. It provides awards and sponsorship aimed at promoting and recognising talent in young people, such as the [Banco Sabadell Award for Biomedical Research](#), the contribution to the ESADE Foundation grants, the Banco Sabadell Foundation Award for Innovation (architecture), and the Art<30 painting and photography competition. In the area of the arts, the Foundation sponsors leading institutions such as the Royal Association of Friends of the Queen Sofia National Art Centre and Museum, Gran Teatre del Liceu, the Barcelona Museum of Contemporary Art (Macba), and the Barcelona Atheneum, plus others in the Principality of Asturias in cooperation with the Banco Herrero Foundation.

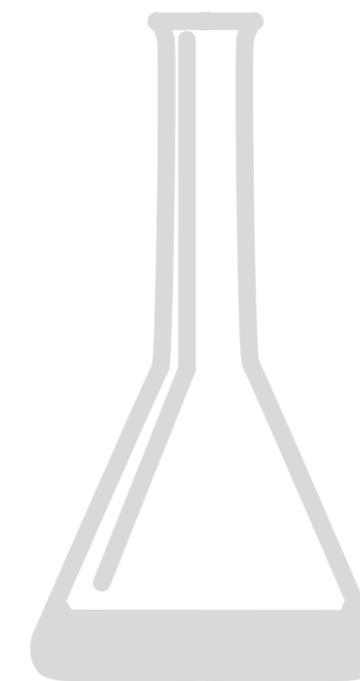
Banco Sabadell's [Banco Herrero Foundation](#), created in 1979 by Banco Herrero, manages the **sponsorship** activities in the Principality of Asturias and the city of León. Noteworthy programmes include the [Banco Herrero Foundation Award](#), regular activities at the Banco Herrero Exhibition Hall, [annual grants for scientific research](#), [internship grants](#) for students at **the University** of Oviedo, and participation in the Prince of Asturias Awards.

Banco Sabadell's [The Banco Sabadell Sponsorship Commission](#) coordinates Banco Sabadell's institutional sponsorships. The Commission, which meets periodically, comprises the heads of Commercial Banking, Communication and Institutional Relations and Banco Sabadell Foundation. Banco Sabadell primarily sponsors activities related to culture, **the arts, knowledge and sports**.

Created in 2009, the Banco Urquijo CSR Committee coordinates all of Banco Urquijo's sponsorship and patronage activities in Spain. The committee defines and manages the strategic corporate social responsibility plan and short- and long-term goals under a dual approach: business and social.

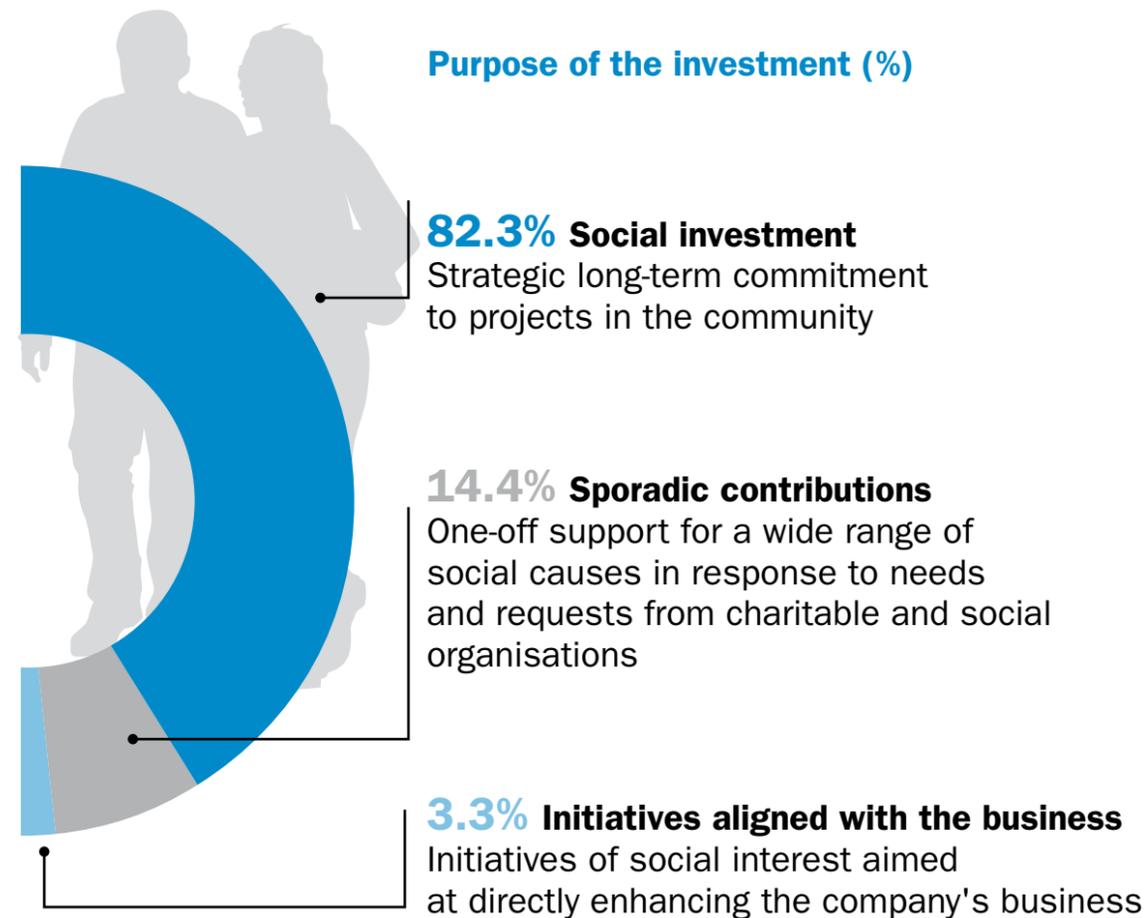
Banco Urquijo's main sponsorship activities focus on social integration, aid and solidarity, support for culture and education, and economic development.

**Support for research,
excellence and
knowledge in science,
the social sciences and
the humanities**



INVESTING IN SOCIETY

The estimated value of the investment by Banco Sabadell and its foundations in social and cultural action in 2010 is 2,505,874 euro. In 2010, in line with the various approaches recognised worldwide (LBG, SAM, etc.), the group modified its method of accounting for investment in social action. Investments aligned with the business that are of evident social interest, and donations in kind and in time were included in the overall calculations.



Type of contribution (%)

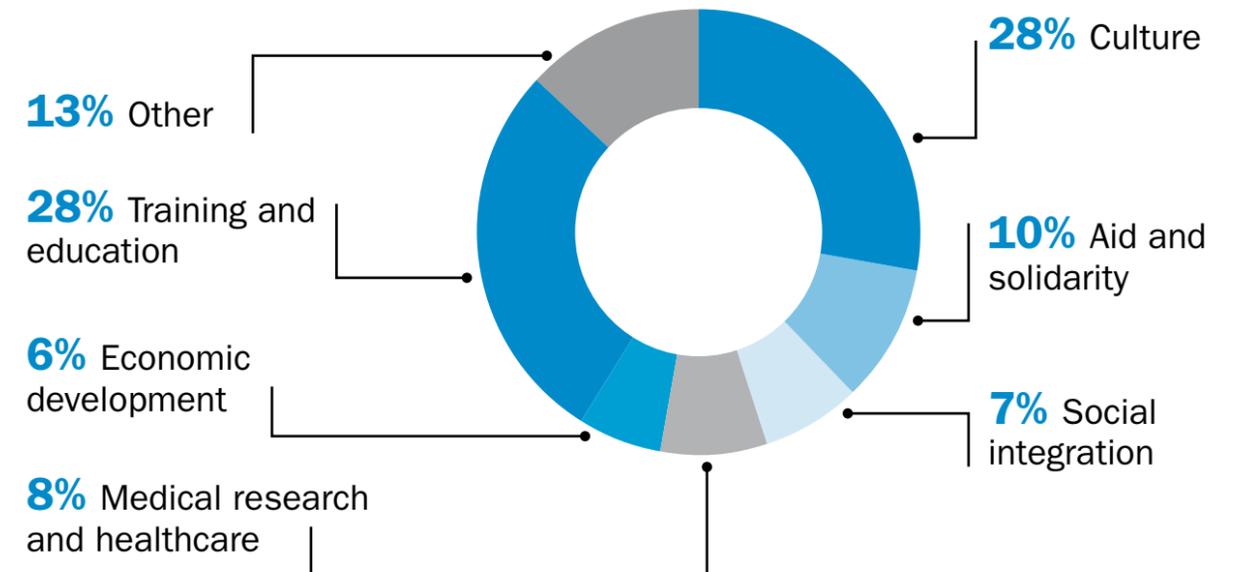


11% Time
Value of contribution of employee time (corporate volunteers and other)



89% Monetary
Value of monetary contribution

Areas of action (%)



Banco Sabadell collaborates with public and private non-profit institutions dedicated to improving the welfare of people and society. To this end, the bank sponsors activities organised by these institutions in the areas of culture, international aid and solidarity, integration and social welfare, medical research and healthcare, education, and economic development.

Culture



Art<30 painting and photography competition

Sponsored by the Banco Sabadell Foundation, Art<30 is a painting and photography competition organised by the University of Barcelona School of Art and [Sala Parés](#) gallery with a view to selecting artists for an exhibition of young talent. The competition is sponsored by the Banco Sabadell Foundation and has the support of the Catalonia Regional Government's Department of Culture and Media.

Banco Sabadell Foundation Award for Innovation (architecture)

Included in the [Bienal de Arquitectura del Vallès](#) awards, organised by the [Professional Association of Architects of Catalonia](#). This is an award for the most innovative work by an architect under 40.

Agreement between Banco Sabadell and Barcelona city government to restore the façade of the Fundació Antoni Tàpies building, which was designed by modernist architect Lluís Domènech i Montaner.

With the support principally of Banco Sabadell, the façade of the Fundació Antoni Tàpies building, which was designed by modernist architect Lluís Domènech i Montaner, will be cleaned and restored.

Banco Sabadell Foundation organises haute couture exhibition: "Barcelona Alta Costura"

The exhibition comprises over one hundred items from the collection of Antoni de Montpalau, produced by the workshops of leading fashion designers such as Cristóbal Balenciaga, Manuel Pertegaz and Carmen Mir.

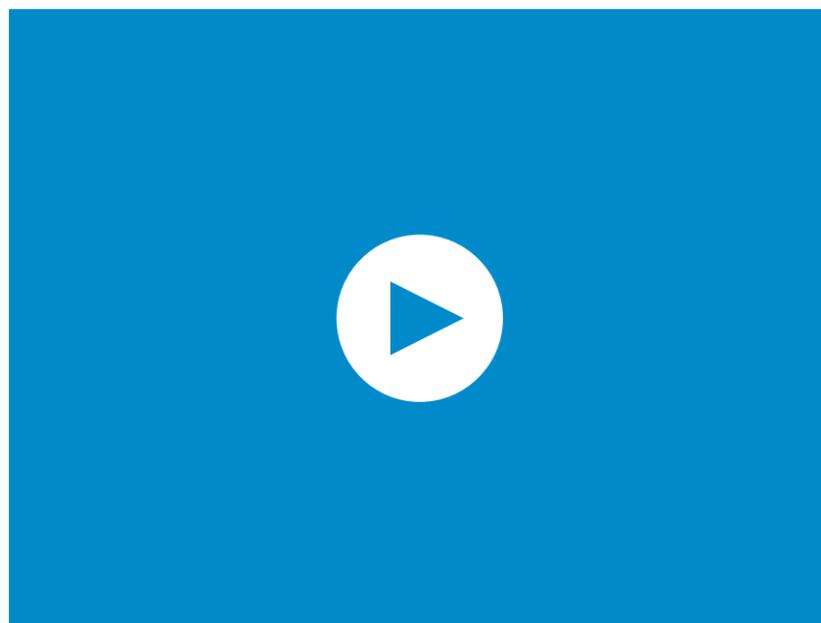
Sponsorships Sponsorship of the [ADI medal \(industrial design\)](#), [Catalonia International Congress on Design and Innovation](#), [Loop Videoart Barcelona fair and festival](#), [GAC AWARDS 2010 - Gallery night](#) and [Barcelona International Contemporary Art Fair](#) and [Hangar TOP 2010](#), [International Music Competition Maria Canals](#), [23rd Season of Opera in Catalonia by the Friends of the Opera Association](#), [Peralada Music Festival](#), Terenci Moix International Awards and the Jordi Domènech Award for Poetry Translation.

Aid and solidarity



Solidarious Aces 2010

"Solidarious aces" is an initiative under which the bank donates 50 euro for every ace (or serve point) scored by participants in the Open Barcelona BancSabadell Trofeo Conde de Godó tennis tournament, of which the bank is the main sponsor. The [Solidarious Aces 2010](#) raised 26,000 euro, which were distributed among the [Nelson Mandela Foundation](#), the [Barraquer Foundation](#) and the [Saint John of God Foundation](#).



Aid for victims of the Haiti earthquake

Through its Foundation and Sponsorship bodies, Banco Sabadell made an extraordinary donation of 60,000 euro in 2010 to [Ayuda en Acción](#), [Cáritas Española](#), [Cruz Roja Española](#), [Intermón Oxfam](#), [Manos Unidas](#) and [Doctors without Borders](#), to aid the earthquake victims.

[Banco Sabadell supports Ojos del Mundo Foundation](#)

Since 2009, Banco Sabadell has worked with the Ojos del Mundo foundation; bank employees are able to take one month of paid leave to help with the foundation's work in the Sahara. In 2010, employee Sandra Porcar provided logistics support for the foundation's paediatric mission to Tindouf, and she recounted her experience on the ground in her blog [Ojos del Sahara \(Eyes of the Sahara\) 2010](#).

Cooperation with Codespa Foundation's social development projects

Banco Sabadell's [Codespa Foundation](#) provides opportunities for people to develop skills and make decisions about their own development through work.

Matres Mundi nutrition and maternity programmes

The Banco Sabadell Foundation assists [Matres Mundi](#) in its bid to improve the health of mothers and children in developing countries.

[Cooperation with Vicente Ferrer Foundation](#)

To build a school in Juturu, India.

Cooperation with Plataforma Solidaria Asturias Foundation

Cooperation with solidarity projects in Bolivia organised by [Plataforma Solidaria Asturias Foundation](#).

Ethical and socially responsible investment products

In 2010, the ethical and socially responsible investment products marketed by the group generated donations to the following international aid projects:

- Project to strengthen rice production in Artibonite in response to migration following the Haiti earthquake ([Intermón Oxfam](#)).
- Construction of a co-educational school in north-east India (Manos Unidas).
- Programme to provide vocational training to 400 children and young people in Louga, Senegal ([Fundación Xaley](#)).
- Project to build a cistern to collect rainwater in Kinshasa, Democratic Republic of the Congo ([Sacred Heart Congregation](#)).
- Project by Casa del Niño to help abandoned girls in Comayagüela, Honduras ([Franciscan Sisters of the Immaculate Conception](#)).
- Market garden project in the region of Mbouroukh, Senegal ([Fundación Privada Amics d'Émilie de Villeneuve](#)).
- Agricultural and nutritional training programme for women in Muketuri, Ethiopia ([Nuevos Caminos NGO](#)).
- Nutritional support programme for boys and girls in Chiquimula and Totonicapán, Guatemala ([Fundación Entreculturas](#)).



Promoting social integration



Banco Urquijo made it possible for over 260 hospitalised children to receive a visit from a "Smiles Doctor"

For two months, the bank's customers and employees had the opportunity to contribute to the foundation through collection boxes located throughout the Banco Urquijo branch network.

Women and Leadership Forum

The Banco Sabadell Foundation works with the ESADE Alumni Association to organise the Women and Leadership Forum. This is a forum for debate and a meeting point for women executives. Speakers in 2010 included [Edurne Pasabán](#) and [Carme Rusalleda](#).

ArtAids Foundation

In order to raise awareness of the need for prevention and to reflect on how people with HIV feel, the [ArtAids Foundation](#) presented 'Mirando desde fuera' (Looking in from outside), an exhibition sponsored by Banco Sabadell. ArtAids also raises awareness about the problems of disease and raises funds for medical research.

Sabadell and District Association of People with Mental Disabilities

This not-for-profit social initiative, which has been declared to be of public utility, was founded in 1963. It focuses on responding to needs for assistance and personal, family, social and labour development of people with mental disabilities.

Cooperation with Caritas assistance and mother/child support programme

[Cáritas](#) performs important work throughout Spain, supporting and promoting the advancement of a number of social groups in a precarious position and/or at risk of social exclusion.

Cooperation with Association of Self-Financed Communities

This not-for-profit organisation specialises in the development of community organisations to enable people with scant means to gain access to financial and non-financial services.

Cooperation with Banco de Alimentos Foundation

In 2010, Banco Sabadell assisted the food bank programme in Asturias and Barcelona and organised voluntary work by employees at the Catalonia and Madrid headquarters to collect food for this initiative.

Ethical and socially responsible investment products

In 2010, the ethical and/or socially responsible products marketed by the group generated donations to the following social integration projects:

- Project to combat social exclusion in Spain as a result of the crisis ([Cáritas Española](#)).
- Project for a shelter for pregnant women with children aged up to 18 months, in Valencia, Spain ([Fundación Tai](#)).

**Promoting medical research****Fifth edition of the Banco Sabadell Award for Biomedical Research**

In order to foster and recognise the work of Spanish researchers in biomedical research and health sciences, the Banco Sabadell foundation grants the Banco Sabadell Biomedical Research Award. The award, amounting to 50,000 euro, is the largest in Spain for young researchers.

In 2010, the award was granted to Dr Eduard Batlee, aged 39, who is principal researcher at the Colorectal Cancer Laboratory, coordinator of the Oncology Programme at the Barcelona Institute for Research in Biomedicine (IRB) and research professor at the Catalan Institution for Research and Advanced Studies (ICREA).

Support for the TV3 telethon

In addition to providing economic support for the 2010 edition of the TV3 telethon, Banco Sabadell also promoted and coordinated participation by its employees in the event. Each year, the TV3 Telethon Foundation organises a campaign to raise funds to foster and promote biomedical research and raise awareness about different diseases; the 2010 edition focused on acquired medullary and cerebral lesions.

Support for research into Alzheimer's disease

The Banco Sabadell Foundation works with the [Pasqual Maragall Foundation](#) for research into Alzheimer's disease. The foundation is seeking to create a leading international research centre where young researchers from all over the world can work.

Support for the Catalan Lupus Foundation and the José Carreras International Foundation against leukaemia.

Economic development



Banco Herrero Foundation Award

This award is granted to young researchers (under 40) for excellence in researching economic, business or social topics. The winner in 2010 was Jesús Fernández-Villarde for his research in macroeconomics and econometrics.

UPF Emprèn award

The Banco Sabadell Foundation and the Social Council of Pompeu Fabra University (UPF) established this prize for initiative and entrepreneurship in order to encourage a business culture among university students and strengthen the links between innovation in the university, on the one hand, and society and business, on the other.

The winning project in 2010 consisted of a publishing house devoted to publishing and marketing books to teach Chinese language and culture. The books are aimed at children, particularly adoptive children from China and their families.

Training and education



Aid for Scientific Research

Each year, the Banco Herrero Foundation organises ten scholarships in scientific research for candidates in Spain, for the promotion and development of scientific work and exchanges with universities and other research centres in Spain and other countries, preferably in the field of economics, business or sociology. Each scholarship is 3,000 euro.

Grants for students at the University of Oviedo

The Banco Herrero Foundation awards 90 grants for University of Oviedo students to carry out internships in the last undergraduate year.

Junior Achievement Foundation

Banco Urquijo maintained its commitment to children through the "Our Community" and "Our City" programmes, conducted in cooperation with the [Junior Achievement Foundation Spain](#), to promote social integration and knowledge of their surroundings by children aged 7-8, by teaching them real aspects of the business world.

This was the second year in which the bank conducted this corporate volunteer programme at schools in the Madrid region. A total of 125 children from 3 schools benefited from the initiative.

ESADE Foundation grants

www.esade.edu

Catalonia International University (UIC)

The Banco Sabadell Foundation sponsored the 6th Pre-University competition organised by UIC. www.uic.es

Sabadell University Extension classes for Elderly People

This initiative is related to the Grouping of Lifelong Learning Centres for the Elderly in Catalonia, which focuses basically on promoting and disseminating culture.

www.aulasabadell.cat

Additional information

Process of drafting the CSR Report

GRI G3 Indicators - Financial Services
Sector Supplement

Sustainability Indicators

Contact us

**Chosen by
the best in
business.
And by people
like you.**

PROCESS OF DRAFTING THE CSR REPORT

Since 2003, the bank has been publishing an annual Corporate Social Responsibility report which highlights relevant events in the year, compliance with commitments, and targets for the following year.

The report is drawn up in accordance with the Global Reporting Initiative's G3 guidelines and is checked by external auditors; once again, the bank received an A+.

Stakeholder engagement

The Corporate Social Responsibility report was drafted in cooperation with the bank's various departments, and it took account of recommendations from rating agencies and suggestions from stakeholder groups to improve both content and format.

The report devotes a chapter to each stakeholder group, in which it describes how it responds to their individual expectations and interests with a focus on ensuring a balance for both parties.

Scope of the Report

The contents of this Annual Corporate Social Responsibility Report refer to the period from 1 January to 31 December 2010. This report is published jointly with the annual directors' report and the corporate governance report and is available on the [corporate website](#).

When defining the content of the report, we were guided by the principles of materiality, stakeholder inclusiveness, sustainability context and completeness established by the Global Reporting Initiative's G3 guidelines.

Materiality

In line with the principle of materiality, we have made efforts to ensure that the information in this report covers the indicators and other data reflecting our organisation's principal social, environmental and economic impacts.

Sustainability context

We take account of the sustainability context and try to present our contribution to improving social, environmental and economic conditions, both locally and globally.

Principle of completeness

In line with the principle of completeness, we have tried to ensure that the scope, coverage and timing of the report are optimal in order to reflect the social, environmental and economic impacts of our activity in 2010. The information presented in this report refers to the financial activity of the entire Banco Sabadell Group; where that is not the case, the fact is explicitly disclosed.

External audit

[Connection to report](#)

As in previous years, the report was verified by an external certifying agency (Bureau Veritas Certification). The audit checked the veracity of the report's content, the materiality and relevance of the information, and its conformity to the GRI's new G3 guidelines. The audit included two days' checking work on site at the bank's offices.

Final review of the entire process was carried out by GRI, which confirmed an A+ application level for the report based on the guidelines in the GRI Sustainability Report (G3) published in 2006 and in the 2008 financial sector supplement.

Report application level

	C	C+	B	B+	A	A+	
BASIC CONTENT	OUTPUT G3 Profile	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1, 4.4, 4.14, 4.16	Report externally audited	Report on all criteria listed for level C plus: 1.2 3.0 - 3.13 4.5 - 4.13, 4.16 - 4.17	Report externally audited	Fewer requirements than B	Report externally audited
	OUTPUT G3 Management approach	Not required		Management approach for every indicator category		Management approach for every indicator category	
	OUTPUT G3 Performance indicators Sector supplement performance indicators	Report on a minimum of 10 performance indicators including at least one from each of: economic, social and environmental		Report on a minimum of 20 performance indicators, at least one from each of: economic, environment, human rights, labour, society, product responsibility		Respond 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	

* Sector supplements in the final version.

GRI G3 INDICATORS-FINANCIAL SERVICES SECTOR SUPPLEMENT

The Global Reporting Initiative (GRI), which was founded in 1997 with the support of the UN Environment Programme (UNEP), has the mission of providing a reliable, credible framework for sustainability reporting that can be used by organisations regardless of their size, sector or location.

Late in 2006, the GRI issued its new G3 guide for drafting sustainability reports; this report was based on the G3 guidelines. Below are detailed the page numbers where this report addresses each of the indicators in the G3 guide and the sector supplement.

1. Strategy and analysis

Table of contents	Page	Description	Verification
1.1	4-7	Statement from the most senior decision-maker of the organisation (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organisation and its strategy.	√
1.2	4-7	Description of key impacts, risks, and opportunities.	√

2. Organisation profile

Table of contents	Page	Description	Verification
2.1	14	Name of the organisation.	√
2.2	18-19	Primary brands, products, and/or services. The reporting organization should indicate the nature of its role in providing these products and services, and the degree to which it utilizes outsourcing.	√
2.3	16-21	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	√
2.4	241, AR p251	Location of organisation's headquarters.	√
2.5	20-21	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	√
2.6	50, 51	Nature of ownership and legal form.	√
2.7	20-21, 77, AR p50-51	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	√
2.8	14-15	Scale of the reporting organization.	√
2.9	6-7, 17, AR p37-38	Significant changes during the reporting period regarding size, structure, or ownership (location of, or changes in operations, including facility openings, closings, and expansions; changes in the share capital structure and other capital formation, maintenance, and alteration operations).	√
2.10	24-27	Awards received in the reporting period.	√

3. Report parameters

Table of contents	Page	Description	Verification
Report profile			
3.1	199	Reporting period (e.g., fiscal/calendar year) for information provided.	√
3.2	198	Date of most recent previous report (if any).	√
3.3	198	Reporting cycle (annual, biennial, etc.).	√
3.4	225	Contact point for questions regarding the report or its contents.	√
Report scope and boundary			
3.5	198-201	Process for defining report content, including: determining materiality; prioritizing topics within the report; and identifying stakeholders the organization expects to use the report	√
3.6	200	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	√
3.7	200	State any specific limitations on the scope or boundary of the report.	√
3.8	200	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	√

3.9	98, 124, 149, 151, 184-185	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	√
3.10	69, 141	Explanation of the effect of any restatements of information provided in earlier reports, and the reasons for such restatement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	√
3.11	(1)	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	√

GRI content index

3.12	202-223	Table identifying the location of the Standard Disclosures in the report. Identify the page numbers or web links where the following can be found:	√
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Verification

3.13	200-201	Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance. Also explain the relationship between the reporting organization and the assurance provider(s).	√
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⁽¹⁾ There were no significant changes in the reporting period.

4. Governance, commitments and engagement

Table of contents	Page	Description	Verification
Government			
4.1	52-53, CGR p9-10, CGR p15, CGR p37-44	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight. Describe the mandate and composition (including number of independent members and/or non-executive members) of such committees and indicate any direct responsibility for economic, social, and environmental performance.	√
4.2	CGR p10	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organisation's management and the reasons for this arrangement).	√
4.3	53	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	√
4.4	56, 114-115, 125-129	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body. (The use of shareholder resolutions or other mechanisms for enabling minority shareholders to express opinions to the highest governance body; Informing and consulting employees about the working relationships with formal representation bodies such as organization level 'work councils', and representation of employees in the highest governance body. Identify topics related to economic, environmental, and social performance raised through these mechanisms during the reporting period).	√

4.5	CGR p17-19, AR p106-107	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance).	√
4.6	40, 53	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	√
4.7	54, CGR 24-25	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental, and social topics.	√
4.8	38-41	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	√
4.9	42-43, CGR p15, CGR p47-52	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles. Include frequency with which the highest governance body assesses sustainability performance.	√
4.10	54	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	√
Commitment to external initiatives			
4.11	CGR p46-52	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	√

4.12	24-27, 84	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses. (Include date of adoption, countries/operations where applied).	√
4.13	22-23	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: has positions in governance bodies; participates in projects or committees; provides substantive funding beyond routine membership dues; or views membership as strategic.	√

Stakeholder engagement

4.14	38-47	List of stakeholder groups engaged by the organization.	√
4.15	38-47	Basis for identification and selection of stakeholders with whom to engage. This includes the organisation's process for defining its stakeholder groups, and for determining the groups with which to engage and not to engage.	√
4.16	22-23, 44-47	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group. This could include surveys, focus groups, community panels, corporate advisory panels, written communication, management/union structures, and other vehicles. The organization should indicate whether any of the engagement was undertaken specifically as part of the report preparation process.	√

4.17	44-47	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	√
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5. Management approach & performance indicators

Product and service impact

Management approach				p90-93, p153-161
	Table of contents	Page	Description	Verification
P	FS1	90-93, 153-157	Policies with specific environmental and social components applied to business lines.	√
P	FS2	159-161	Procedures for assessing and screening environmental and social risks in business lines.	√
P	FS3	160-161	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions.	√
P	FS4	160-162	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	√
P	FS5	90-93, 145, 153, 158, 192	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities.	√

Product Portfolio

P	FS6	AR p50-51, AR p239-241	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector.	√
P	FS7	88-93	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	√
P	FS8	91-93, 153-156	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	√

Audit

P	FS9	124, 138	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	√
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Active Ownership

P	FS10	90-93, 153-155	Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues.	√
P	FS11	90-93, 153-156	Percentage of assets subject to positive and negative environmental or social screening.	√
P	FS12	90-93	Voting polic(ies) applied to environmental or social issues for shares over which the reporting organisation holds the right to vote shares or advises on voting.	√

Economic dimension

Management approach

	Table of contents	Page	Description	Verification
Management approach: Economic performance				p15
P	EC1	15	Economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	√
P	EC2	148-158	Financial implications and other risks and opportunities for the organization's activities due to climate change.	√
P	EC3	119-121	Coverage of the organization's defined benefit plan obligations.	√
P	EC4	(2)	Significant financial assistance received from government.	√
Management approach: Market presence				p106, p170-171
A	EC5	112-113	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	√
P	EC6	170-171	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	√
P	EC7	106	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	√

⁽²⁾ No significant financial aid, only tax credits.

Management approach: Indirect economic impacts				p 15
P	EC8	88-89, 154-155	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	√
A	EC9	15	Understanding and describing significant indirect economic impacts, including the extent of impacts.	√

Environmental dimension

	Table of contents	Page	Description	Verification
Management approach: Materials				p144-147
P	EN1	143-144	Material used by weight or volume.	√
P	EN2	146-147	Percentage of materials used that are recycled input materials.	√
Management approach: Energy				p151
P	EN3	151	Direct energy consumption by primary energy source.	√
P	EN4	149	Indirect energy consumption by primary source.	√
A	EN5	141	Energy saved due to conservation and efficiency improvements.	√
A	EN6	141-142, 153-156	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	√

A	EN7	152	Initiatives to reduce indirect energy consumption and reductions achieved.	√
Management approach: Water				p143
P	EN8	143	Total water withdrawal by source.	√
A	EN9	143	Water sources significantly affected by withdrawal of water.	√
A	EN10	143	Percentage and total volume of water recycled and reused.	√

Management approach: Biodiversity

P	EN11	(3)	Description of land adjacent to or within protected natural areas and areas of high biodiversity value outside protected areas. Indicate the location and size of land owned, leased or managed in protected areas and areas of high biodiversity value outside protected areas.	√
P	EN12	(4)	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	√
A	EN13	(4)	Habitats protected or restored.	√
A	EN14	(4)	Strategies, current actions, and future plans for managing impacts on biodiversity.	√

⁽³⁾ Banco Sabadell does not own, lease or manage any land in protected areas or areas with a high biodiversity value.

⁽⁴⁾ Banco Sabadell's activities do not have a material impact on biodiversity or protected areas.

A	EN15	(4)	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	√
Management approach: Emissions, effluents and waste				p146-149
P	EN16	149	Total direct and indirect greenhouse gas emissions by weight.	√
P	EN17	152	Other relevant indirect greenhouse gas emissions by weight.	√
A	EN18	148-152	Initiatives to reduce greenhouse gas emissions and reductions achieved.	√
P	EN19	149	Emissions of ozone-depleting substances by weight.	√
P	EN20	(5)	NO _x , SO _x , and other significant air emissions by type and weight.	√
P	EN21	143	Total water discharge by quality and destination.	√
P	EN22	146-147	Total weight of waste by type and disposal method.	√
P	EN23	(6)	Total number and volume of significant accidental spills.	√
A	EN24	(7)	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	√

⁽⁵⁾ Banco Sabadell does not have significant emissions of NO_x or SO_x.

⁽⁶⁾ No significant accidental spillage was registered during the year.

⁽⁷⁾ Not applicable. The group does not transport, import, export or process materials classified as hazardous under the Basel Convention.

A	EN25	123	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	√
Management approach: Products and services				p145, p147
P	EN26	140-147	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	√
P	EN27	(8)	Percentage of products sold and their packaging materials that are reclaimed by category.	√
Management approach: Compliance				
P	EN28	(9)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	√
Management approach: Transport				p152
A	EN29	152	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	√
Management approach: General				
A	EN30	(10)	Total environmental protection expenditures and investments by type.	√

⁽⁸⁾ Not applicable. The bank offers financial products and services; accordingly, there is no possibility for recovery at the end of their useful lives.

⁽⁹⁾ None in 2010.

⁽¹⁰⁾ Datum not available. Environmental expenditure and investments are distributed among a number of departments.

	Table of contents	Page	Description	Verification
Management approach: Employment				p99-105
P	LA1	101-102, 104-105	Total workforce by employment type, employment contract, and region.	√
P	LA2	99-100, 102, 104-105, 109	Total number and rate of employee turnover by age group, gender, and region.	√
A	LA3	119-121	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	√
Management approach: Labour/management relations				p115
P	LA4	115	Percentage of employees covered by collective bargaining agreements.	√
P	LA5	115	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	√
Management approach: Occupational health and safety				p123-124
A	LA6	123	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes.	√
P	LA7	124	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	√

P	LA8	123-124	Education, training, counselling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases.	√
P	LA9	123	Health and safety topics covered in formal agreements with trade unions.	√
Management approach: Training and education				p111-112
P	LA10	111-112	Average hours of training per year per employee by employee category.	√
A	LA11	108-111	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	√
A	LA12	107-108	Percentage of employees receiving regular performance and career development reviews.	√
Management approach: Diversity and equal opportunity				p116-117
P	LA13	99-100, 117	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	√
P	LA14	114	Ratio of basic salary of men to women by employee category.	√

5.C. Social dimension: human rights

Management approach				
	Table of contents	Page	Description	Verification
Management approach: Investment and procurement practices				p90-93
P	HR1	40-41, 90-93	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	√
P	HR2	172	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	√
A	HR3	40	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	√
Management approach: Non-discrimination				
P	HR4	(11)	Total number of incidents of discrimination and actions taken.	√
Management approach: Freedom of association and collective bargaining				p114-115
P	HR5	114-115	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	√

⁽¹¹⁾ There were no incidents of discrimination.

Management approach: Child labour				p106
P	HR6	106	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	√
Management approach: Prevention of forced and compulsory labour				p106
P	HR7	106	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour.	√
Management approach: Security practices				p123-124
A	HR8	123-124	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	√
Management approach: Indigenous rights				
A	HR9	(12)	Total number of incidents of violations involving rights of indigenous people and actions taken.	√

⁽¹²⁾ There were no incidents of violation of indigenous rights in the reporting year.

Social dimension: Society

	Table of contents	Page	Description	Verification
Management approach: Community				p76-83, p184-185
P	SO1	66-70, 82-83, 184-185	Nature, scope, and effectiveness of any programmes and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	√
P	FS13	76-83	Access points in low-populated or economically disadvantaged areas by type.	√
P	FS14	76-83	Initiatives to improve access to financial services for disadvantaged people.	√
Management approach: Corruption				p30-32
P	SO2	30-32, 40, 171	Percentage and total number of business units analysed for risks related to corruption.	√
P	SO3	31- 32, 34, 171	Percentage of employees trained in organization's anti-corruption policies and procedures.	√

⁽¹³⁾ There were no corruption incidents during the reporting year.

⁽¹⁴⁾ The bank does not participate in setting public policy or engage in lobbying.

P	SO4	(13)	Actions taken in response to incidents of corruption. NA ¹⁵	√
Management approach: Public policy				
P	SO5	(14)	Public policy positions and participation in public policy development and lobbying.	√
A	SO6	(15)	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	√
Management approach: Anti-competitive behaviour				
A	SO7	(16)	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.	√
Management approach: Compliance				
P	SO8	(17)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	√

⁽¹⁵⁾ The bank does not make financial contributions to political parties or related institutions.

⁽¹⁶⁾ There were no monopolistic or anti-competitive practices in the reporting year.

⁽¹⁷⁾ The bank was fined on two occasions in 2010 for a total amount of 65,101.21 euro.

Social dimension: product responsibility

Management approach

	Table of contents	Page	Description	Verification
P	FS15	84	Policies for the fair design and sale of financial products and services.	√

Management approach

Management approach: Market communications				p84
P	PR1	84	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	√
A	PR2	(18)	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	√

Management approach: Product and service labelling

Management approach: Product and service labelling				p33-34
P	PR3	33-34, 84	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	√

A	PR4	(19)	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	√
A	PR5	66-70	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	√
P	FS16	86,192	Initiatives to enhance financial literacy by type of beneficiary.	√

Management approach: Market communications

Management approach: Market communications				p84
P	PR6	84	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	√
A	PR7	(18)	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.	√

Management approach: Customer privacy

A	PR8	223	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	√
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Management approach: Compliance

P	PR9	(18)	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	√
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⁽¹⁸⁾ There were no incidents in the reporting year

⁽¹⁹⁾ The bank was fined 400 euro on one occasion by the Andalusia Regional Government.

SUSTAINABILITY INDICATORS

Economic indicators

		2010	2009	2008	
Magnitudes					
Total assets	thousand euro	97,099,209	82,822,886	80,378,065	(1)
Gross loans and advances to customers, excluding repos	thousand euro	73,057,928	65,012,792	64,704,240	(1)
Income and earning performance					
Gross income	thousand euro	2,331,339	2,505,030	2,226,845	(1)
Operating profit before impairment and other provisions	thousand euro	1,136,304	1,325,477	1,114,613	(1)
Net attributable profit	thousand euro	380,040	522,489	673,835	(1)
Ratios					
Profitability and efficiency ratios					
ROA (Net profit / average total assets)	%	0.44	0.64	0.85	(1)
ROE (Net attributable profit / average shareholders' equity)	%	7.32	11.36	16.16	(1)
Cost:income (general administrative expenses / gross income)	%	46.2	43.05	43.97	(1)

		2010	2009	2008	
BIS capital ratios					
Core capital	%	8.2	7.66	6.67	(1)
Core capital (including generic provisions net of tax)	%	8.56	8.14	8.06	(1)
TIER I	%	9.36	9.1	7.28	(1)
TIER I (including generic provisions net of tax)	%	9.72	9.58	8.68	(1)
Risk management					
Loan loss ratio	%	5.01	3.73	2.35	(1)
Loan loss coverage ratio	%	56.6	69	106.9	(1)
Direct economic value generated					
Net sales plus revenues from financial investments and sales of assets (includes gross income and capital gains on sales of assets)	thousand euro	2,627,450	2,588,605		(1)
Economic value distributed					
Payments to suppliers	thousand euro	302,063	272,202		(1)
Personnel expenses (including benefits)	thousand euro	679,721	715,323		(1)
Income tax and other taxes	thousand euro	135,690	94,335		(1)
Community investments	thousand euro	2,656	2,619		(1)
Economic value retained					
(calculated as Economic value generated less Economic value distributed)	thousand euro	1,507,320	1,504,126		(1)

Corporate governance indicators

		2010	2009	2008	
Shares	number	1,263,630,834	1,200,000,000	1,200,000,000	(1)
Shareholders	number	126,263	89,910	88,289	(1)
Individual shareholders	%	62.1%	56.3%	57.6%	(1)
Institutional investors	%	37.9%	43.7%	42.4%	(1)
Capital represented at Ordinary General Meeting of Shareholders (actually present)	%	4.96%	6.20%	4.05%	
Capital represented at Ordinary General Meeting of Shareholders (by proxy)	%	62.33%	62.96%	66.63%	
Capital represented at Ordinary General Meeting of Shareholders (total)	%	67.29%	69.16%	70.68%	

Customer indicators

Accessibility

		2010	2009	2008	
Branches	number	1,467	1,214	1,247	(1)
ATMs	number	1,703	1,452	1,466	(1)
Distance banking contracts	%	50%	50%	49%	
Customers that are active users of distance banking	thousand	1,198	1,022	956	(2)
Customer use of the internet	%	76%	72%	65%	(3)

¹ The 2010 figure includes Banco Guipuzcoano.

² An "active customer" is defined as one who makes at least one transaction per quarter.

³ Percentage of total available transactions that are conducted via the internet.

		2010	2009	2008	
Customer accounts with e-mail	thousand	820	706	113	
Availability of BS Online service	%	99.92%	99.88%	98.97%	
Transactions/processes available on the web	number	553	548	522	
Number of customers receiving SMS messages (BS Móvil)	number	503,782	292,417	213,504	
SMS messages sent to customers via BS Móvil	thousand	9,115	4,937	4,304	
Telephone calls received	thousand	819	727	755	
Transactions and queries performed by telephone (thousand)	thousand	919	610	645	
Telephone banking accessibility	%	94.32%	91.38%	87.32%	(4)

Customer satisfaction

		2010	2009	2008	
Overall customer satisfaction with Banco Sabadell	scale of 1 to 7	5.94	5.68	5.78	
Overall customer satisfaction with branch	scale of 1 to 7	6.04	5.87	5.96	
Overall customer satisfaction with account manager	scale of 1 to 7	5.88	5.82	5.91	
Overall customer satisfaction with internet banking	scale of 1 to 7	6.15	6.08	5.95	

⁴ Percentage of calls received that the Contact Center was able to handle.

		2010	2009	2008	
Private customer satisfaction with Banco Sabadell in INMARK financial behaviour survey	scale of 0 to 10	7.92	7.37	8.26	
Overall private customer satisfaction in INMARK financial behaviour survey	scale of 0 to 10	7.76	7.58	8.18	
Business customer satisfaction with Banco Sabadell in INMARK financial behaviour survey	scale of 0 to 10	7.73	8.35	8.53	
Overall business customer satisfaction in INMARK financial behaviour survey	scale of 0 to 10	7.64	8.16	8.45	

Quality of service

Overall quality rating for the branch network (mystery shopper)	scale of 1 to 7	5.99	5.88	6.15	(5)
Overall quality rating for the branch network (telephone audits)	scale of 1 to 7	6.57	6.44	6.41	
Banco Sabadell rating in branch network objective quality ranking	scale of 1 to 7	7.41	7.45	7.38	(6)
Overall market rating in branch network objective quality ranking	scale of 1 to 7	6.11	6.61	6.77	(6)

⁵ The 2009 figure was recalculated to include cross-selling, in contrast with the 2009 figure.

⁶ Source: Stiga. the 2010 league table includes changes in the calculations of the indicators and recalculations of the previous editions' figures.

		2010	2009	2008	
Customer Care Service (SAC)					
Claims and complaints	number	3,184	3,006	2,116	
Breakdown of claims handled vs. complaints	%	50%	42%	42%	
Decisions by the Customer Care Service and Customer Ombudsperson in customer's favour	%	23%	25%	25%	
Decisions by the Customer Care Service and Customer Ombudsperson partly in customer's favour	%	10%	9%	8%	
Decisions by the Customer Care Service and Customer Ombudsperson reached by agreement with the customer	%	3%	1%	3%	
Decisions by the Customer Care Service and Customer Ombudsperson in Banco Sabadell's favour	%	64%	65%	64%	
Average response time for simple issues	days	5.98	9.85	6.76	
Average response time for issues of average complexity	days	10.54	16.63	7.95	
Average response time for complex issues	days	34.12	39.30	30.92	

		2010	2009	2008	
Responsible products and services					
Urquijo Cooperación SICAV					
Fee assigned to NGO (% of assets)	%	0.6%	0.6%	0.6%	
Fee assigned to NGO (% of assets)	euro	56,003.54	52,629.70	89,934.96	
SICAV assets	thousand euro	10,020.73	10,089.47	8,885.94	
SICAV shareholders	number	174	155	101	
Urquijo Inversión Ética y Solidaria FI					
Fee assigned to NGO (% of assets)	%	0.35%	0.35%	0.35%	
Fee assigned to NGO (% of assets)	euro	13,110.36	42,314.36	199,028.70	
Fund assets	thousand euro	4,859.10	4,078.93	4,311.14	
Fund investors	number	183	178	205	
Plan de pensiones ético y solidario					
Fee assigned to NGO (% of assets)	%	0.50%	0.50%	0.50%	
Fee assigned to NGO	euro	13,609.09	12,005.09	21,696.65	
Pension plan assets	thousand euro	4,643.52	4,494.16	3,886.93	
Pension plan investors	number	464	439	749	

		2010	2009	2008	
BS Assured Future Plan					
Fee assigned to NGO (% of assets)	%	0.70%	0.70%	-	
Endowment insurance assets	thousand euro	3.83	2.06	-	
Number of insurance policies	number	2,062	1,666	-	

Workforce indicators

Workforce description

Group workforce (including BG) at year-end	number	10,777	9,466	9,929	(1)
Group workforce at year-end	number	9,624	9,466	9,929	
Equivalent average workforce	number	9,743	9,625	10,122	(7)
Domestic workforce at year-end	number	9,000	9,171	9,631	
International workforce at year-end	number	624	295	298	
Workforce gender split (male)	%	53%	54%	55%	(8)
Workforce gender split (female)	%	47%	46%	45%	(8)
Male clerical staff (%)	%	40%	41%	43%	(8)

⁷ Calculated by adding up the personnel at month-end.

⁸ Group workforce at year-end.

		2010	2009	2008	
Female clerical staff (%)	%	60%	59%	57%	(8)
Male managers (%)	%	72%	73%	74%	(8)
Female managers (%)	%	28%	27%	26%	(8)
Male senior managers (%)	%	92%	92%	92%	(8)
Female senior managers (%)	%	8%	8%	8%	(8)

Workforce rotation

		2010	2009	2008	
Personnel terminated	number	103	187	307	
Resignations	%	0.43%	0.54%	2.29%	(9)
Dismissals	%	0.36%	0.65%	0.34%	(9)
Discharge due to finalisation of contract	%	0.23%	0.74%	0.51%	(9)
Discharge due to pre-retirement and retirement	%	0.04%	0.01%	0.04%	(9)

Training

		2010	2009	2008	
Investment in training as a % of personnel expenses	%	0.42%	0.42%	0.71%	
Training actions	number	57,881	67,128	48,738	

		2010	2009	2008	
Employees who received training	%	90%	99%	94%	
Training during working hours	%	70%	70%	70%	
Investment in training per employee	euro/employee	316.99	313.42	454.41	
Hours of training per employee	hours	29	26	29	

Compensation

		2010	2009	2008	
Average compensation for male clerical staff	euro	33,955	33,372	32,398	
Average compensation for female clerical staff	euro	31,793	31,035	30,063	
Average compensation for male managers	euro	53,301	52,479	50,898	
Average compensation for female managers	euro	49,635	48,914	47,565	
Average compensation for male senior managers	euro	92,635	90,500	87,632	
Average compensation for female senior managers	euro	89,012	86,450	82,024	
Personnel with variable compensation	%	87.36%	70%	69%	
Personnel with flexible remuneration	%	19%	17%	-	

⁹ Figures calculated for the Group average workforce.

		2010	2009	2008	
Work-life balance					
Employees with a shorter working day at their own request	number	230	210	201	
Employees with paternity leave	number	145	154	-	
Employees with accumulated breastfeeding leave	number	206	232	199	
Safety and well-being					
Periodic prevalence index	%	4.41%	-	-	(10)
Seriousness index	%	2.25%	-	-	(11)
Seriousness index	%	2.60%	-	-	(12)
Frequency Rate	%	0.10%	-	-	(13)
Workforce participation					
Ideas received at BS Idea	number	3,173			
Ideas rewarded at BS Idea	number	185			

¹⁰ (employees on disability leave/total employees) x 100

¹¹ (days lost/total working days) x 100

¹² (days lost/total working days) x 1000

¹³ (number of accidents leading to days lost/total working days) x 1000

Environmental indicators

		2010	2009	2008	
Buildings certified to ISO 14001	number	4	4	3	(14)
Employees working at certified locations	%	15%	15%	14%	
Resource consumption					
Electricity consumption in Spain	MWh	44,607	54,414	-	
Electricity consumption at corporate headquarters	MWh	16,742	17,344	18,797	(15)
Electricity consumption in Spain, per employee	MWh/e	5.0	5.9	-	
Electricity consumption at corporate headquarters, per employee	MWh/e	5.9	6.2	6.4	(15)
Water consumption in Spain	euro	379,350	377,270	355,850	
Water consumption at corporate headquarters	m3	50,042	46,417	36,363	(15)
Water consumption in Spain, per employee	euro/e	42.2	41.1	36.9	
Water consumption at corporate headquarters, per employee	m3/e	17.6	16.6	12.3	(15)
Paper consumption in Spain	t	551.13	616.85	716.09	(16)

¹⁴ Buildings certified at year-end: corporate headquarters, Sabadell, Barcelona; Centro Banco Sabadell, Sant Cugat del Vallès, Barcelona; Torre BancSabadell, Barcelona; Edificio Serrano, Madrid.

¹⁵ Data for Spain.

¹⁶ All data related to paper consumption in Spain refers to A4 size.

		2010	2009	2008	
Paper consumption at corporate headquarters.	t	132.7	221.29	196.28	(16)
Paper consumption in Spain, per employee	kg/e	61	67	74	(16)
Paper consumption at corporate headquarters, per employee	kg/e	46	79	67	(16)
Use of recycled paper in Spain	%	23	26	18	(16)
Use of recycled paper at corporate headquarters	%	83	71	67	(16)

Waste generation

Paper and cardboard waste in Spain	t	744.94	746.17	728.68	
Paper and cardboard waste in Spain, per employee	kg/e	82.8	81.4	75.7	
Toner waste in Spain, per employee	units/e	1.22	1.26		

Inventory of emissions of CO₂

Total emissions generated by Banco Sabadell in Spain (scopes 1, 2 & 3)	tonnes of CO ₂	19,313	23,695	-	(17)
Scope 1 (direct activities: emissions generated by company installations and vehicles)	tonnes of CO ₂	349	354	-	(17)

		2010	2009	2008	
Breakdown of scope 1: gasoil consumption (electricity generators and fire-fighting equipment)	tonnes of CO ₂	11	13	-	(17)
Breakdown of scope 1: propane gas consumption (propane gas boilers)	tonnes of CO ₂	4	4	-	(17)
Breakdown of scope 1: natural gas consumption (boilers, foodservice and humidification equipment)	tonnes of CO ₂	192	182	-	(17)
Breakdown of scope 1: company vehicles (owned or leased)	tonnes of CO ₂	142	155	-	(17)
Scope 2 (indirect activities: emissions due to electricity consumption nationwide)	tonnes of CO ₂	17,397	21,288	-	(17)
Scope 3 (other indirect activities: emissions due to business trips)	tonnes of CO ₂	1,867	2,054	-	(17)
Breakdown of scope 3: plane trips	tonnes of CO ₂	924	1,074	-	(17)
Breakdown of scope 3: train trips	tonnes of CO ₂	26	48	-	(17)
Breakdown of scope 3: vehicles (except company vehicles)	tonnes of CO ₂	917	932	-	(17)

¹⁷ Banco Sabadell reports its emissions of CO₂ in accordance with "The GHG Protocol. A Corporate Accounting and Reporting Standard. Revised edition", using the operational control and centralised roll-up methods.

		2010	2009	2008
Renewable energy				
Direct investment				
Attributable installed capacity in renewable energy	MW	108.58	119.79	-
Attributable renewable energy (wind)	%	74.8%	77.6%	-
Attributable renewable energy (biomass)	%	0.6%	0.51%	-
Attributable renewable energy (biogas)	%	0.2%	0.2%	-
Attributable renewable energy (photovoltaic)	%	7.8%	5.84%	-
Attributable renewable energy (small hydro)	%	16.6%	15.85%	-
Financing of facilities				
Renewable energy projects financed (wind)	MW	9,752	8,900	-
Renewable energy projects financed (solar thermal)	MW	660	560	-
Renewable energy projects lead managed (small hydro)	MW	117	117	-
Renewable energy projects lead managed (photovoltaic)	MW	103	103	-
Renewable energy projects lead managed (biomass)	MW	80	80	-

Supplier indicators

		2010	2009	2008
Main suppliers	number	64	71	-
Total suppliers	number	234	250	-

Social and cultural action indicators

Investment in social and cultural action	euros	2,505,874	2,618,928	3,867,999	⁽¹⁸⁾
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Reason for investment

Social investment	%	82.3%	-	-
Sporadic contributions	%	14.4%	-	-
Initiatives aligned with the business	%	3.3%	-	-

Type of contribution

Time contribution to investment	%	11%	-	-
Monetary contribution to investment	%	89%	-	-

Areas of action

Aid and solidarity	%	10%	-	-
Culture	%	28%	-	-
Economic development	%	6%	-	-
Training and education	%	28%	-	-
Social integration	%	7%	-	-
Medical research and healthcare	%	8%	-	-
Other	%	13%	-	-

¹⁸ The 2010 figure is not comparable to previous years because of a change in methodology.

CONTACT US

At Banco Sabadell, we see the Corporate Social Responsibility Report as a tool that can help to stimulate dialogue with our stakeholders and with the community in general. Therefore, we would be grateful if you would give us your opinion and any comments or suggestions you may have.

If you require further information about Banco Sabadell in connection with its corporate social responsibility or any other aspect of our organisation, please contact us at the following addresses by: letter, e-mail or fax.

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