
2011 CORPORATE SOCIAL RESPONSIBILITY REPORT

CHAIRMAN'S MESSAGE

In a year marked by a complex economic and financial situation, Banco Sabadell underwent an important transformation, all the while maintaining its high level of commitment to society and stakeholders.

The three main vectors of the CREA Plan— growth, profitability and efficiency—enabled us to improve business margins and maintain liquidity in 2011.

Banco Sabadell ensured access to credit for its customers, supporting their personal and business projects and contributing to economic growth. In 2011, the bank provided 2.292,5 billion euro in funding to self-employed workers and SMEs. The Bank was named “Bank of the Year 2011” by the Madrid Region Confederation of Retailers, Self-Employed and Services Entrepreneurs (CECOMA) for its financial services to SMEs and support for their modernisation.

Banco Sabadell continues to focus its financial activity on sustainability. It became the fifth Spanish bank to adhere to the Equator Principles, and the BanSabadell 25FP fund signed the United Nations Principles for Responsible Investing in 2011.

We maintained our policy of intense funding for, and investment in, renewable energies. Close to 1 billion euro were allocated to structured finance, of which 72% are for renewable energy projects. The bank has also invested 6.7 million euro directly in renewable energies.

The ethical and solidarious investment products had 18.9 million euro in assets under management in 2011, and donated 138,792 euro out of their management fees to aid and humanitarian projects.

Banco Sabadell launched a campaign with a vision of tomorrow's society, based on a series of short films entitled “[Conversations about the future](#)”, in which stars including Estrella Morente, José Luis Rojas Marcos, Luz Casal and Geraldine Chaplin offer their particular vision of the future. The goal was to inspire consumers and customers to reflect on their ability to save and on their future, after retiring. The bank also improved its savings and pension products and made a savings plan simulator available to consumers.

The slogan “[This is not remote banking, it's taking the bank with you](#)” highlighted Oficina Directa's multi-channel services, going one step further towards a new customer relations model. Customers can do their banking on-line, on the phone or from our cash machines; they can perform most transactions without having to visit a branch office.

In recent years, the bank has focused in particular on involving employees, customers and consumers in shared value creation via new collaborative environments. Banco Sabadell is a pioneer in its use of social networks as a customer service channel. [It currently offers customer service on Twitter, Facebook and Google+](#), and has its own [Flickr page](#) and [YouTube channel](#) as well as a [website for suggestions](#), where clients and consumers can propose improvements and new ideas for products and services.

Social and cultural investment through the Banco Sabadell Foundation, the Banco Herrero Foundation, and the Sponsorship Commission amounted to 3.3 million euro, exceeding last year's figure. In response to the current economic situation, the bank has maintained its contribution to the community and its support for social and cultural projects, which have been particularly affected by the crisis.

Following the adjudication of Banco CAM, Banco Sabadell set a goal to identify risks and opportunities in corporate social responsibility to maximise value creation and to meet stakeholder expectations. Under the slogan “You CREAtE the bank we want to be”, the bank's employees have been directly involved in the corporate transformation process.

José Oliu Creus,
president

CONTRIBUTING TO ECONOMIC DEVELOPMENT

GROWTH, PROFITABILITY AND EFFICIENCY

1,537,263

Net interest income
(thousand euro)

231,902

Net attributable profit
(thousand euro)

10.30*

Core capital (percentage)

*The 2011 figure includes a €718 million buyback of preferred securities in exchange for ordinary shares.

ENSURE ACCESS TO CREDIT

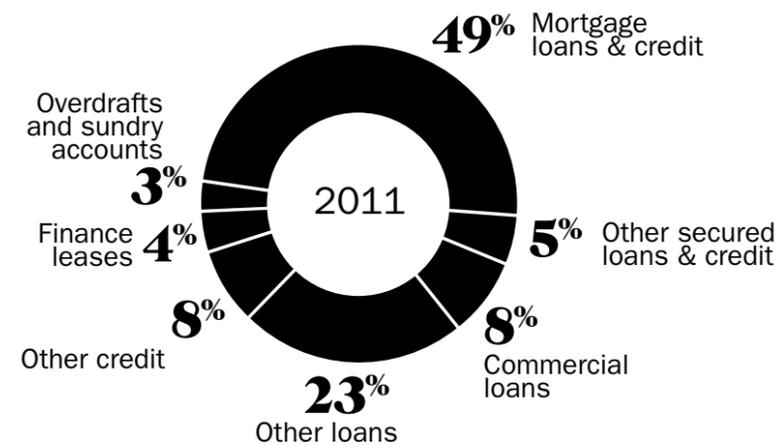
73,635,342

Gross lending to customers
(thousand euro)

International presence



Loans to customers



2011 PROGRESS

Support for self-employed workers and SMEs

2,292.5 billion

Banco Sabadell provided **2,292.5 billion euro** in loans to SMEs and self-employed workers.

The Madrid Region Confederation of Retailers, Self-Employed and Services Entrepreneurs (CECOMA) named Banco Sabadell **“Bank of the Year 2011”** for its financial services to SMEs and support for their modernisation.

Sustainability and excellence

Banco Sabadell remains in the sustainability indices



And maintains its management excellence seals



FINANCIAL ACTIVITY AND SUSTAINABILITY

INVESTMENT AND FUNDING FOR RENEWABLE ENERGIES

72%

of structured finance projects correspond to renewable energy facilities

6.7 million euro

Investment in renewable energy projects (thousand euro)

OPERATING LEASES (RENTING)

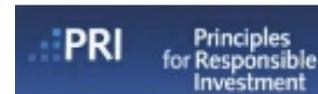
Operating lease products for energy efficiency and photovoltaic panels, aimed at individuals and companies

SOCIALLY RESPONSIBLE INVESTING

Banco Sabadell offers **ethical and solidarious investment** products:

- Urquijo Inversión Ética y Solidaria, FI
- Urquijo Cooperación SICAV
- Plan de Pensiones Ético y Solidario
- BS Ahorro Futuro

BanSabadell 25FP adhered to the **United Nations Principles of Responsible Investment** in the asset owner category



ICO CREDIT LINES

Signed the following credit lines: ICO Inversión Sostenible 2011, ICO Inversión 2011, ICO liquidez 2011, ICO Internacional 2011, ICO Mejorar competitividad 2011

2011 PROGRESS

- In 2011, Banco Sabadell provided more than **659 million euro to finance renewable energy projects.**
- Banco Sabadell became the fifth Spanish financial institution to adhere to the Equator Principles.



- In 2011, the fee from socially responsible investment products donated to NGOs was **138,792 euro**, i.e. 68% more than in 2010.
- Banco Sabadell ranked fifth among banks handling ICO credit lines, having lent **1.934 billion euro.**
- The **Conversations about the Future** campaign was launched, aiming to inspire consumers and customers to reflect on their ability to save and on their future, after retiring. The bank has improved its pension plan offer, and has made a savings plan simulator available to customers and consumers.

A NEW CUSTOMER RELATIONS MODEL

FIGURES

2,340,670 individuals

1,339 branches in Spain

349,744 companies

1,179 cutting-edge ATMs

14,274 followers on Twitter and Facebook

This is not remote banking, it's taking the bank with you.

Customers can choose the channel through which they wish to be attended at any time (phone, email, Twitter, Facebook, Google+). With **Oficina Directa**, a team of managers is available every day, 24 hours a day, to respond to queries and requests.



Banco Sabadell created the **Finanzas Personales** personal finance service to help individuals with their home budget organisation and management

7.92/10

satisfaction level

among Banco Sabadell's
private customers

7.73/10

satisfaction level

among Banco Sabadell's
business customers

2011 PROGRESS

Shared value creation

The bank is implementing a new customer and client relations model. In 2011, **Twitter.com verified the bank's customer service account, @BancoSabadell**, and a help area was set up on the bank's Facebook page.

Consumers and clients can send their comments, suggestions and requests via social media or the specific platform for this purpose, at **feedback.bancsabadell.com**. Customers' and employees' suggestions and ideas have been used to create new products and services, opening up a new channel for cooperation between stakeholders and the bank.

Innovation and proximity

The bank launched **Instant Check** in 2011, a service which allows customers to deposit cheques by taking a photo with their mobile.

Oficina Directa was reinforced as a customer management support tool. "This is not remote banking, it's taking the bank with you"; no matter where they are, Banco Sabadell customers can perform most of their transactions 24 hours a day, 7 days a week, using their mobile phones.

Quality of service

The market survey entitled "Financial behaviour of individuals in 2011", performed by the specialised consulting company FRS Inmark, ranks Banco Sabadell as the **leader in terms of satisfaction** among individual customers. With respect to Spanish SMEs, Banco Sabadell maintains its long-standing leading position in terms of quality of service for business customers.

OUR EMPLOYEES CREATE THE BANK WE WANT TO BE

EMPLOYEE PROFILE

10,675 employees



99.65% indefinite contracts

30 different nationalities

63% of promotions are for women

22h of training per employee

PARTICIPATION IN THE BANK'S FUTURE

2,000 ideas, more than 2,100 comments and 19,800 votes on the BS Idea platform.

Employee participation in corporate volunteer programmes

SOCIAL BENEFITS

Unpaid leave (for maternity or to care for a relative)

Shorter working day (paid or unpaid, or for breastfeeding leave)

Special leave

Paternity leave

Flexitime

210 employees with a **shorter working day** (unremunerated)

203 employees with **paternity leave**

180 employees with accumulated **breastfeeding** leave

81%

of employees feel proud of their achievements

58%

of employees consider the bank is a great place to work

2011 PROGRESS

Leadership and training

The executive development programme has been expanded to include the bank's top 300 executives.

The **Corporate Management programme** for employees was launched with a focus on leadership, future heads of department and corporate managers with personnel reporting to them.

The third edition of the **LAUDE programme** commenced, which gives credit for in-house training of Banco Sabadell employees towards academic degrees at the University of Barcelona.

Shared value creation

In 2011, Banco Sabadell proposed a motivational challenge to its employees "**You CREATE the bank that we want to be**", since their innovation and commitment are key for transforming the organisation.

Equality and integration

The **Equality Plan** was rolled out in accordance with the deadlines established in the agreement with workers' representatives.

Banco Sabadell collaborated with ESADE in organising the **Women and Leadership Forum** with a view to raising awareness about women's managerial skills in business.

FACILITIES AND ENVIRONMENTAL MANAGEMENT

CERTIFICATIONS

The new Centro Banco Sabadell building complies with **LEED-NC** (New Construction) sustainable building certification requirements



Member of the **EU GreenBuilding Programme** for the sustainable construction of its Polinyà logistics centre



5 buildings certified to **ISO 14001**



85%

85% of the branch network is equipped with a centralised lighting and climate control system

78%

78% of paper is recycled at corporate headquarters

E-mail communication with customers was fully implemented

58%

58% of suppliers evaluated with ISO 14001/EMAS

Environmental clauses in supplier contracts

2011 PROGRESS

“Paperless office” creates a new work culture in the bank branch. Customers sign electronically, using tablets, eliminating physical archives. The first transactions adapted to use tablets are cash deposits and withdrawals.

“Connect with the environment” on-line guide was launched.

COMMITMENT TO SOCIETY

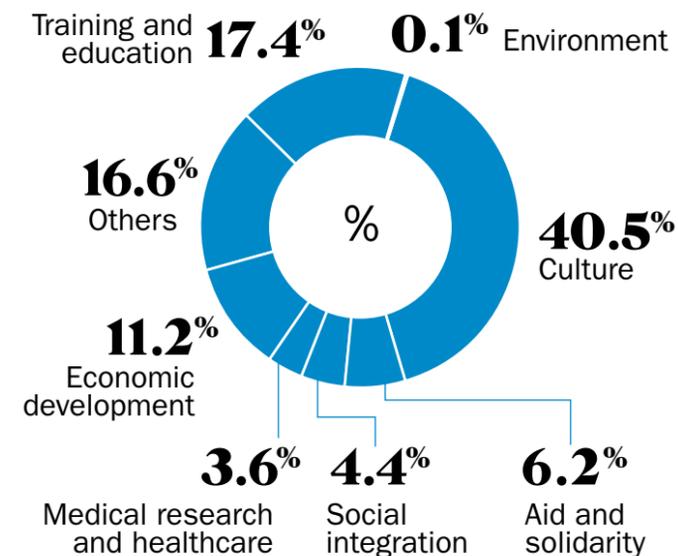
SOCIAL AND CULTURAL ACTION

Banco Sabadell operates in this area through the **Banco Sabadell Foundation**, the **Banco Herrero Foundation**, and **Banco Sabadell’s Sponsorship Commission**

3,324,704

euro invested in social and cultural action

Areas of action



2011 PROGRESS

The investment in social and cultural action **was increased**.

The **10th Herrero Foundation Award** was given to the economist Marta Reynal Querol for her research into the relations between economics, ethnic diversity and civil conflict.

The **6th Banco Sabadell Award for Biomedical Research** was granted to Dr. Óscar Fernández-Capetillo, aged 36, Leader of the Genomic Instability Group at the Spanish National Cancer Research Centre (CNIO).

The **4th UPF Emprèn award**, organised by the Pompeu Fabra University’s Social Council and the Banco Sabadell Foundation, encourages entrepreneurship among university students. The FINIBER Sports Innovation project was distinguished in 2011.

BALANCED CORPORATE GOVERNANCE

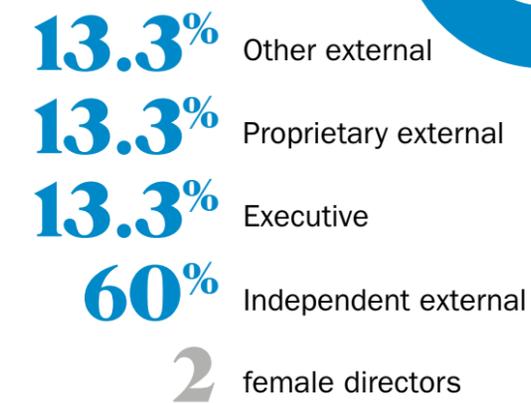
SHAREHOLDERS

127,310

shareholders



Board of Directors



A high degree of compliance with corporate governance recommendations. According to its most recent **corporate governance report**, of the 58 recommendations in the Unified Code of Good Governance, Banco Sabadell complies with 51 and explains two, and five are not applicable.

2011 PROGRESS

Banco Sabadell has adapted to the new **transparency** requirements of the Sustainable Economy Act and the new Spanish Capital Companies Act, and it supplements its Annual Corporate Governance Report with information about its internal oversight and risk control systems and its policy on directors' remuneration.

THE BANK WITH A FOCUS ON THE FUTURE KEEPING TOMORROW IN MIND

Following the adjudication of CAM, Banco Sabadell's goal is to complete its operational integration in 2012, with a view to identifying risks and opportunities in terms of corporate social responsibility so as to maximise value creation and meet stakeholder expectations.

As part of the business growth objectives set out in the 2011-2013 CREA Strategic Plan, the bank will maintain quality and excellence in service



“A new Banco Sabadell will emerge in 2012”

José Oliu Creus

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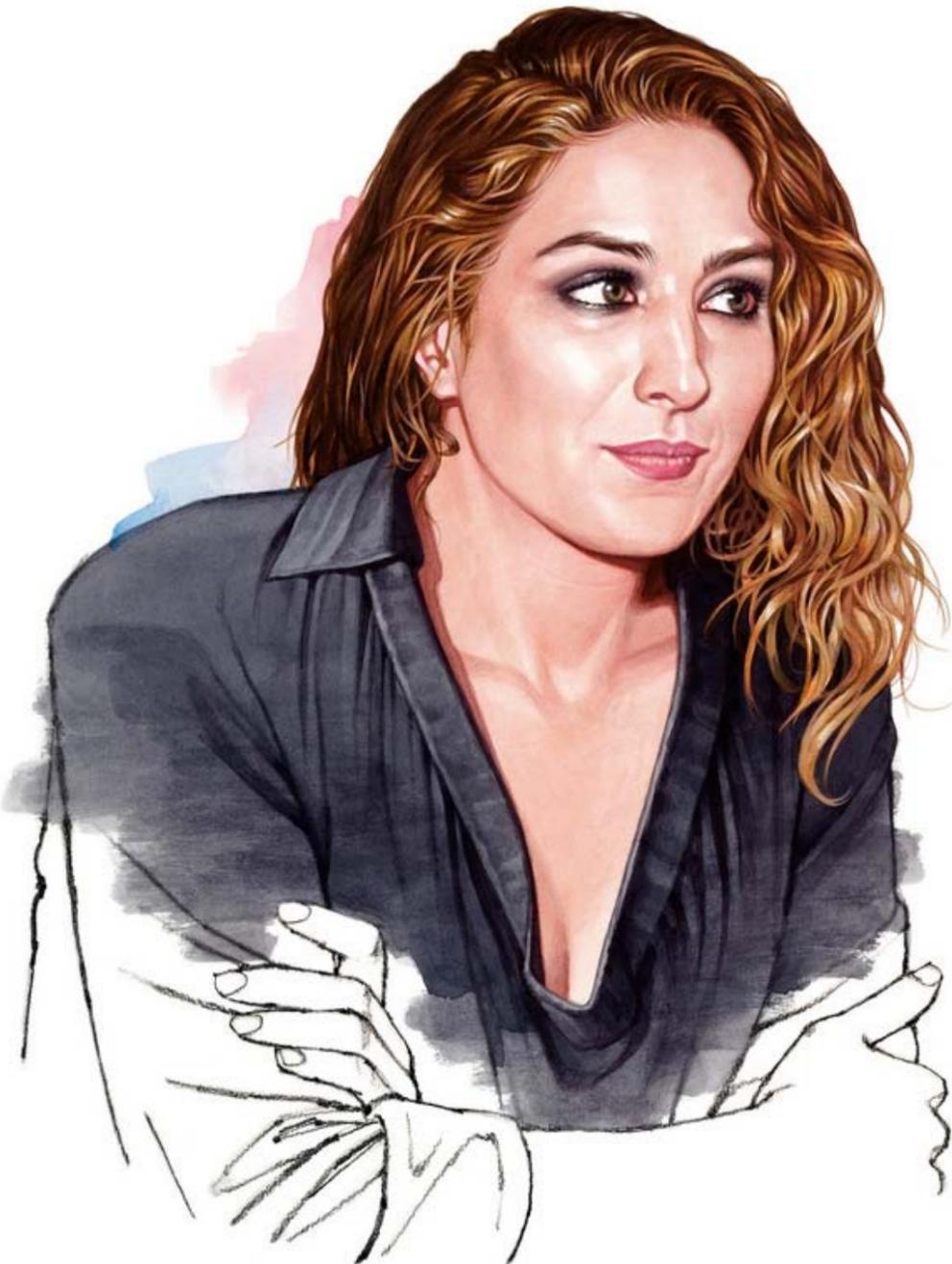
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"Happiness or, rather, what we understand by happiness, is something you've got to transmit, share, sing from the rooftops; it's what makes you feel good ... and makes us better as people."

*Estrella Morente,
31 years old, Granada-born, mother of two, daughter of Enrique Morente and Aurora Carbonell. Flamenco singer.*



CSR AT BANCO SABADELL

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AN ESTABLISHED SOCIAL RESPONSIBILITY APPROACH

Banco Sabadell's corporate social responsibility model is applied to all of its business areas and is based on the international policies and initiatives to which the bank adheres. In recent years, the bank has developed technology which favours interaction with stakeholders and encourages the creation of shared value.

Banco Sabadell has a track record of almost a decade in corporate social responsibility. During that time, the bank has adapted to the new suggestions and needs of its stakeholders and society in general. To that end, the bank subscribes to the renewed EU strategy 2011-14 for Corporate Social Responsibility, in which the Commission puts forward a new definition of CSR as “the responsibility of enterprises for their impacts on society. Respect for applicable legislation, and for collective agreements between social partners, is a prerequisite for meeting that responsibility.

To fully meet their corporate social responsibility, enterprises should have in place a process to integrate social, environmental, ethical, human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders." The goal is to maximise the creation of shared value for stakeholders, and to identify, prevent and mitigate their possible adverse impacts on society. One of

the main horizontal aspects of corporate social responsibility in the financial sector is prevention of money laundering. Banco Sabadell applies several group-wide tools to all of its activities to prevent fraud and money laundering.

The group's business [mission](#) and values have undergone transformation, innovation and shared value creation processes which align Banco Sabadell with this new definition. The bank interacts with employees, customers, consumers, suppliers, institutions and organisations in Spain and elsewhere, enhancing shared value creation.

"Corporate social responsibility increasingly focuses on the business activity itself, on how the company operates its business"

The Compliance, CSR and Corporate Governance Department coordinates the [corporate social responsibility policies](#) approved by the Board of Directors, and has designed specific programmes in the framework of the CREA 2011-2013 strategic plan. Initiatives led by different areas of Banco Sabadell have strengthened its commitment to stakeholders and society in general.

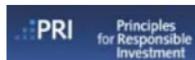
Corporate social responsibility initiatives



Signed the United Nations Global Compact. The Global Compact network assigned an advanced rating to Banco Sabadell's [2010 Communication on Progress](#).



Signed the [Equator Principles](#).



[United Nations Principles for Responsible Investment \(UNPRI\)](#).



Signed the [Carbon Disclosure Project](#).



[Global Reporting Initiative](#).



Banco Sabadell used international standard ISO 26000 as a guide for integrating social responsibility in its values and practices.



Since 2008, Banco Sabadell has been included in the [FTSE4Good](#) and [FTSE4Good IBEX](#) sustainability indices and is a member of the [Ethibel Investment Register](#).



The [Seal of Excellence](#) granted by the European Foundation for Quality Management (EFQM), and the [Madrid Excelente seal](#).



[ISO 9001](#) certification for 100% of financial processes and activities in Spain.



Environmental management systems at five corporate headquarters, certified to [ISO 14001](#).



The new Centro Banco Sabadell building complies with [LEED-NC \(New Construction\)](#) sustainable building certification requirements.



Member of the EU [GreenBuilding Programme](#) for the sustainable construction of its Polinyà logistics centre.



Member of [Catalonia's 2026.CAT Sustainable Development Strategy Advisory Board](#).

SHARED VALUE CREATION

Banco Sabadell's CREA 2011-2013 strategic plan pursues the sustainability and excellence of the bank in an adverse economic scenario and at a time of profound changes in customer relations. In recent years, the bank has focused in particular on involving employees, customers and consumers in shared value creation and has developed tools for channelling innovation.

In 2011, Banco Sabadell proposed a motivational challenge to its employees **"to create the bank that we want to be"**, since their innovation and commitment are key for transforming the organisation. Every Banco Sabadell employee has a say in what to change about the company and how to do it, with a view to enhancing business growth and sustainability. The employees have mechanisms and platforms for cooperating in the innovation process.

All employees can use the BS Idea portal to communicate ideas to the company and share them with their colleagues. The portal enables others to comment and suggest improvements in a collaborative environment. A total of 80% of employees are registered users; an average of 216 ideas are received each month, about 135 ideas are distinguished per year, and highly-valued ideas are recognised and implemented by the bank. Not only can employees propose ideas freely using this platform, but the bank also launches specific challenges to encourage reflection and creativity in certain innovation niches.



Member of the [Department of Applied Ethics at the Ethos Ramon Llull Foundation](#), which focuses on research and academic work on business and professional ethics, corporate social responsibility and educational strategies for raising awareness about ethics.



Executive President of [Club de Excelencia en Gestión in Catalonia](#).



Collaborating on the [RSE-PYME Initiative](#) (CSR-SME Initiative), promoted by Spain's Official Credit Institute (ICO) and the Spanish Global Compact Network to raise awareness about social responsibility among Spanish SMEs



Member of the [Madrid Excelente Foundation's Council of Experts](#)



Member of the Advisory Board of the [Luis Vives Foundation's Corporate Social Responsibility magazine](#).



Member of the Environment Committee at the [Spanish Association for Quality \(AEC\)](#).



Member of the external corporate social responsibility committee for the company [SECE](#).

Opinions of employees who have participated in BS Idea

"Although sometimes it's hard to find the time, I personally like to know where the bank is going, and I view the opinions of others as very positive because they offer different perspectives."

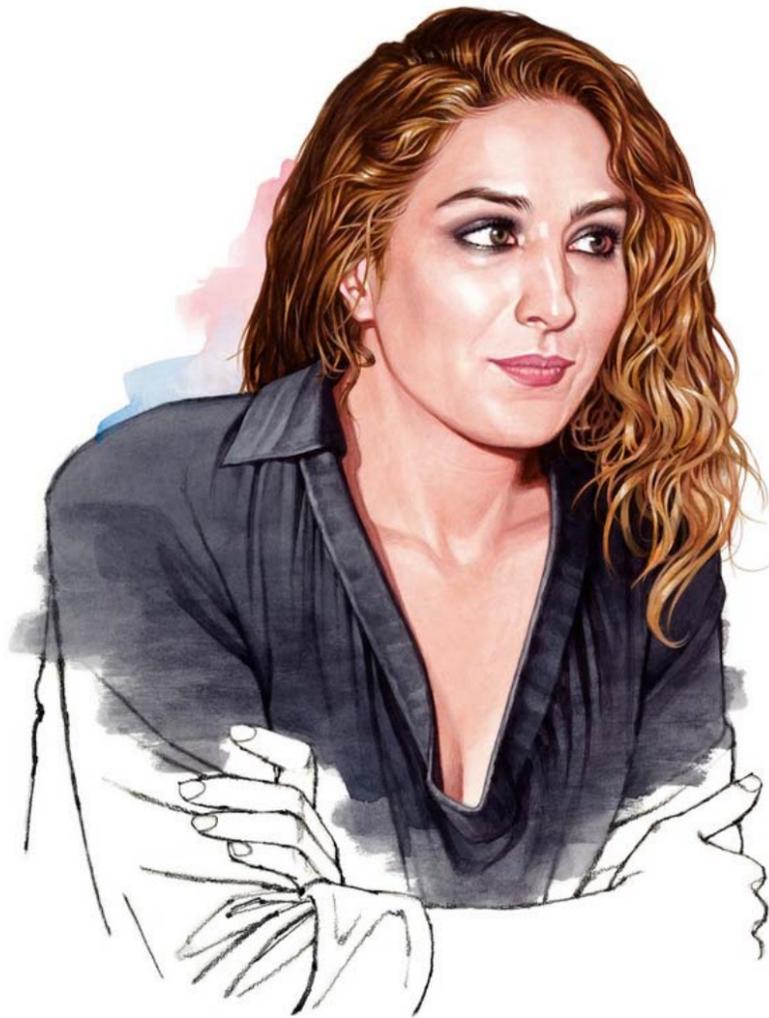
"The desire to participate is something innate in all of us. You learn from others' comments, and feedback between employees enables us to resolve doubts together."

Banco Sabadell interacts with its customers at its branch offices, and also provides them with the possibility of sending their comments, suggestions and requests to the bank via Facebook, Twitter, and the website set up for this purpose, feedback.bancsabadell.com. Customers use this platform to propose improvements or new ideas for distance banking, BS Móvil, operations, services, accounts, bank cards, etc.

Oficina Directa allows customers and consumers to interact with the bank in an open, transparent way anywhere, at any time. Customers can choose the channel through which they wish to be attended at any time (**phone, email, Twitter, Facebook, Google+**). With Oficina Directa, a team of managers is available every day, 24 hours a day, to respond to queries and requests. Customers' and employees' suggestions and ideas have been used to create new products and services, opening up a new cooperation channel between stakeholders and the bank.

Banco Sabadell has been strengthening its relations with several social agents over the last decade. The bank creates shared value with universities, business associations, the third sector, and regional, national and international government initiatives. In 2003, Banco Sabadell cooperated with Intermón Oxfam and ESADE to develop a new product: the Plan de Pensiones Ético y Solidario (a pension plan), which is sold in Spain. Since then, an ethics committee, comprised of specialists from ESADE and Intermón Oxfam, supervises and validates the plan's ethical criteria, determining these securities which are suitable for the fund's investment portfolio. BanSabadell Pensiones donates part of its management fees each year to Intermón Oxfam for development and humanitarian aid projects.

Banco Sabadell is one of three companies that are members of the Committee of Experts of Madrid Excelente, the Madrid regional government's quality seal. The committee members have been chosen for their commitment to innovation, social responsibility, continuous improvement and quality in their initiatives. The committee plans and reviews the activities with a view to extending excellence to all businesses throughout the region.



"Happiness or, rather, what we understand by happiness, is something you've got to transmit, share, sing from the rooftops; it's what makes you feel good ... and makes us better as people."

*Estrella Morente,
31 years old, Granada-born, mother of
two, daughter of Enrique Morente and
Aurora Carbonell. Flamenco singer.*

Banco Sabadell participates in various fora and work groups with a view to sharing and raising awareness about social responsibility and best practices in this area. The bank actively cooperates as a member of the external corporate social responsibility committee for the company SECE. It participated in the "Fight against corruption and promotion of transparency" workshop, and published best practices on the Spanish Global Compact Network website.

In 2011, Banco Sabadell collaborated in the RSE-PYME Initiative, headed by the Spanish Global Compact Network and ICO. Banco Sabadell raised awareness among its suppliers about the RSE-PYME Initiative, which uses the slogan "Responsibility plus Sustainability equals Profitability" and provides free training in CSR, support in implementing the Ten Principles of the UN Global Compact, and one-on-one advisory services for drafting Sustainability Reports.

"Going forward, I aim to keep my feet on the ground. My plans are a source of strength and enthusiasm, but also a way of making demands on myself."

*Luz Casal,
53 years old, Galician, singer, composer and producer. More than 5 million albums sold.*



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RISK MANAGEMENT

Banco Sabadell understands that corporate social responsibility should focus primarily on its own business activity.

For a bank, it is of utmost importance to identify, prevent and mitigate the risks inherent to its activity, and to guarantee strict compliance with the law and with voluntary commitments, with a view to ensuring ethical and responsible behaviour.

Banco Sabadell's efficient risk management approach enables it to optimise value creation for stakeholders, ensuring appropriate solvency, transparency and integrity. To that end, the bank continuously strives to identify, prevent and mitigate the risks inherent to its activity as well as regulatory compliance and reputational risks.

Risks and banking activity

The principal risks inherent to Banco Sabadell and its group are credit, market and operating risk, which are detailed in the financial statements, the [Annual Report](#), the [Corporate Governance Report](#) and the [Basel II Pillar 3 Disclosure](#), all of which are available on the corporate website.

Social and environmental risks related to project finance

On 28 September 2011, Banco Sabadell adopted the Equator Principles, a voluntary set of guidelines for determining, assessing and managing social and environmental risk in project finance transactions.

As a result, all new project finance transactions anywhere in the world for which total project capital costs exceed ten million dollars include the Equator Principles in the contract with the borrower.

Assessing the environmental risk of our credit operations

The entire branch network has additional documents which help analysts evaluate the environmental risk associated with the company's sector or activity. All risks, including environmental, are included in the risk report, which is used as a reference when granting loans.

Transparency and reliability of financial information

In compliance with the new Securities Market Act and the Sustainable Economy Act, the bank includes a description in its corporate governance report of the main characteristics of its internal management control systems for identifying the risk of errors in financial information. This process ensures 100% transparency and reliability of the financial information at the disposal of stakeholders.

Ensure regulatory compliance

The bank's Compliance Department participates in the approval circuits of all work procedures and new products. This department ensures compliance and ethics within the group, thereby minimising reputational and legal risks.

Following Penal Code reform, in which companies can now be held criminally liable, an evaluation was performed by external advisors this year to identify any risks for which the bank could be held liable. This evaluation led to the creation of a model for the prevention and control of criminal liability to manage and monitor group risk.



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PREVENTING MONEY LAUNDERING AND BLOCKING TERRORIST FINANCE

Banco Sabadell has adopted several due diligence measures, rules and procedures to avoid being used for the purposes of money laundering or terrorist finance

Measures, rules and procedures adopted

- Group-wide regulations on the prevention of money laundering, one for correspondent banks and a specific regulation for each subsidiary, in Spain or elsewhere, and for all of the foreign branches.
- Group-wide regulations on blocking terrorist finance.
- **A customer acceptance policy** with different levels of authorisation depending on the associated money laundering risk.
- Procedures to identify, accept and get to know customers. Customers complete a **Know Your Customer** (KYC) questionnaire, adapted to each individual's money laundering risk, providing the bank with data about their identity and planned banking activities.
- Enhanced due diligence for correspondent banks, politically exposed persons (PEP) and other risk groups.

- An automated control system for checking possible matches with persons associated with terrorist activities and with PEPs and the people close to them.
- Obligatory training for all new group hires, an annual training plan with on-site and distance courses for all employees, and specific courses for risk groups, subsidiaries and foreign branches.
- An annual report assessing the procedures and control systems in place is drawn up by an external expert and made available to the regulator.

The bank continued to improve the tracking systems in 2011 to strengthen efforts in the fight against money laundering.

Training in preventing money laundering and blocking terrorist finance

	Total
No. of employees specialised in prevention of money laundering and blocking terrorist finance	50
Spain	17
International	33
Percentage that completed the obligatory online course	95%
% of Banco Sabadell employees that completed the course	96%
% of Banco Guipuzcoano employees that completed the course	86%
Percentage of branch network employees who completed on-site training	94%

The group has an Internal Control Unit, chaired by the Comptroller General, to ensure compliance with the law on money laundering and terrorist finance.

Accordingly, the bank has established mechanisms to ensure market transparency, proper price discovery, and investor protection (internal regulation on inside information, conflicts of interest, [MiFID policies](#), and system to detect market abuse).

Banks must fight against all forms of corruption, including extortion and bribery

In February 2005, Banco Sabadell joined the United Nations Global Compact, which establishes ten principles of conduct in human rights, labour, the environment and the fight against corruption.

In its [Communication on Progress](#), the bank details its policies and oversight mechanisms and the actions implemented to fight corruption and prevent money laundering.

Special attention is dedicated to policies regarding gifts to customers and suppliers, social action, conflicts of interest and acceptance of customers.

COMMITMENT TO BUSINESS ETHICS

Banco Sabadell has a range of self-regulatory mechanisms, internal rules and codes of conduct which enable it to fully undertake its social responsibility. The bank also has a complaints channel, managed by the Corporate Ethics Committee, for notifying breaches of the ethics code.

Tools and mechanisms

- The [Code of Conduct](#) applies generally to all persons who are directly part of the group, either as an employee or as a member of its governing bodies. Suppliers of goods and services to any group company are also required to comply with that code.
- [Banco Sabadell's 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.
- Suppliers must undertake to comply with the [code of conduct for suppliers](#) before they can be certified. This code includes rules on labour, human rights and the environment.
- The [ethics and human rights policy](#) reflects the main action principles included in the various stakeholder policies.
- The [corporate social responsibility policy](#) establishes the principles which define the bank's approach to corporate social responsibility.

- The [policies relating to stakeholders](#) (shareholders and investors, customers, suppliers, human resources, the environment and social action) were approved by the Board of Directors and establish guidelines for action in all of the bank's areas of activity.
- [Plan for Effective Equality](#) between women and men at Banco Sabadell.
- The [Guidelines for using social networks](#) include a series of basic recommendations for effective use of social networks and for protecting the reputation of both the bank and its employees.
- Membership of [AUTOCONTROL](#) (Spanish Advertising Self Regulation Association), undertaking to use responsible advertising that ensures that all information, contracts and operating characteristics conform to the law.

Banco Sabadell's **Corporate Ethics Committee** ensures that its actions are guided by ethical principles. The committee's six 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; The Committee meets at least every quarter and has the human and material resources of the Group's Compliance Department at its disposal to discharge its duties.

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

"My father taught me that it's important to have very clear values in life, to give your best in everything you do, to take your work seriously"

*Loquillo,
50 years old, rock singer,
formerly with the band
Trogloditas, born in
Barcelona and known for
his trademark hairstyle.*



BALANCED CORPORATE GOVERNANCE

44 BALANCED CORPORATE GOVERNANCE

BALANCED CORPORATE GOVERNANCE

Banco Sabadell has adapted to the new transparency requirements of the Sustainable Economy Act and the new Spanish Capital Companies Act, and it supplements its Annual Corporate Governance Report with information about its internal oversight and risk control systems and its policy on directors' remuneration.

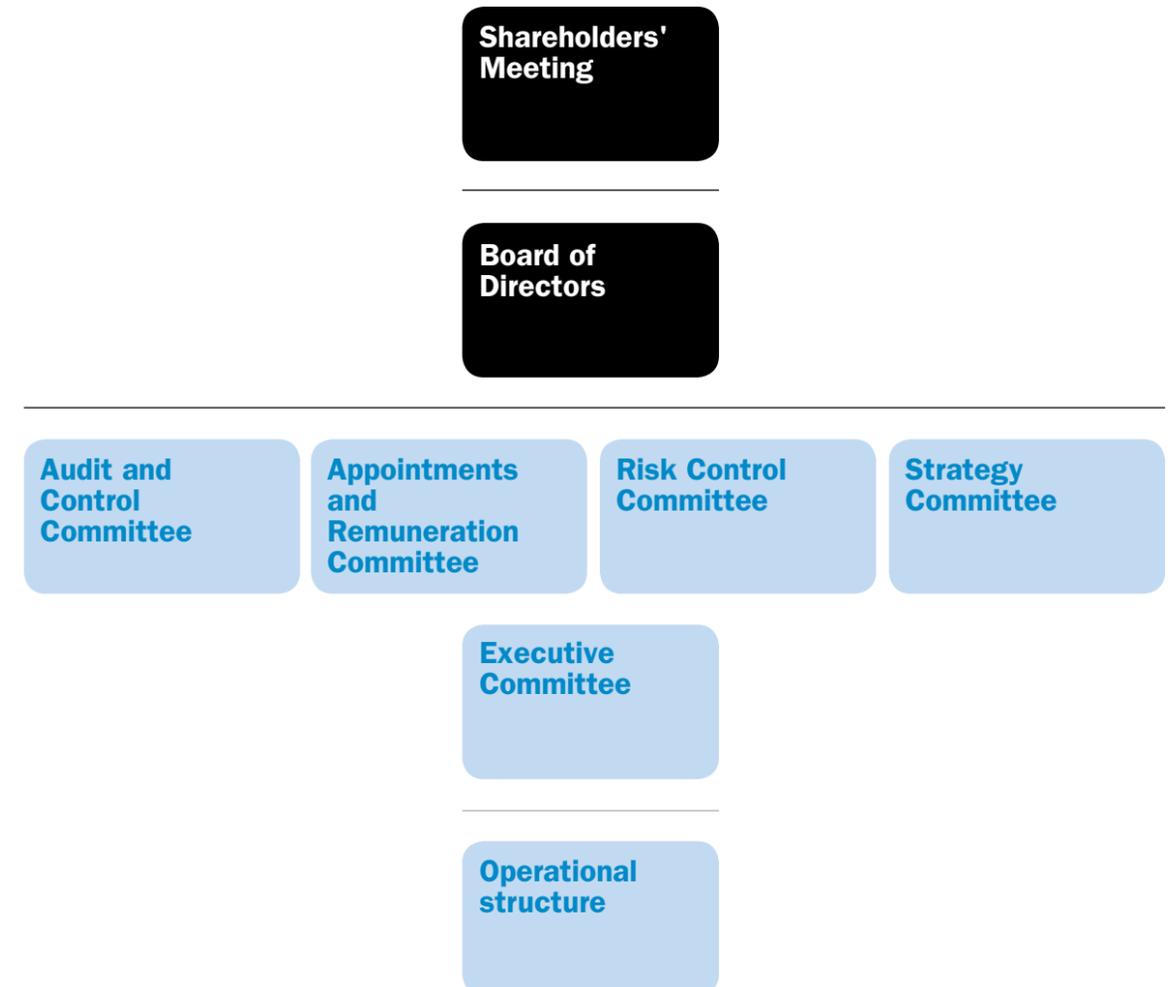
Banco Sabadell's high level of solvency and proven profitability support its balanced corporate governance model.

Banco Sabadell publishes all information relating to corporate governance on its website, www.grupbancsabadell.com, including: the shareholder and investor policy, Board of Directors and Shareholders' Meeting regulations, and the [Corporate Governance Report](#).

A high degree of compliance with corporate governance recommendations

According to its most recent corporate governance report, of the 58 recommendations in the Unified Code of Good Governance, Banco Sabadell complies with 51 and explains 2, and 5 are not applicable.

Corporate governance structure



Capital structure

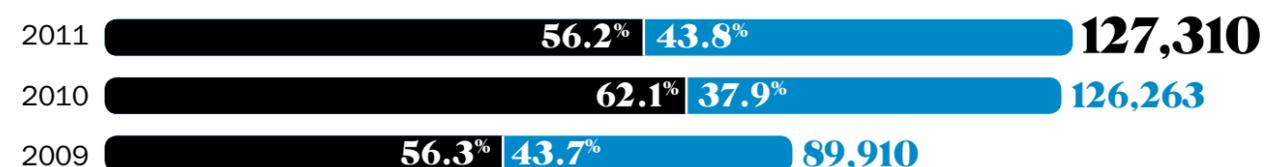
Shares and shareholders

Shares



Shareholders

■ Private shareholders ■ Institutional investors



127,310

shareholders

Banco Sabadell is a public limited company whose capital, as of 31 December 2011, is divided into **1,391,048,717 registered shares**, owned by **127,310 shareholders**.

Distribution of shares by size of stake

at 31 December 2011

Number shares	Shareholders	Shares by number	% of total of shares
From 1 to 12,000	117,172	196,181,482	14.10%
12,001 to 120,000	9,255	287,787,225	20.70%
120,001 to 240,000	491	81,696,265	5.87%
240,001 to 1,200,000	318	149,718,911	10.76%
1,200,001 to 18,000,000	66	238,411,006	17.14%
More than 18,000,000	8	437,253,828	31.43%
Total	127,310	1,391,048,717	100.00%

Iberclear data

Shareholders with significant stakes

	% of total voting rights
BANCO COMERCIAL PORTUGUES, S.A	4.973
Through Fundo de Pensoes do Grupo BCP	4.455
INVERSIONES HEMISFERIO, S.L.	4.622
Through Jaipur Investment, S.L	4.536
FAMOL PARTICIPACIONES, S.L.	4.483
ISAK ANDIC ERMAY	5.000
Through MAYOR VENT, S.L. UNIPERSONAL	

Shareholders' Meeting

Before the General Meeting, all legal documentation regarding the proposals to be laid before the meeting is made 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.

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

Banco Sabadell has an established procedure on-line for granting proxies and voting instructions ; it was used by 278 shareholders (6,370,643 shares) at the last meeting, on 14 April 2011.

Shareholders' Meeting

14.04.2011

Date of General Meeting	% in attendance	% represented	Total
14.04.2011	5.78%	66.95%	72.73%

To ensure 100% access to information, the bank provides shareholders and investors with two specialised departments: [Shareholder Relations](#) and [Investor Relations](#).

The bank publishes annual and quarterly reports, executive summaries, and the InfoAccionista bulletin on its [corporate website](#), and presents its earnings via webcast.

An Investor Day is held regularly with a view to providing investors and analysts with specific information about the bank.

In December 2011, all shareholders received a special edition of the **InfoAccionista** bulletin with information on the main characteristics of the adjudication of Banco CAM to Banco Sabadell.

"My father taught me that it's important to have very clear values in life, to give your best in everything you do, to take your work seriously"

*Loquillo,
50 years old, rock singer,
formerly with the band
Trogloditas, born in
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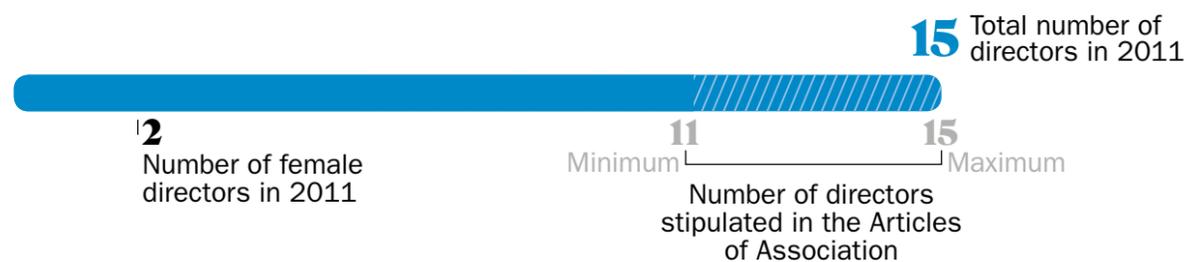


Board of Directors

In line with the new Sustainable Economy Act, Banco Sabadell publishes a director remuneration report which details the compensation received by each director. The report sets out the main characteristics of the remuneration system, which will be submitted to the Shareholders' Meeting for a vote.

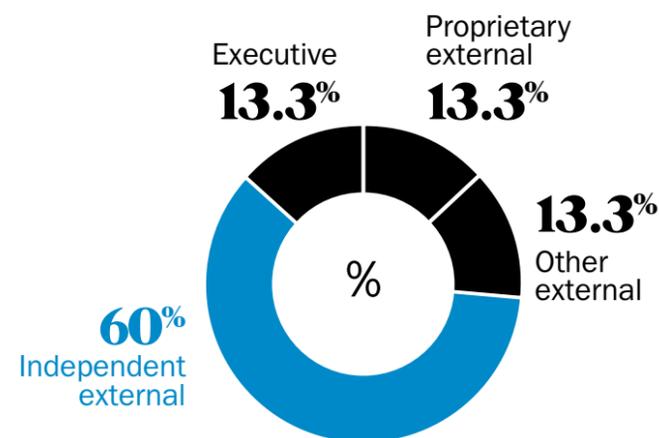
All directors' professional profiles and biographies are available on the [corporate website](#).

Number of directors



Breakdown of the Board of Directors

as a % of the total



Assessment of the Board of Directors

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

Directors receive all of the information necessary for a Board of Directors meeting at least one week in advance.

Number of meetings

held in 2011 by the Board of Directors and its various committees

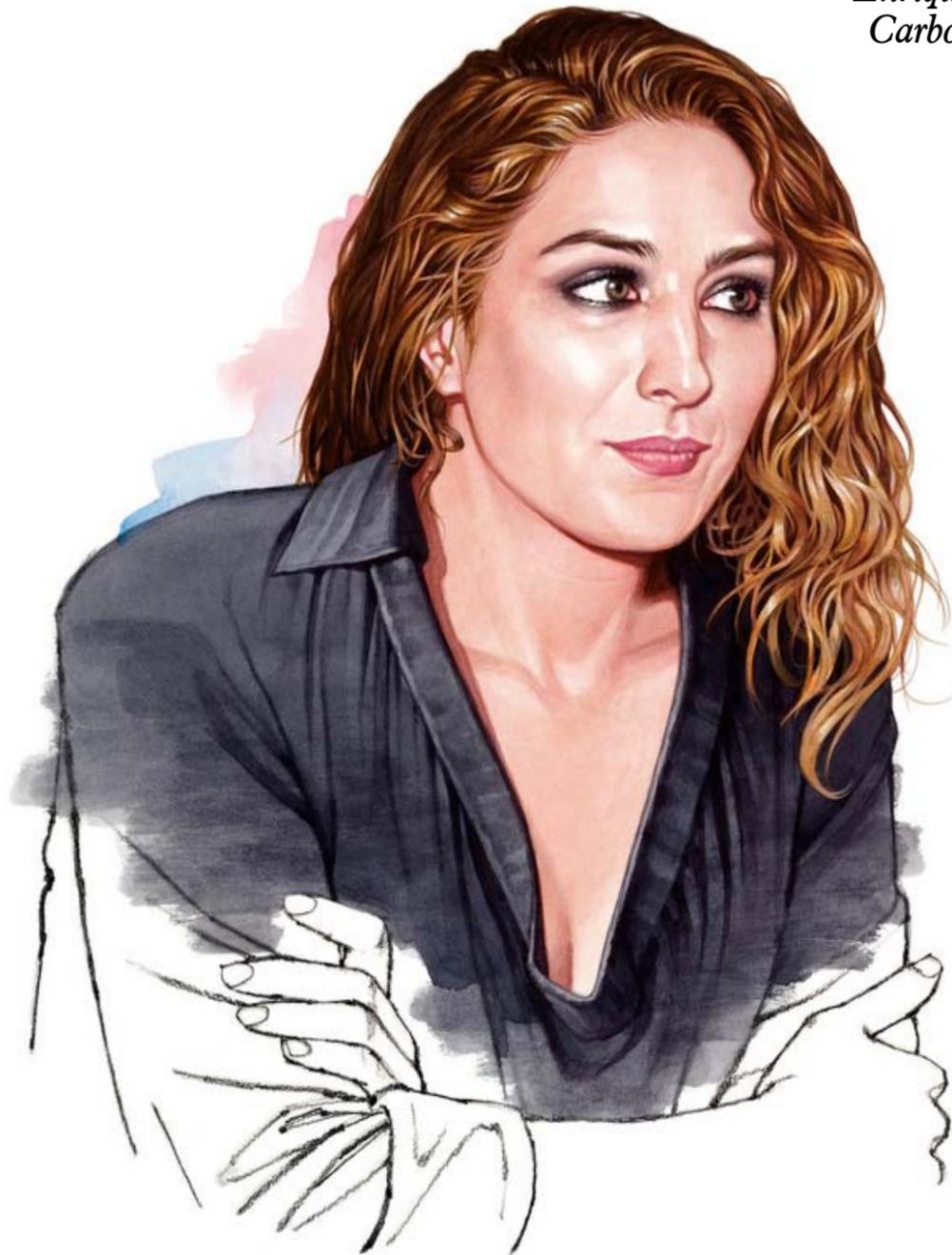
NUMBER OF BOARD MEETINGS	14
Number of Board meetings held without the chairman	0
Number of Board meetings held without attendance by all directors	11
Director attendance per meeting	91.40%
Number of Executive Committee meetings	37
Number of Audit and Control Committee meetings	6
Number of Strategy Committee meetings	6
Number of Risk Control Committee meetings	11
Number of Nomination and Remuneration Committee meetings	10

91.40%

Director attendance per meeting (%)

"I don't know anyone
who has achieved great
things without hard work;
achievement without effort
is probably a fluke ... and
unexciting, if nothing else"

*Estrella Morente,
31 years old, Granada-born,
mother of two, daughter of
Enrique Morente and Aurora
Carbonell. Flamenco singer.*



MAIN FINANCIAL FIGURES

54 MAIN FINANCIAL FIGURES

MAIN FINANCIAL FIGURES

In an economic situation with a financial system in the process of restructuring, Banco Sabadell focused on launching its CREA plan, which is based on growth, profitability, and efficiency.

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

Below are the main figures and key events. Detailed information is included in the [annual report](#) available on the web.

Key figures of Banco Sabadell group

Key Figures (€ '000)

	2011	2010	2009
Total assets	100,437,380	97,099,209	82,822,886
Gross loans and advances to customers ex. reverse repos	73,635,342	73,057,928	65,012,792

Income (€ '000)

	2011	2010	2009
Net interest income	1,537,263	1,459,116	1,600,647
Gross income	2,506,722	2,331,339	2,505,030
Operating profit before impairments and other provisions	1,230,710	1,136,304	1,325,477
Net attributable profit	231,902	380,040	522,489

Ratios (%)

Profitability and efficiency ratios

(%)	2011	2010	2009
ROA (net profit / average total assets)	0.24	0.44	0.64
ROE (Net attributable profit average shareholders' equity)	3.82	7.32	11.36
Cost:income (general administrative expenses / gross income)	47.32	46.20	43.05

BIS capital ratios

	2011	2010	2009
Core capital*	10.30	8.20	7.66
TIER I	9.80	9.36	9.10

*The 2011 figure includes a €718 million buyback of preferred securities in exchange for ordinary shares.

Risk management

	2011	2010	2009
Loan loss ratio	5.95	5.01	3.73
Loan loss coverage ratio	48.5	56.6	69.0
Loan loss coverage ratio including mortgage security	115.8	112.5	125.1

* All figures are as of 31 December

In 2011, Banco Sabadell completed several operations to increase capital and attain the capital ratio required by law.

In February, the bank increased capital by 410.7 million euro through the issuance and distribution of 126 million shares with a view to using the funds raised to tender in cash for four bonds issued by the group in 2006 and 2010.

The combination of the capital increase and the tender enabled the bank to further enhance its capital quality and to attain a core capital ratio of 10.30*, exceeding the minimum required by law and guaranteeing the bank's solvency.

*The 2011 figure includes a €18 million buyback of preferred securities in exchange for ordinary shares.

On 7 December, the FROB notified that Banco CAM had been adjudicated to Banco Sabadell. This transaction was based on: an asset protection scheme, a cash injection and liquidity support. This operation placed Banco Sabadell among the main Spanish banking groups, increasing its market share and extending its presence nationwide.

It is a transformational operation which increases market share in loans and deposits and extends the domestic franchise.

Integrating Banco CAM into the group is a new challenge for Banco Sabadell's management team. The sound experience garnered in the previous acquisitions—NatWest, Herrero, Atlántico, Urquijo and Guipuzcoano—provides assurance that the process will be successful.

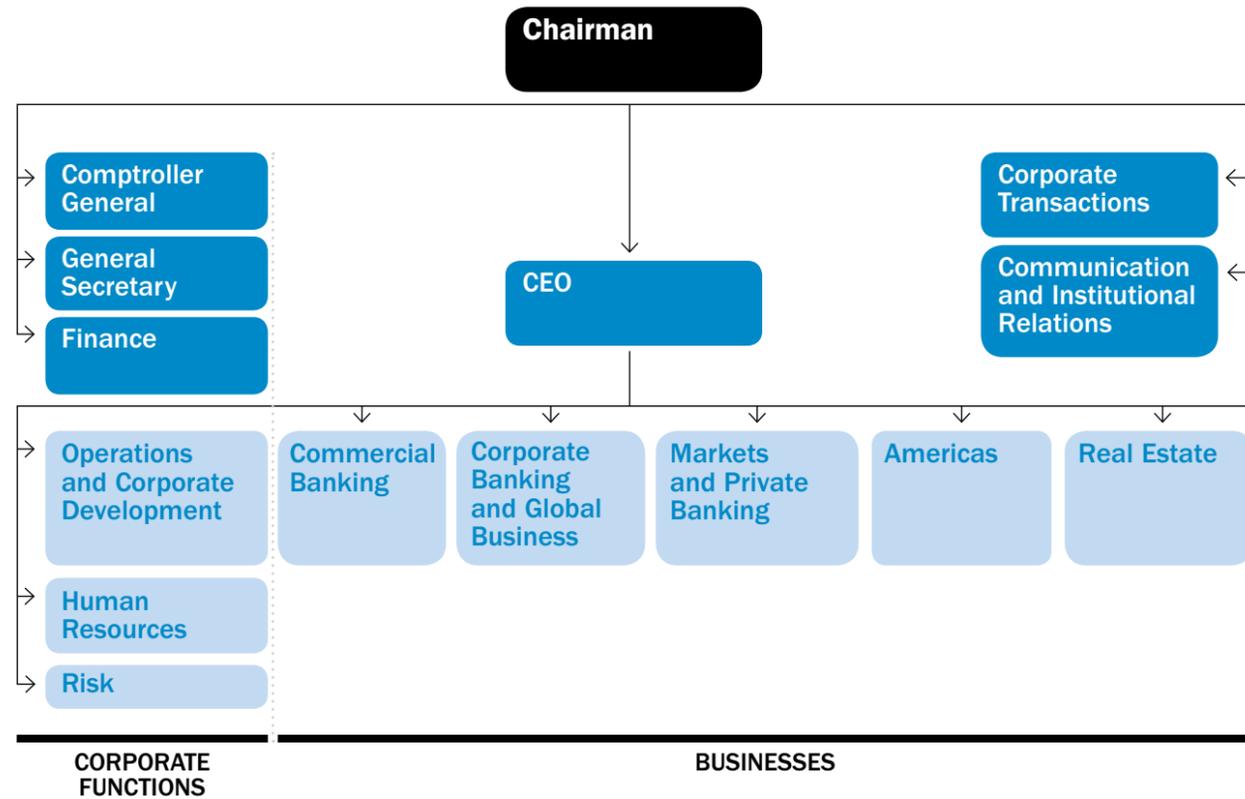
The CREA 2011-2013 master plan maintains all of the main ideas for growth, profitability and efficiency with which it commenced in 2011. Sabadell's challenge of transforming the business and relaunching the group's business model is even more relevant following the CAM adjudication.

"I don't know anyone who has achieved great things without hard work; achievement without effort is probably a fluke ... and unexciting, if nothing else"

*Estrella Morente,
31 years old, Granada-born,
mother of two, daughter of
Enrique Morente and Aurora
Carbonell. Flamenco singer.*



Organisation structure



Multibrand strategy

Banco Guipuzcoano gained from incorporating the Sabadell values and will operate under the SabadellGuipuzcoano brand.

Banco Guipuzcoano, acquired by Banco Sabadell in November 2010, starting operating under the SabadellGuipuzcoano brand in the Basque Country, Navarra and La Rioja in June 2011.

Real Estate

As result of the current situation in general and the severe real estate crisis in Spain, efficient management of the real estate portfolio has become a key strategy for the financial sector as a whole.

Banco Sabadell is working diligently to monetise acquired real estate assets, through a policy of proactive marketing, mobilisation and management of real estate with the priority target of quick divestment. Through [Solvia](#), created in 2008, the bank is centralising management of real estate assets for sale.

Banco Sabadell obtained the assets and liabilities of Lydian Private Bank, in Florida.

In August 2011, Banco Sabadell acquired almost all of the assets and some liabilities of Florida-based Lydian Private Bank from the US Federal Deposit Insurance Corporation (FDIC).

Lydian Private Bank's 6 branches combined with Sabadell United Bank's 19 to make a total of 25. The deal enabled Sabadell to strengthen its position in Florida, especially in the west coast cities of Tampa, Sarasota and Naples; it is now the state's seventh-largest local bank in terms of deposits.

Sabadell United Bank came into being through the acquisition of Mellon United National Bank in southern Florida and the integration of TransAtlantic Bank, acquired in 2007.

Brands

SabadellAtlántico



Commercial Banking and Corporate Banking

Serving: all of Spain except Asturias and Castilla-León
www.sabadellatlantico.com

Banco Herrero



Commercial Banking and Corporate Banking

Serving: Asturias and Castilla-León
www.bancoherrero.com

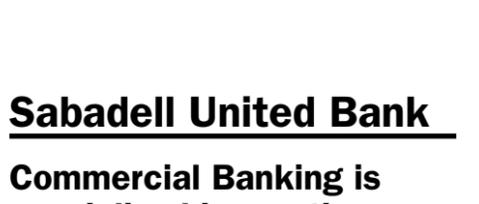
Banco Urquijo



Private banking

Serving: all of Spain
www.bancourquijo.com

Sabadell United Bank



Commercial Banking is specialised in meeting the specific needs of businesses and professionals.

Serving: Florida (USA)
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 who trade actively in the securities markets

Serving: all of Spain
www.activobank.com

Banco Guipuzcoano



Commercial Banking

Serving: Basque Country, Navarra and La Rioja
www.sabadellguipuzcoano.com



Business

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 Research
 Treasury and Capital Markets
 Securities Trading and Custody

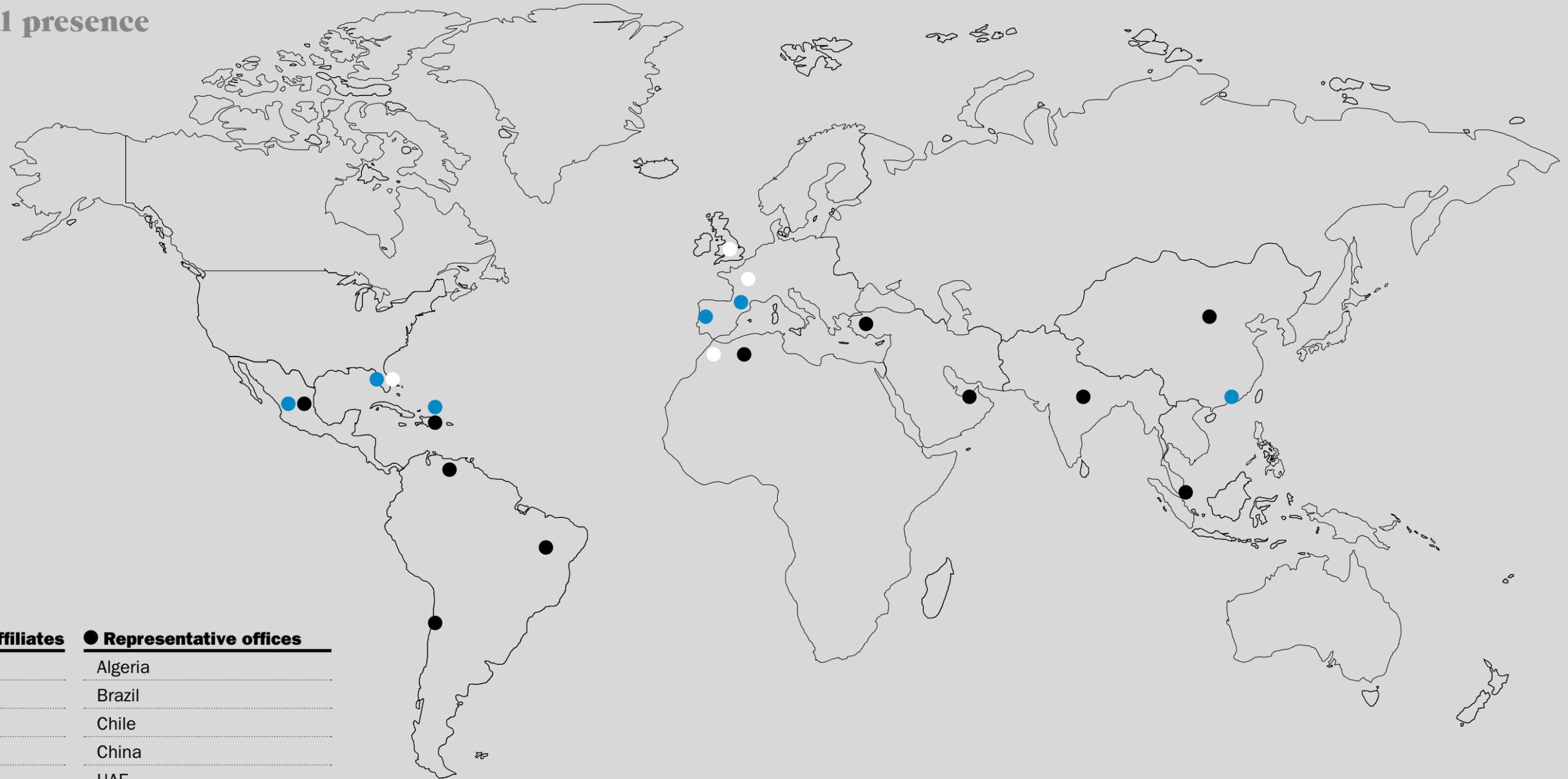
Bancassurance

BS America

Other businesses

Solvia
 BancSabadell d'Andorra

International presence



● Subsidiaries and affiliates

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

● Representative offices

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

● Branches

- USA
- France
- Morocco
- UK

In 2011

Banco Sabadell has strengthened its position in Florida with the acquisition of the assets and certain liabilities of **Lydian Private Bank**, making it the seventh-largest local bank in terms of deposits.

"Man's greatest gift is
the ability to dream of a
better life"

*Geraldine Chaplin,
67 years old, daughter of filmmaker
Charlie Chaplin; has one
daughter; actor for 48 years. Has
worked in over 100 films.*



BANCO SABADELL AND ITS CUSTOMERS

- 66** PRODUCTS AND SERVICES THAT CONTRIBUTE TO SUSTAINABILITY
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- 80** CLOSENESS AND INNOVATION
- 93** CLAIMS AND COMPLAINTS MANAGEMENT

PRODUCTS AND SERVICES THAT CONTRIBUTE TO SUSTAINABILITY

Banco Sabadell is focused on innovating and developing financially responsible solutions while meeting the needs of individuals and professionals and contributing towards sustainable development. As a result of the current economic situation and in response to the principal needs of SMEs and individuals, Banco Sabadell promotes access to credit and finance; in 2011, it launched new products and services which encourage saving.

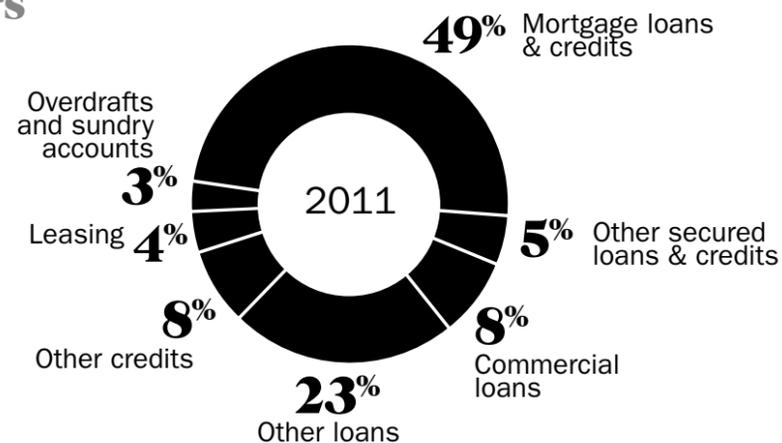
Lending

In 2011, gross loans and advances to customers (excluding repos) increased by 0.8%, to 73,635,342 thousand euro.

Despite the crisis, Banco Sabadell was able to guarantee access to credit for individuals and companies to enhance economic development and support its customers' personal and business projects.

Loans to customers

31.12.2011



Banco Sabadell has established measures so that its clients who are most affected by the crisis are not at risk of social exclusion.

In the event of mortgage default, Banco Sabadell works to find possible solutions with its clients with a view to helping them address temporary difficulties and avoid foreclosure.

The customer is firstly encouraged to return the loan to performing status through a payment plan that best fits their circumstances or a mortgage refinancing agreement involving grace periods, a change in the interest rate or an extension of the repayment term. It is also possible to consider accepting the home as dation in payment as a way of cancelling the debt.

Once the process of mortgage foreclosure has commenced, the Bank continues to consider options that would enable the customer to prevent the house from going to auction; in the event that it is auctioned, the customer is offered the option of occupying the home as a tenant or renting another home belonging to the Bank.

As a last resort, in the event that the home must be vacated, Banco Sabadell endeavours to provide the debtor sufficient time to vacate it, requesting an extension to the initial term granted, where necessary.

As a result of all these measures, the bank did not have to resort to any case of forcible eviction in 2010 and 2011.

In addition, as of the date of publication of this CSR report, Banco Sabadell has adhered to the Code of Good Banking Practices which allows dation in payment as the last option for unemployed families in the case of dwellings worth at most 200,000 euro and who cannot afford to pay the mortgage (which amounts to 60% or more of the household income) at the request of the customer, subject to proof that they meet the qualifying conditions.

Banco Sabadell has been providing financial services to SMEs for many years and is a leader in Spain in the SME and corporate banking market.

Madrid's regional government presented Banco Sabadell with the **2011 Business Award** in recognition of its efforts to encourage lending to and modernisation of SMEs.

Banco Sabadell continues to support Madrid-based entrepreneurs and provides 2 billion euro in loans to SMEs and self-employed workers

Early in 2011, and as part of its policy to support SMEs, Banco Sabadell provided 2 billion euro in loans in preferential conditions to the companies and self-employed workers attached to Madrid's Chamber of Commerce and CEIM (Madrid Confederation of Employers and Industries-CEOE). The bank, the Chamber and CEIM have undertaken to create work groups to participate in financial training for companies and self-employed workers.

Banco Sabadell promotes financing via [ICO credit facilities](#) and the main subsidised credit lines provided by Spain regional governments with a view to providing funding to businesses. The bank has also signed agreements with most of the [reciprocal guarantee companies](#), which enable member companies to obtain funding.

Banco Sabadell supports entrepreneurship and the reactivation of Spain's economy by frequently attending round table discussions and seminars organised by business and professional associations so as to provide information about the funding available under industry-specific agreements.

Banco Sabadell signed the following funding lines, among others, in 2011:

ICO Inversión Sostenible 2011: 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 2011: subsidised finance in preferential conditions for investment projects in Spain by self-employed workers and companies.

ICO Liquidez 2011: provides funding for working capital for solvent, viable self-employed workers and companies during a temporary credit crunch.

ICO Internacional 2011: subsidised finance in preferential conditions for companies to internationalise.

ICO Mejora Competitividad 2011: funding for companies in a range of sectors to innovate their manufacturing processes and for new investments.

In 2011, Banco Sabadell ranked **fifth among banks handling ICO** credit lines, with an approximate share of 10.22% of the ICO's total funding, having lent 1.934 billion euro.

"Our ICO credit line share and ranking reflect the bank's interest in working with SMEs to offer the funding they need for their investments."

*Francisco Díaz López,
Corporate Banking*

In 2011, **Banco Sabadell and Avalis de Catalunya SGR signed a cooperation agreement to provide funding to self-employed workers and SMEs in Catalonia.**

Under the agreement, Banco Sabadell will provide 75 million euro in loans to self-employed workers and SMEs Avalis, in its capacity as a reciprocal guarantee company, will guarantee the borrowers.

Banco Sabadell is one of four banks collaborating with the **Centre for the Development of Industrial Technology (CDTI)**, which channels funding and support to R&D and innovation projects in Spain and abroad. In 2011, the bank signed the following pre-funding lines:

CDTI - Línea de prefinanciación

Special line for advancing, in preferential conditions, the funding approved by the CDTI for R&D and innovation projects.

CDTI - Línea Banca CDTI

Advances funding, in preferential conditions, for investment in new productive assets to improve and modernise a company's technology that has been approved by the CDTI.

Socially responsible investing (SRI)

In the current crisis, Banco Sabadell has maintained its responsible investment products with the conviction that it is one of the areas in which the financial sector must improve. In 2010, the bank adopted the Principles for Responsible Investment (PRI) in the category of asset owner. The United Nations Principles for Responsible Investment include environmental, social and corporate governance criteria in investment policies and practices. One of Banco Sabadell's pension funds, BanSabadell 25FP, signed the PRI. The bank also sells [Plan de Pensiones Ético y Solidario](#) (a pension plan), [BS Ahorro Futuro](#) (a solidarious endowment policy) and two socially-responsibly investment products.

Fee donated to NGO

(euro)

	2011	2010	2009
Urquijo Cooperación SICAV	63,241	56,004	52,630
Urquijo Inversión Ética y Solidaria FI	22,544	13,110	42,314
Plan de Pensiones Ético y Solidario	53,007	13,609	12,005

Urquijo Inversión Ética y Solidaria, FI (a mutual fund) and **Urquijo Cooperación SICAV** (an investment company) are two SRI products that exclude investments in companies whose activities are harmful to human rights, social justice and the environment; when selecting investments, preference is given to companies in the FTSE4Good index. Both are solidarious and donate a percentage of the management fees they collect to development and humanitarian aid projects.

Urquijo Inversión Ética y Solidaria FI

Characteristics of the investment	Ethical and solidarious
Assets	5,175,541 euro
Number of investors/shareholders	152
Fee donated to NGO (% of assets)	0.35%

*Figures at 31.12.2011

22,543.88

euro

The **fee donated** in 2011, corresponding to 2010, was **22,543.88 euro**

Beneficiary NGOs: Caritas Spain and Manos Unidas

Urquijo Cooperación SICAV

Characteristics of the investment	ethics and solidarity
Assets	9,319,731 euro
Number of investors/shareholders	166
Supervision of selection criteria	Ethics Committee
Fee donated (% of assets)	0.60%

*Figures at 31.12.2011

63,241.28

euro

The **fee donated** in 2011, corresponding to 2010, was **63,241.28 euro**.

Beneficiary NGOs: Hijas de la Caridad, Doctors of the World, Asociación de Caridad de San Vicente de Paúl, Hermanas Franciscanas de la Purísima Concepción, Fundación Juan Bonal, Misioneras Cruzadas de la Iglesia, Hijas de la Cruz.

Plan de Pensiones Ético y Solidario is a pension plan 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, determining the securities which are suitable for the fund's investment portfolio.

BanSabadell Pensiones, which manages this product, donates 0.50% of the management fee to Intermón Oxfam for development and humanitarian aid projects.

Plan de Pensiones Ético y Solidario

Characteristics of the investment	ethics and solidarity
Assets	4,428,690 euro
Number of investors	462
Selection criteria	Negative and positive
Supervision of selection criteria	Ethics Committee
Fee donated (% of management fee)	0.50%

*Figures at 31.12.2011

53,007

euro

The **fee donated** to Intermón Oxfam in 2011 was **53,007 euro**.

The bank has been selling a solidarious endowment plan, **BS Ahorro Futuro**, since 2008. It enables young people to save money which will become available on a fixed future date and can be used for studies, a trip abroad, 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 uses the funds for children's causes.

BS Ahorro Futuro

Characteristics of the insurance	solidarious
Number of insurance policies	1,900
Assets	4,382,430 euro
Fee assigned (% of the returns)	0.70%

*Figures at 31.12.2011

0.70%
of profits

BanSabadell Vida donates 0.7% of the returns on BS Ahorro Futuro to **Manos Unidas**, which uses the funds for children's causes.

Banco Sabadell's agreement with Travel Club allows customers to donate **Travel Club loyalty points** to [solidarity programmes](#) that seek to improve education for thousands of children in disadvantaged communities in South America and Africa.

FINANCIAL SERVICES ADAPTED TO THE CUSTOMER

Banco Sabadell offers its customers a quality, innovative banking service that adapts to their needs. The bank continues to enhance its proximity to customers, improving its distance banking services and handling queries on the social networks.

For self-employed workers, shops and microenterprises

The bank has an extensive, specialised financial offer to meet the needs of all businesses, including entrepreneurs who are just starting out, SMEs and large companies.

The "[Cuenta Expansión Negocios](#)" aims to provide self-employed workers, shops and companies with a comprehensive solution for the day-to-day management of their business.

"Canal Negocio" provides customers with tailor-made products and services.

"Cuenta Expansión Negocios—so that self-employed workers, shops and SMEs can grow"

Designed especially for SMEs, the Banco Sabadell [Microempresas](#) pack provides financial and non-financial products in exclusive conditions.

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

Banco Sabadell is more than just the bank chosen by the best in business; it's the bank that aims to help individuals manage their savings and finances.

Banco Sabadell aims to establish long-term relationships based on complicity with its customers, offering them quality service and proximity to their personal account manager. The bank seeks to provide individuals with the same rigour and effectiveness in money management that it gives to companies; to this end, it launched the [Cuenta Expansión](#) account in 2010. This is a direct deposit account for wages and pensions which manages individuals' money at no cost, no fees, free bank cards, a 3% rebate on direct debits, all multi-channel services and, most importantly, a personal manager who provides tailor-made services. A similar product offered is [Cuenta MÁS.](#) which includes all [non-financial services](#) and products for a single payment.

Moreover, Banco Sabadell offers specific financial solutions which include financial and non-financial products adapted to the needs of each segment: [children](#), [young people](#) and [seniors](#). Banco Sabadell has its own brand for foreign residents in Spain, which offers highly-specialised banking in several languages.

In 2011, Banco Sabadell created the [Finanzas Personales](#) personal finance service to help its customers with their home budget organisation and management. All customers with access to the free BS Online distance banking service can access this application, which provides category-based grouping of expenses and revenues in accounts and cards. Customers who still receive correspondence by postal mail and those who do not use the remote banking service receive a printed statement each month. The statement provides customers with greater control over their personal finances by setting out their financial information in an easy-to-read summary.

El primer paso para gestionar su dinero es saber **cómo y en qué lo gasta**



In 2011, Banco Sabadell started offering its customers a new service for organizing and managing their personal finances.

With Finanzas Personales, customers can see how much money they spend and what they spend it on, which will enable them to manage and plan their spending.

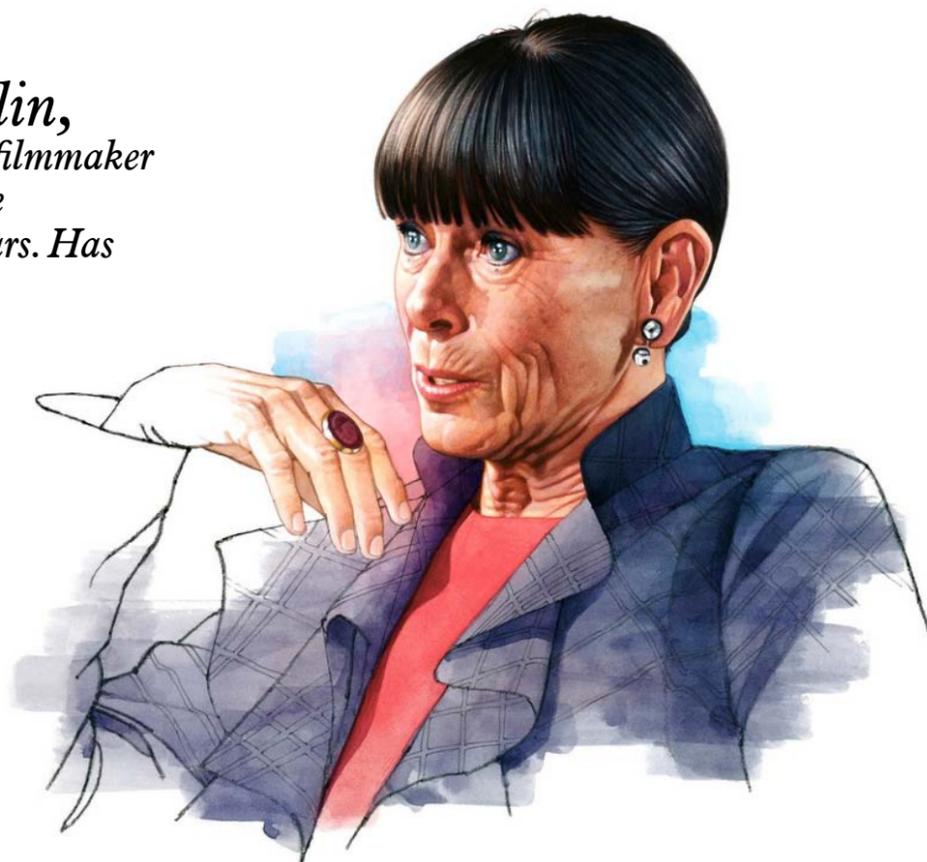
Customers can also personalise the data according to their preferences by choosing the accounts and bank cards and the period of time for which they want information. They can also download the results.

Personal Financial Planning

In 2011, Banco Sabadell launched the "[Conversations about the Future](#)" campaign, in which a group of famous personalities in a range of professions (Estrella Morente and Luis Rojas Marcos, Loquillo and Inocencio Arias, Luz Casal and Geraldine Chaplin, Pep Guardiola and Fernando Trueba, and José Corbacho and Oriol Bohigas) share their vision of the future and their ideas on the best way to address future challenges.

"Man's greatest gift is the ability to dream of a better life"

*Geraldine Chaplin,
67 years old, daughter of filmmaker
Charlie Chaplin; has one
daughter; actor for 48 years. Has
worked in over 100 films.*



The key is long-term management of savings to reach a future goal. That's why Banco Sabadell launched this campaign and is looking to inspire consumers and customers to reflect on their ability to save and on their future, after retiring. The bank has improved its [pension plan](#) offer, and has made a [savings plan simulator](#) available to customers and consumers. The simulator enables customers to calculate how much they can save to maintain their lifestyle in the future.

**Prepare for
the future**

**The bank is concerned
about the future.**

**How to keep the
future in mind.**

CLOSENESS AND INNOVATION

In 2011, Banco Sabadell advanced in two main areas of its business transformation.

Firstly, the bank is taking account of customers' opinions on social networks when developing financial services and solutions. Secondly, the bank maintains its commitment to offering an innovative banking service, where the customer can contact the bank using his or her preferred channel at all times.

Banco Sabadell has 1,382 branches, 1,612 [ATMs](#) and a team of account managers that are always at the service of customers; the result is a business model based on closeness to our customers. Banco Sabadell aims to provide the greatest accessibility—both physically and virtually—to all users. All new and refurbished facilities enable access by persons with disabilities, in coherence with the rules on accessibility.

"Time has shown us that, in a sector like ours, where the customer's trust is key, a bank branch is an indispensable physical symbol that builds trust."

*Miguel Montes,
General Manager*

1,179
latest-generation
ATMs

A total of 187 ATMs have been refurbished and 234 updated since the project commenced in 2009. At the end of 2011, the new self-service network had **1,179 latest-generation cash machines**, with improved ergonomic usability features (large touch screen, earphone connection and faster speed).

Together with...

Since 2010, Banco Sabadell has been implementing an innovative series of promotions focused on cities. The adoption of exclusive initiatives for specific cities aims to underline the bank's commitment to local citizens, companies, culture and institutions, accompanied by an intensive institutional campaign.

Distribution of branches by region in 2011

1,339
branches in
Spain



Region			
Andalusia	121	Catalonia	401
Aragon	26	Extremadura	3
Asturias	147	Galicia	29
Balearic Islands	38	La Rioja	9
Basque Country	119	Madrid	174
Canary Islands	27	Murcia	22
Cantabria	5	Navarra	23
Castilla-La Mancha	19	Valencia	116
Castilla y León	60		

The sales transformation process is tied to the group's main identifying feature: [quality of service](#). Banco Sabadell is a leader in the Spanish banking sector in terms of quality of service and customer satisfaction, for both companies and individuals. The bank regularly incorporates new processes into its everyday activities in order to guarantee excellent service and customer satisfaction.

Quality of service

Branch network quality ranking (scale of 1 to 7)



Branch network objective quality ranking

(scale of 0 to 10) / Source: Equos report



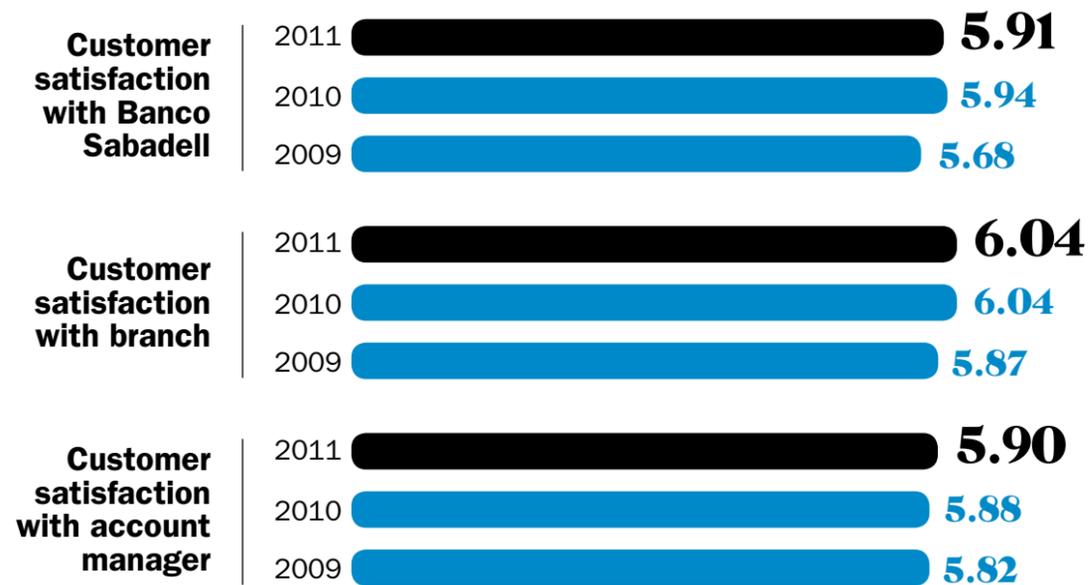
⁽¹⁾ The data is affected by the integration of Banco Guipuzcoano into the Banco Sabadell group. Following implementation of a number of operational integration actions, work is under way to align service quality standards.

⁽²⁾ The 2010 Equos Report included changes in the calculation of indicators and recalculation of data in previous reports.

Customer satisfaction

Customer satisfaction with Banco Sabadell

(scale of 1 to 7) / Source: STIGA



Private customer satisfaction

(scale of 0 to 10) / Source: FRS INMARK



Business customer satisfaction

(scale of 0 to 10) / Source: FRS INMARK



7.92 satisfaction

Private customer **satisfaction** with BancoSabadell is 7.92 (scale of 0 to 10).

Banco Sabadell Group: a standard-setter in trust and quality among Spanish banks, according to FRS Inmark

Offering quality and focusing on the customer creates satisfaction and an image of trust in the market. In the current context, the bank has been able to maintain a high level of trust and enhance relations with customers.

Oficina Directa

In the modern world, where it is increasingly important to operate and make transactions outside of office hours, Banco Sabadell is increasing its proximity to its customers with distance banking services and a presence on social networks.

All customer services channels were integrated and connected on Oficina Directa in 2011. This is a 24-hour service available for all of the group's brands on the customer service channel chosen by the customer: telephone, email and social networks (Twitter, Facebook and Google+). The team of account managers at the Bank's Oficina Directa manages queries and requests individually.



**This isn't
distance
banking; it's
taking the
bank with you.**

The fastest, handiest way to manage your day-to-day transactions

Customers can do their banking online, on the phone or from our cash machines; they can perform most transactions without having to visit a branch office. Transactions are 100% safe and confidential, anywhere, at any time.

Banco Sabadell has the [BS Online](#) and [BS Móvil](#) services with native apps for smartphones and tablets (iPhone/iPad, Android, BlackBerry and Windows Phone). Customers can check their balance and transactions, [find nearby ATMs](#), [make transfers](#), buy and sell securities and manage their bank cards. In 2011, the number of customers using BS Móvil rose by over 150%.

The group's websites 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:

- PIN and code card.
- Security messages sent to their cell phones.
- [Card protection service](#) and second code sent via SMS.
- [Security advice and recommendations](#).
- 24 x 7 customer service at 902 323 000.

BS Online tutorial

In 2011, Banco Sabadell produced a tutorial on the bank's distance banking service to make it easier, handier and quicker for customers to use BS Online for their everyday transactions.

"This tutorial covers the basic aspects of accounts, transfers, securities, cards, and managing products and personal finances."

First in distance banking

First bank to have a native for Windows Phone app

First bank with an iPad app

The bank was also the first in providing access from its own apps to social networks, including the bank's YouTube channel, Twitter and Facebook.

Banco Sabadell is the first bank in Europe which allows customers to deposit cheques and promissory notes via its mobile banking service, Instant Check

The bank launched Instant Check in 2011, a service which allows customers to deposit cheques by taking a photo with their mobile, eliminating the need to visit the bank in person. This service is available for several smartphone platforms.

49%

49% of customers are active users of **remote banking services**.

18.9%

18.9% of customers are active users of **BS Móvil**.

46.9%

e-mail

Percentage of customers with **e-mail**.

6.16/7

satisfaction

Customer satisfaction with **BS Online** (scale of 1 to 7).

A new model for customer relations

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

"The dynamic between banks and users is very different on the internet or on the social networks. When a customer is using the bank website, he or she is interacting with a computer. In contrast, when he or she posts a question or comment on a social network, there's a person behind the answer; that's an important difference."

Banco Sabadell is a pioneer in its use of social networks as a customer service channel. The bank currently offers customer service on [Twitter](#), [Facebook](#) and [Google+](#), 24 hours a day, 7 days a week, and has its own [Facebook](#) page, [Flickr](#) page and [YouTube](#) channel.

The **customer service team** is at your disposal, on Twitter and Facebook, 24/7.

"It makes me happy at the end of the day to feel I've helped people and to see that we've done a good job."

Mari Carmen Muñoz (^MC)

"I am thrilled to be able to resolve our customers' doubts using these channels. Helping someone resolve a problem is gratifying. It's always better to give than to receive."

Patricia Cardiel (^PC)

"I love the flexibility that the social networks provide and I can help our customers wherever they are in the world"

Angélica Aldazabal (^AA)

Banco Sabadell joins Google+

Banco Sabadell set up a Google+ page in 2011. This expands the range of social networks through which it operates: Facebook, its corporate blog, Twitter, its media room, YouTube, Flickr, UserVoice and SlideShare. The bank's customer service via Google+ is 24/7, just like the rest of its channels.

The bank's verified Twitter name is @BancoSabadell.

When operating online, it's important for both parties to verify their identity.

Twitter has always certified the identities of famous people, politicians and other celebrities, but only recently has it started to verify corporate identities.

Banco Sabadell is the first Spanish bank to be verified by Twitter, and @BancoSabadell is already recognised as a "verified account", providing 100% certainty for the people who use this channel to contact the bank's customer services.

Banco Sabadell has a platform, feedback.bancsabadell.com, and an area for suggestions on Facebook which allow customers to offer comments, suggestions and ideas about its products and services.

2,100
votes

Since implementation, more than **150 ideas and close to 2,100 votes have been received.**

Banco Sabadell, among the top 30 in the world in terms of Twitter followers

[Banco Sabadell, the most-followed Spanish bank on Twitter](#) according to a report drafted by independent consultancy firm IZO

14,274 followers

14,274 followers on Twitter and Facebook
(31.12.2011)

"Great customer services via Twitter by [@BancoSabadell](#). And a great iphone/android app. [#recommended.](#)"

@e_parama

"[@BancoSabadell](#) You're great ^PC! It's like having a bank in your house, but being served by a friend! Tops!"

@MrArthurs

«[#FF @BancoSabadell](#) for its proactive approach to social networks! :).»

@delazar

"[@BancoSabadell](#) handled the issue superbly. Immediate online response, closing the loop with the branch. That's how you keep a customer!! ;-)"

@PedroAOlivares

CLAIMS AND COMPLAINTS MANAGEMENT

When a customer or user has a problem that cannot be resolved at their branch, it can be taken up with the [Customer Care Service \(CCS\)](#).

Banco Guipuzcoano maintains its own Customer Care Service and its own Customer Ombudsperson.

The CCS (at Banco Guipuzcoano and Banco Sabadell) is a service that is independent of the group's commercial and operating lines and is guided by the [Banco Sabadell Rules for the Protection of Customers and Users](#) and the [Banco Guipuzcoano Rules for serving and protecting customers](#). Claim and complaint forms are available in all of the group's branches, on the website, and via any other format that guarantees the claimant's identity; the customer may file a complaint or claim with the CCS or the Ombudsperson at any Banco Sabadell group branch.

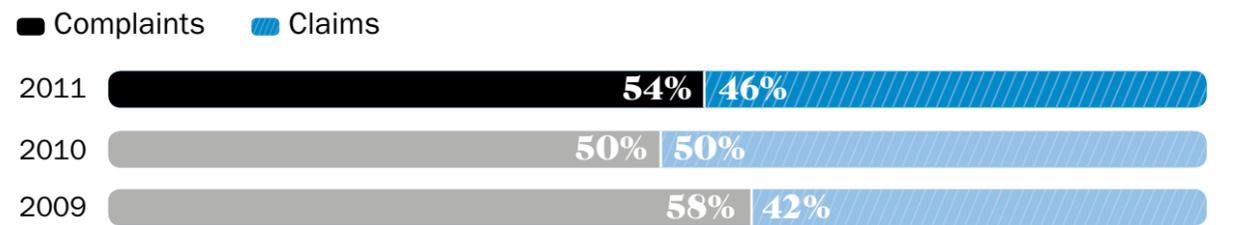
The **Customer Ombudsman** resolves claims submitted by Banco Sabadell customers and users, in both the first and second instance. Decisions made by the CCS and the Ombudsperson are binding on all units of the bank.

Claims and complaints



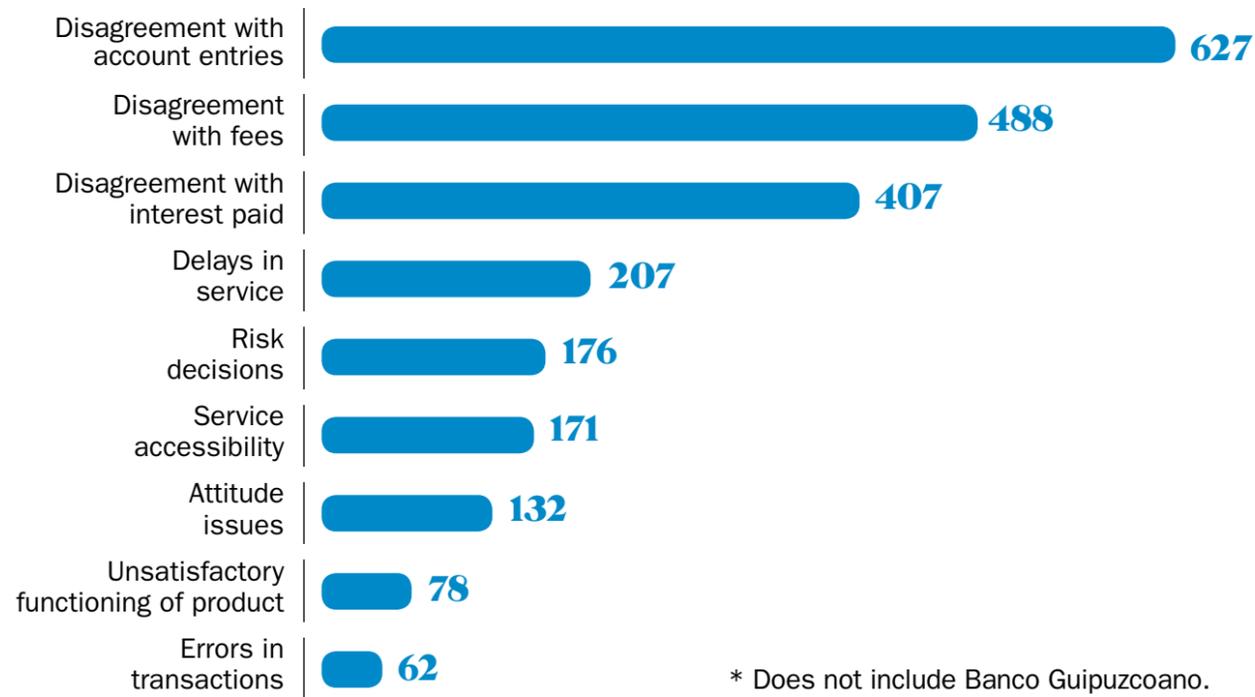
*The 2011 figure includes the 448 complaints managed by Banco Guipuzcoano's CCS. The complaints received in the year increased with respect to 2010 due to the increase in the number of branches and customers.

Breakdown of complaints and claims



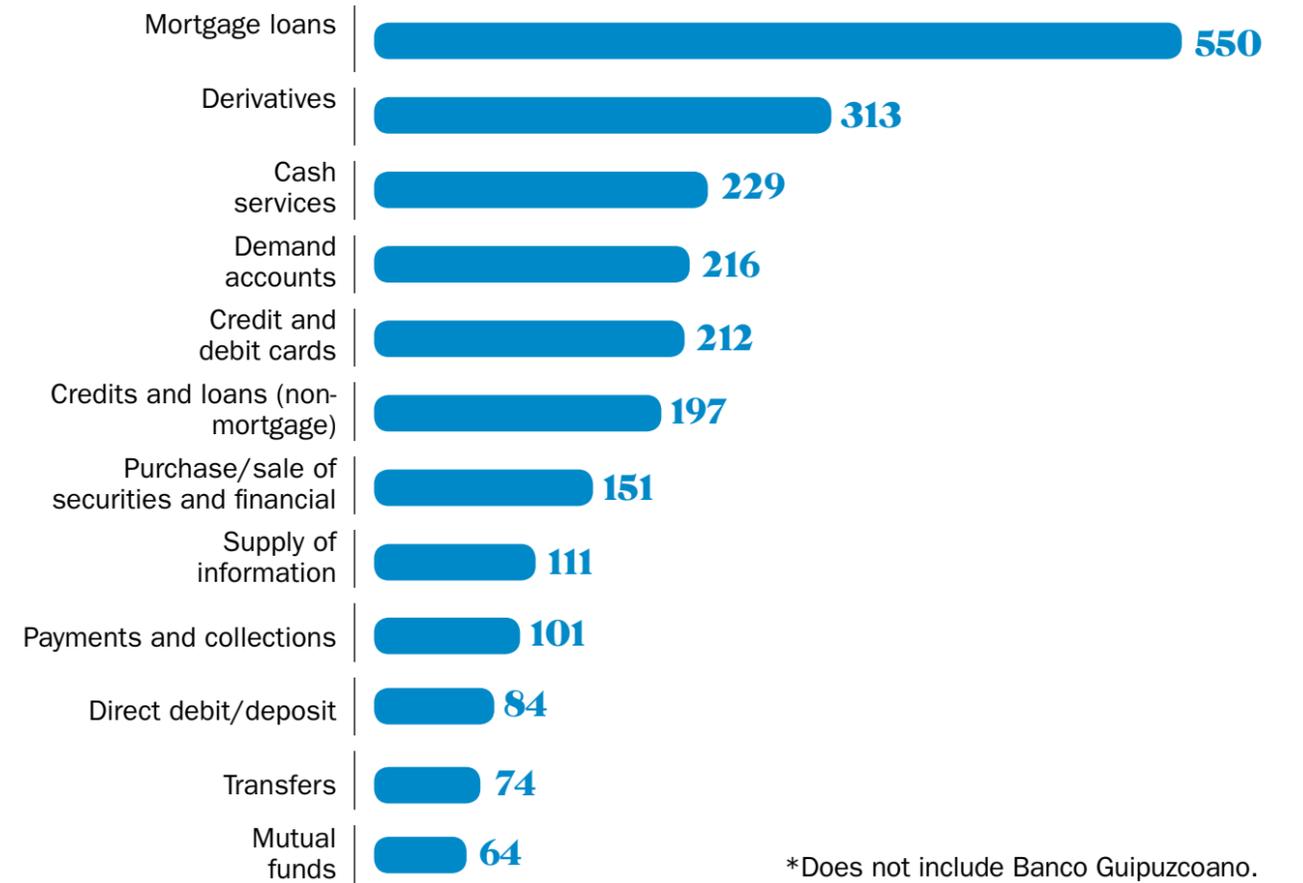
* Does not include Banco Guipuzcoano.

Main reasons for a claim or complaint



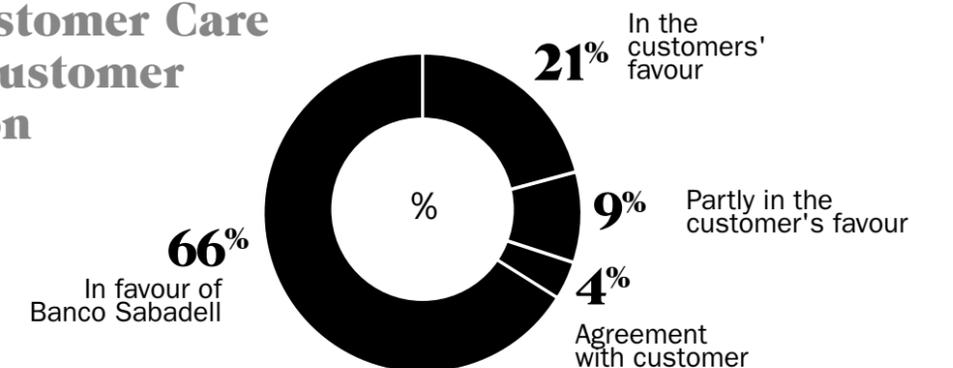
* Does not include Banco Guipuzcoano.

Main products/services which have led to a claim or complaint



*Does not include Banco Guipuzcoano.

Decisions by Banco Sabadell's Customer Care Service and Customer Ombudsperson



*Does not include Banco Guipuzcoano.



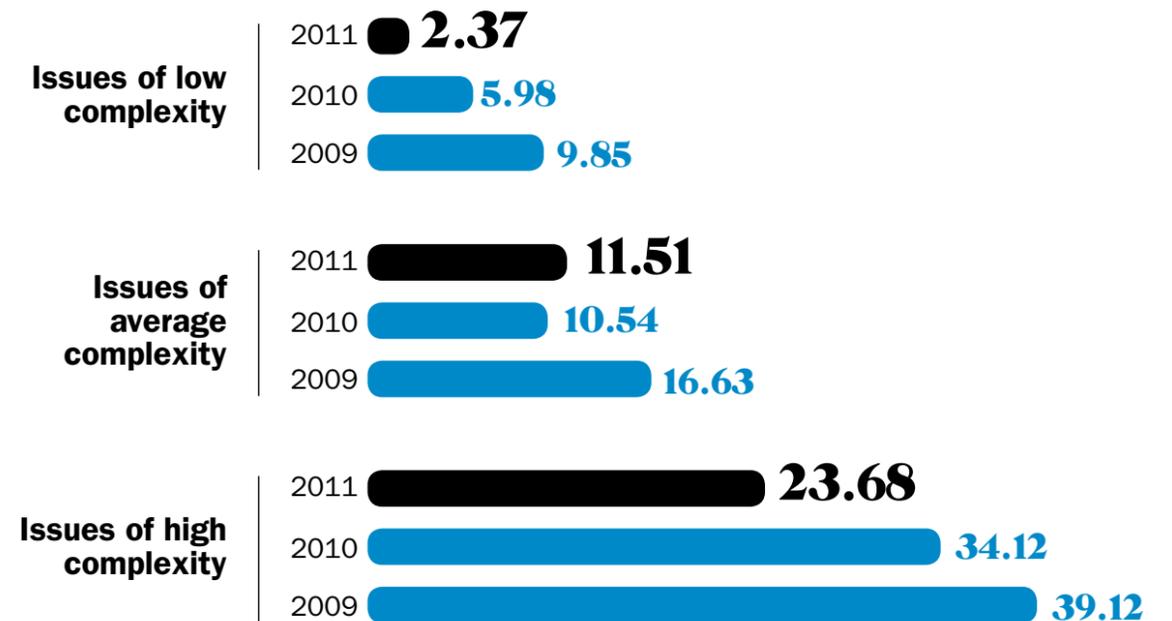
"It's good to be optimistic while still being critical"

Oriol Bohigas,
 86 years old, founder of MBM
 Arquitectes, Gold Medal in Architecture
 from the Higher Council of Architects
 in Spain, 60 years working to make
 Barcelona a better city.

With a view to improving customer relations, the Ombudsperson makes recommendations to enhance good financial practices and the relationship of trust between the bank and its customers. Also, with a view to improving customer service, the Board of Directors issues an annual report which includes a section on good banking practices and one on recommendations for bank personnel and management.

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 in 2011 was:

Average response times (days)



* Does not include Banco Guipuzcoano.

In 2011, the bank optimised management of customer claims and complaints, implementing a series of measures focused on expediting incident management and resolution. The result of that optimisation is reflected in the **shorter average response times to low and high complexity issues.**

“You should never lose the joy of living, your sense of humour or your desire to learn; that’s what experience, is after all. Perhaps you should take the best of each stage and use it in your everyday life.”

*José Corbacho,
46, actor, director, scriptwriter and
comedian; winner of a Goya for best novice
director; famous for his outrageous suits.*



BANCO SABADELL AND ITS EMPLOYEES

100 CAREER DEVELOPMENT

117 FREEDOM OF ASSOCIATION
AND COLLECTIVE BARGAINING

119 EQUALITY, WORK-LIFE BALANCE AND
INTEGRATION

122 SAFETY AND WELL-BEING

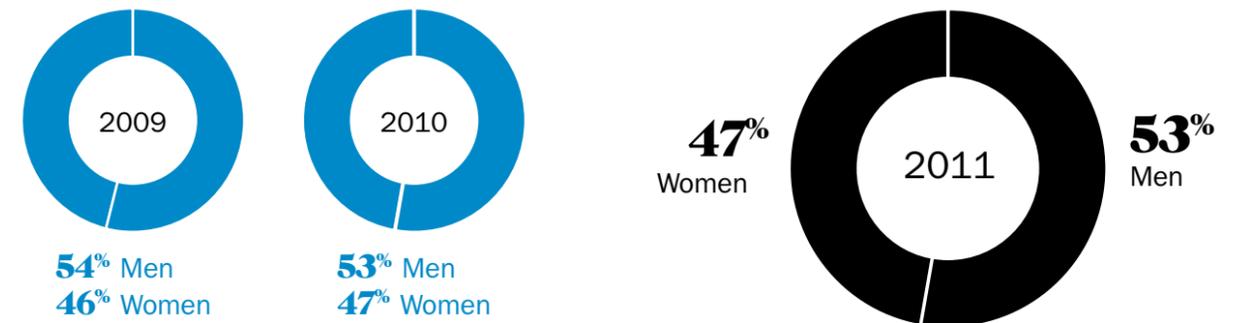
126 EMPLOYEE PARTICIPATION

CAREER DEVELOPMENT

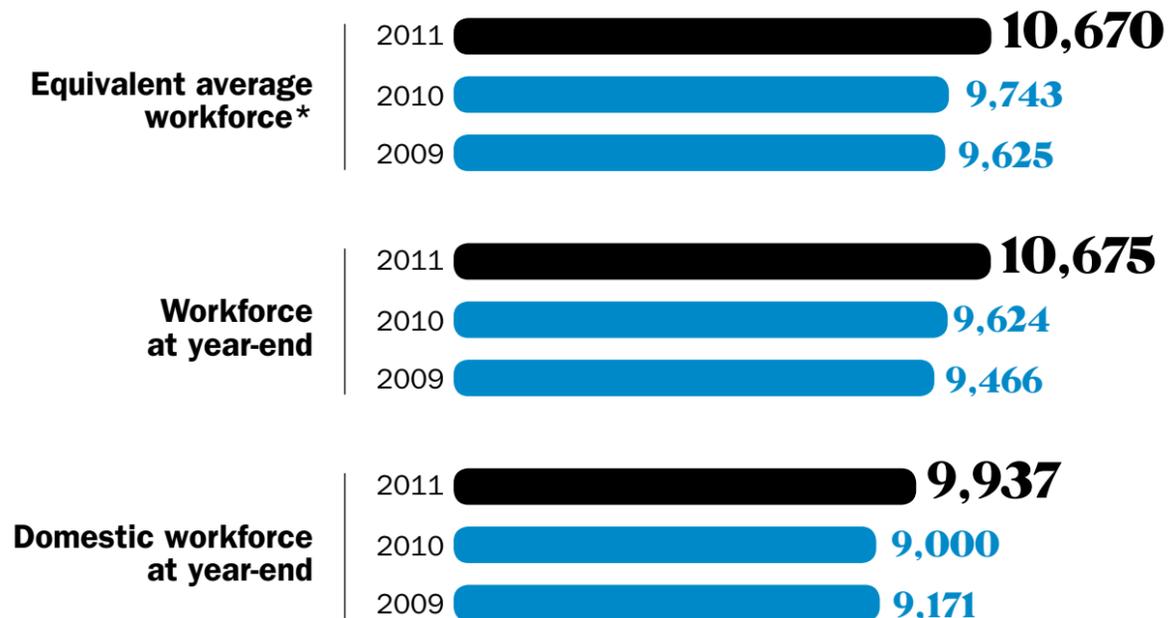
Our employees are what make the bank, with their innovative attitude and their commitment to transforming Banco Sabadell, promoting growth and sustainability in the business. "You CREATE the bank we want to be" is a demanding and stimulating challenge that the bank put to its employees for the period 2011-2013. The whole organisation is working on a business transformation plan that requires creativity, innovation and leadership.

"Only with your involvement, and that of all of us who make up Banco Sabadell, can we make it happen"

Workforce breakdown by gender

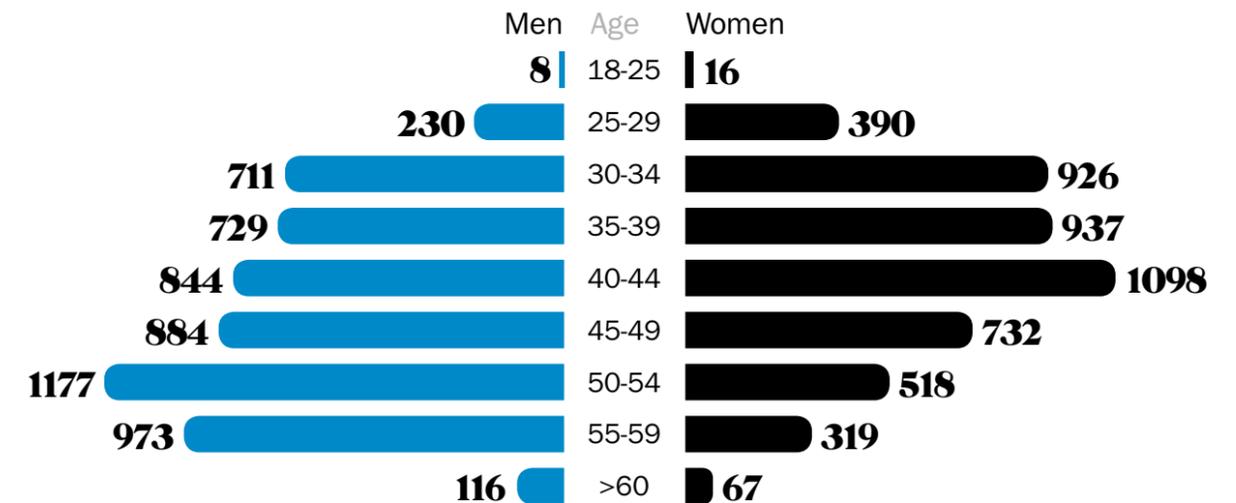


Number of employees



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

Workforce breakdown by age



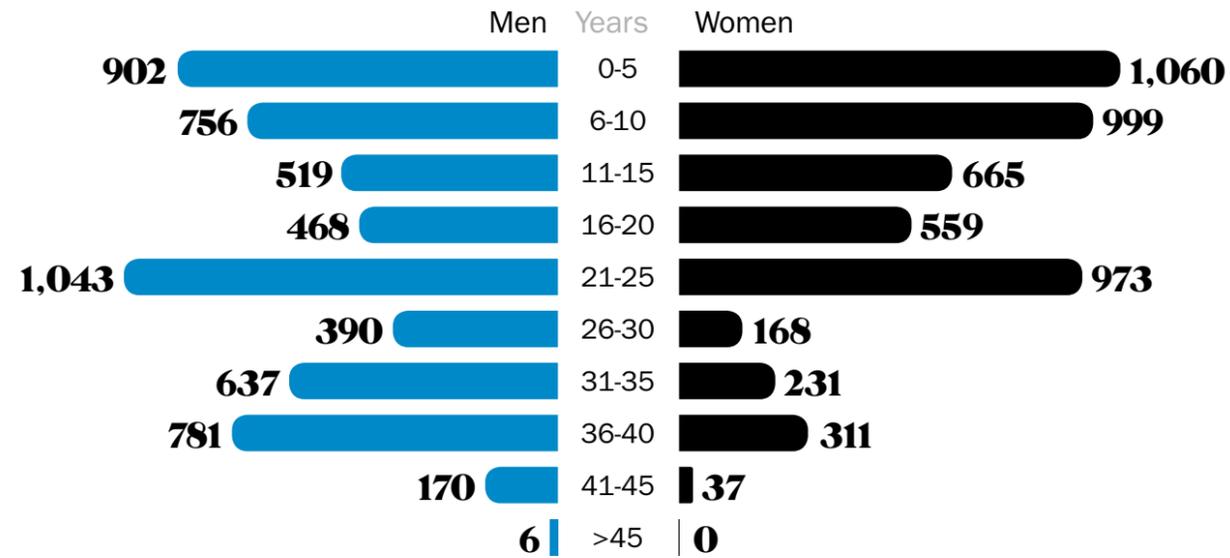
* Scope: Group workforce at year-end.

5,672
Men

5,003
Women

"You create change from inception"

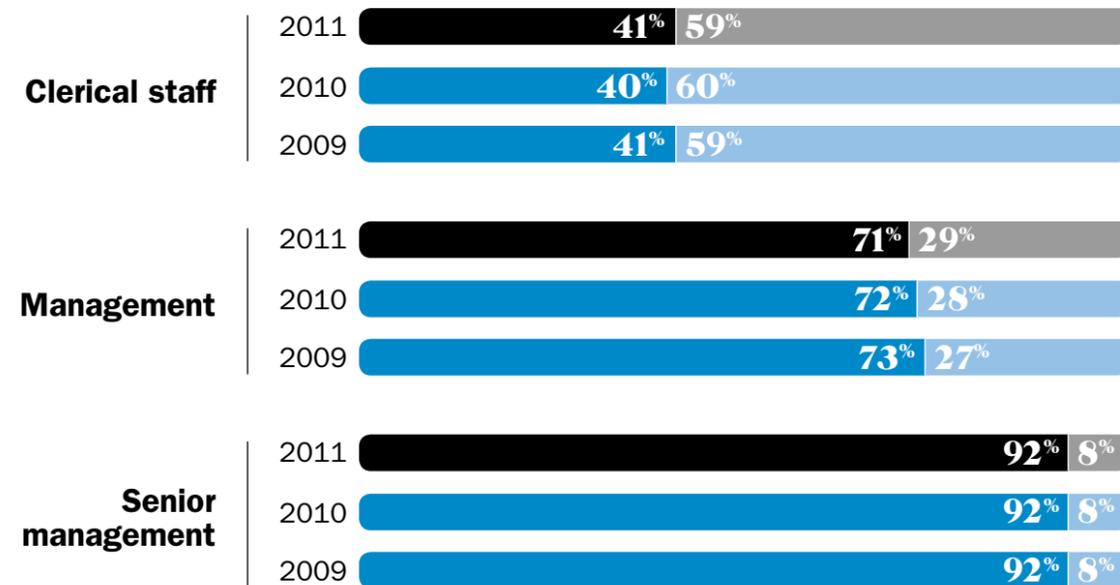
Breakdown of employees by length of service



* Scope: Group workforce at year-end.

Distribution by job category

■ Men ■ Women



Scope: Group workforce at year-end.

Staff rotation

Description	Men	Women
Terminations	0.22%	0.07%
End of contract	0.11%	0.08%
Early retirement and superannuation	0.49%	0.14%
Resignations	0.29%	0.18%
Total discharges	119	50

* Figures calculated for the group's average workforce.

Distribution of the workforce by region

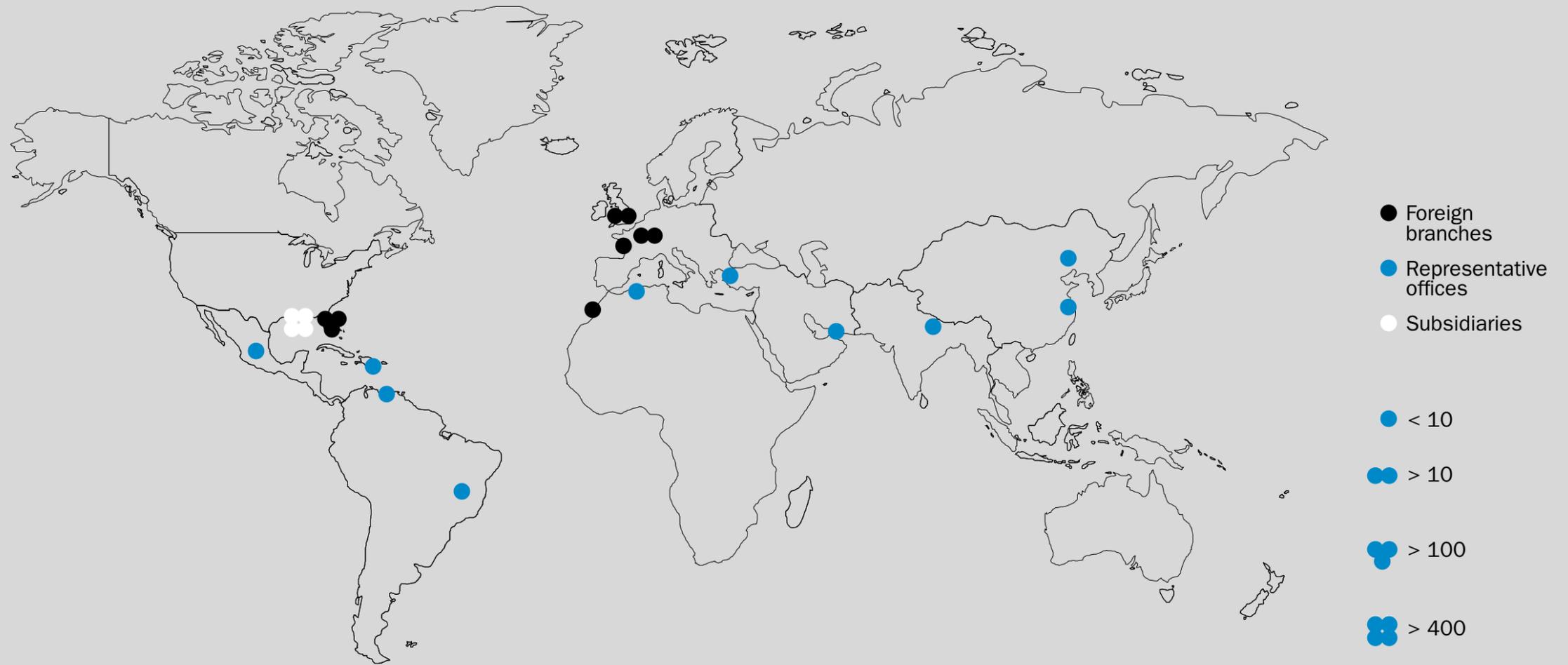


Region	Men	Women
Andalusia	428	252
Aragon	95	41
Asturias	469	273
Balearic Islands	78	100
Canary Islands	70	80
Cantabria	24	10
Castilla y León	161	102
Castilla-la Mancha	41	35
Catalonia	2180	2193
Extremadura	16	1
Galicia	89	60
La Rioja	32	11
Madrid	815	617
Murcia	60	44
Navarra	51	32
Basque Country	427	279
Valencia	367	404
Total	5403	4534

9,937
Total domestic workforce

Scope: domestic workforce at year-end

Distribution of employees in overseas network



738
employees in
overseas network

36%
men

64%
women

Total employees in overseas network

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

Foreign branches	2011	2010	2009
Hendaye ¹	3	-	-
London	19	19	19
Paris	15	15	15
Miami	115	116	110
Casablanca	10	9	8
Total foreign branches	162	159	152
Subsidiaries	2011	2010	2009
Sabadell United Bank ²	537	424	105

¹ The Hendaye branch was acquired with Banco Guipuzcoano, which was integrated into Banco Sabadell in 2011

² The workforce of Sabadell United Bank was expanded in 2011 due to the acquisition of Lydian Bank

Representative offices	2011	2010	2009
Algiers	3	2	3
Caracas	4	4	4
Dubai	3	3	3
Istanbul	3	3	3
Mexico City	4	4	4
New Delhi	4	4	4
Beijing	3	3	3
Santiago (Chile)	0	2	2
Santo Domingo	3	2	-
São Paulo	2	2	2
Shanghai	2	3	2
Others	8	9	8
Total representative offices	39	41	38
TOTAL OFFICES	738	624	295

Leadership management

Banco Sabadell has worked with the organisation's top executives and managers to strengthen their leadership skills since they are responsible for transmitting the need for change to the entire organisation and for directing the group's business transformation. In 2010, the organisation established the executive management model and created the **Executive Assessment Committee**, comprising the Chairman, the CEO, the Controller, the Head of Operations and Corporate Development and the Head of Human Resources, which establishes policies with regard to the organisation's main executives.

An **Executive Management Unit** was also established to train, develop and manage the bank's executives on the basis of their responsibilities and needs.

In 2011, 159 of the bank's top 300 executives that are included in the corporate development program undertook a psychometric evaluation and submitted to a 360° assessment, which collects feedback from direct superiors, colleagues and subordinates. They also attended specific strategic leadership seminars designed to enhance their leadership and team management skills.

It is planned to extend the psychometric evaluation and the 360° assessment to the rest of the top 300 executives in 2012.

Corporate programme for promotion to team management

In 2011, the Corporate Management programme was created for people being groomed as heads of department and corporate managers with personnel reporting to them. The purpose of the programme is to guide recently promoted staff members and replaces the pre-existing "BS líderes" pilot programme, in which almost 100 future unit heads in the Operations department participated in 2009 and 2010.

The Corporate Management programme consists of theoretical training and the development, by groups drawn from different areas, of a project that contributes value to the bank.

The first edition involved 15 department heads and 15 managers. One of the three projects presented to senior management, one referred to the use of electric vehicles. A total of 36 new employees will participate in the programme in 2012.

"A fully committed executive team with superb people management skills enables us to address current and future challenges successfully and will lead us to achieve results and beat our rivals"

Performance and potential management

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

Performance and potential management (GDP) involves a joint assessment by evaluator and evaluatee in 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.**

The evaluation also offers scope to reflect the employee's motivation and concerns with regard to geographic mobility and career prospects. It also assesses the degree of achievement of the goals set by the evaluatee and his/her superior at the beginning of the year.



The GDP assessment identifies employees whose competencies and skills enable them to undertake greater responsibility. The Human Resources team assigns them to the appropriate development programme to enable them to realise their full potential.

The Human Resources Department also conducts development interviews to assess employees' professional profile, and their motivations, concerns and interests in connection with their career.

Since the process commenced in 2009, a total of 2,098 interviews have been held, covering approximately 20% of the Group's workforce.

“You should never lose the joy of living, your sense of humour or your desire to learn; that's what experience, is after all. Perhaps you should take the best of each stage and use it in your everyday life.”

*José Corbacho,
46, actor, director, scriptwriter and
comedian; winner of a Goya for best novice
director; famous for his outrageous suits.*



Training

Banco Sabadell provides employees with function-based training: continuous, progressive training adapted to each individual's function.

The BS Campus portal enables users to book courses (both on-line and face-to-face) and provides on-line training support.

In 2011, the bank promoted the creation of learning communities, which foster the transmission of knowledge between employees in different areas and functions.

The bank has reached agreements with universities both for training programmes for staff and for internships at the bank.

Guipuzcoano's training plan, in numbers

When Banco Guipuzcoano was integrated in April 2011, the Group launched a training plan specifically for Banco Guipuzcoano employees. The training needs of each profile were identified in order to define a distinctive training programme.

- Over **50 hours of training per employee.**
- More than **230 people** in the BS network participated in the process (branch support tutors, branch integration support tutors, and trainers for the various groups).
- **150 tutors** and checkers for the training material

230

people in the BS network participated in the process as tutors or trainers

The internet is an inexhaustible source of information that is kept constantly up to date, but ...

Do you know how to take full advantage of it?

Do you need to quickly update all the relevant information for your activity?

A digital skills kit was launched in 2011 and placed at the disposal of all employees. It consists of a series of six videos featuring experts in social networks that give tips for using the internet efficiently.

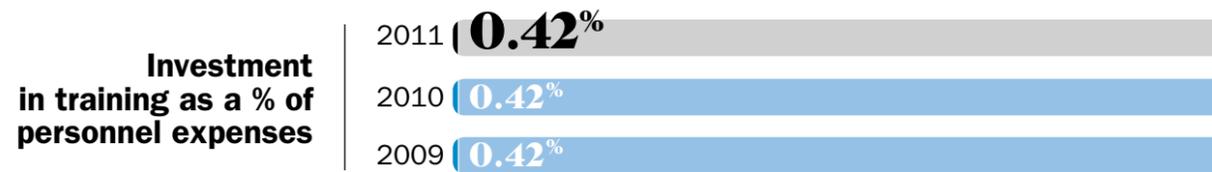
LAUDE programme

The LAUDE programme, initiated in 2009, grants recognition of credits obtained in the bank's in-house training for the purpose of academic qualifications issued by the University of Barcelona's Institute of Lifelong Learning (IL3) and in line with the framework of the new European Education Space. Depending on the employees' function, they can transfer credit to three different programmes (Diploma in Bank Products and Services, Post-Graduate qualification in Commercial Banking, and Master in Investment Advice).

Would you like to obtain a university qualification without leaving the office?

The diplomas under the second and third edition of the LAUDE programme were presented in 2011: 59 Diplomas in Bank Products and Services, 10 Post-Graduate qualifications in Commercial Banking, and 4 Masters in Financial and Investment Advice. Over 100 people have graduated under the programme since its inception in 2009.

Training in figures



68,563
training actions

306.97
euro

Investment in training per employee amounted to 306.97 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 established in the [Human Resources Policy](#).

The compensation policy is based on each person's level of responsibility and career development. Policies on increases in fixed and variable remuneration are established on that basis.

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

43.15%
of employees

43.15% of employees benefit from an interest-free loan.

55.9%
of employees

In 2011, **55.9% of employees received study grants for their children**, amounting to a total of 5.6 million euro.

New system of incentives for the commercial banking branch network

A new incentive system for the commercial banking branch network was established in 2011, under which the variable remuneration for managers and their teams is set on the basis of the value created by their sales and portfolio retention.

This approach encourages teamwork and individual participation in achieving goals.

Flexible compensation

The flexible compensation system enables employees to optimise their compensation by acquiring certain products through deductions from their payroll (health insurance, home rental, childcare, training, etc..)

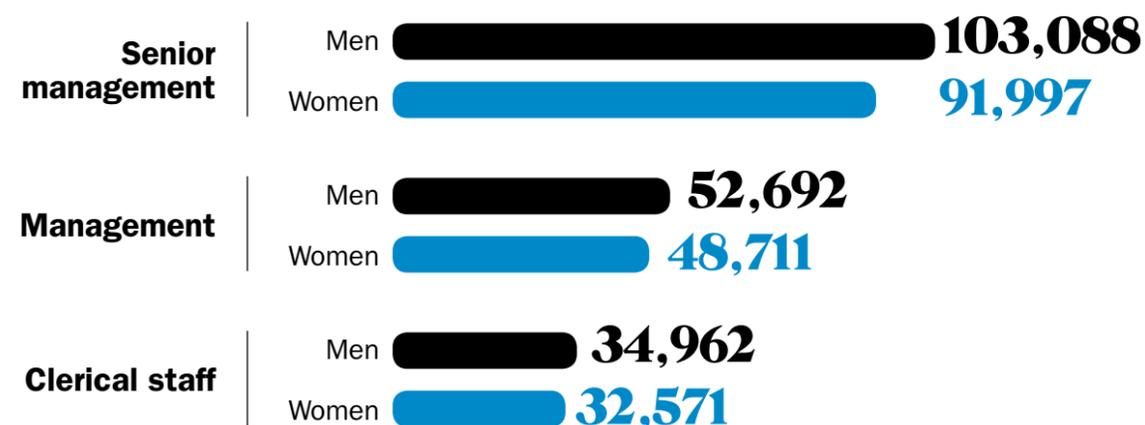
The flexible remuneration system was extended in 2011 to cover 38% of the workforce.

In 2011, 777 employees acquired products that offer tax benefits.

During 2011, Banco Sabadell adapted its remuneration policy to the new requirements of Spanish Royal Decree 771/2011 and Act 6/2011, which transpose Directives 2009/111/EC and 2010/76/EU and regulate remuneration in credit institutions. In particular, a specific remuneration system was established for employees whose activities affect the bank's risk profile. Formulas for deferring variable remuneration were also implemented.

Average remuneration by job category

Euro



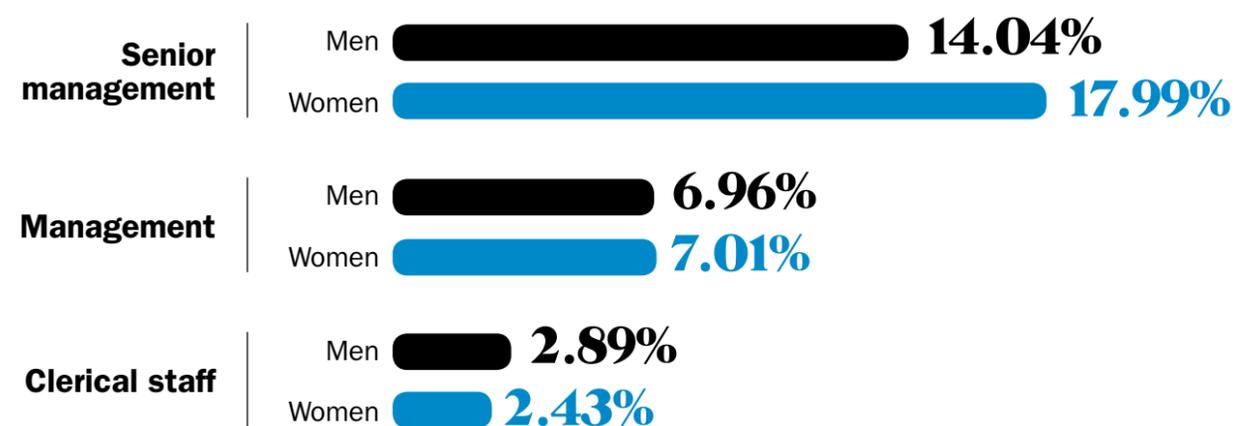
The fact that the average male remuneration is higher is due to the higher average length of service of this group

Figures do not include benefits or variable remuneration.

Employees with variable remuneration

	%
% of employees with variable remuneration	87.45
% of clerical employees with variable remuneration	82.41
% of managers with variable remuneration	94.35
% of senior managers with variable remuneration	100

Variable compensation as a percentage of total compensation



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 set out in the [code of conduct](#) and the [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.).

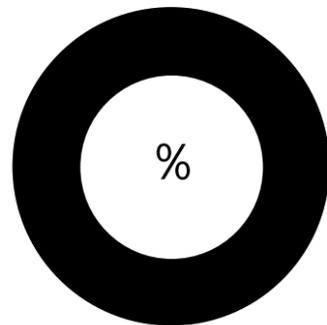
All employees are given a month's notice of significant organisational changes.

Dialogue with the unions led to additional agreements in 2011

- Agreement on labour conditions and subrogation of Banco Guipuzcoano, which regulates the labour conditions of all employees of Banco Guipuzcoano.
- New regulation for the Banco Sabadell employees' pension plan, providing coverage for the employees from Banco Guipuzcoano.

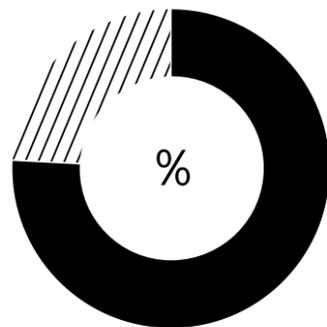
Union elections are held every four years. Banco Sabadell management meets periodically with the general secretaries of the various trade unions and they participate regularly in various committees (National Health and Safety Committee, Committee for Equal Opportunity, Training Committee and the Pension Plan Oversight Committee). Workplaces with more than 50 workers have a works committee. Workplaces with between 6 and 10 workers may elect a union representative.

Union representation



100%
represented

Percentage of **employees** represented by unions or covered by collective agreements.



76%
of participants

Percentage of employees that **participated in the last union elections** (December 2010).

EQUALITY, WORK-LIFE BALANCE AND INTEGRATION

Banco Sabadell guarantees equal opportunities in its relations with employees: recruitment, training, promotion, working conditions, remuneration, etc. These principles are also set out in the [equality plan](#), the [human resources policy](#) and the [code of conduct](#).

Equality

In 2010, Banco Sabadell signed an [equality plan](#) aimed at avoiding any type of discrimination at work between women and men in the company, in response to the requirements of Organic Act 3/2007.

Certain lines of action were established for this purpose, with effective tracking and goal evaluation systems, in the areas of training, promotion and career development, remuneration, work-life balance, gender violence and sexual harassment.

The equality plan's Steering Committee, which consists of representatives of workers and the bank, meets twice per year to monitor development and compliance with the equality plan.

783 female employees were promoted in 2011.

47% of the workforce are women
63% of promoted employees are women
29% of managerial positions are held by women
2 women directors
Employees of **30** nationalities other than Spanish

“Women and Leadership” seminar

During 2011, a number of seminars were held with personalities from the world of business, sport and culture.

They were sponsored by the Group and sought to raise awareness in business of women’s managerial skills.

Work-life balance

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

The benefits include:

Shorter working day (paid or unpaid, or for breastfeeding leave)

Unpaid leave (for maternity or to care for a relative)

Special leave

Paternity leave

Flexitime

All benefits have been notified to the entire workforce by means of a printed guidebook and full details are available in the intranet, in the employees’ on-line guide and on the [bank’s website](#).

In 2011

210 employees with a **shorter working day** (unremunerated)

203 employees with **paternity leave**

180 employees with accumulated **breastfeeding leave**

Banco Sabadell offers a range of benefits in the form of study grants, health and other insurance, and financial products in special conditions.

The portal with special offers and benefits for employees was redesigned in 2011. In a more participatory environment, the new portal includes additional features and extends the offers of external, internal and financial services available to employees.

Integration

Banco Sabadell promotes diversity and integration of employees in the workplace with recruitment processes geared to non-discrimination.

The group takes action to adapt workplaces where needed, in line with the special sensitivity protocols established by the industrial medicine unit. The bank also assists employees with paperwork in connection with the municipal, regional or national governments, helping to improve employees’ well-being outside the strictly professional sphere.

The bank employs a total of 69 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 special employment centres. Some of the bank’s employment offers are currently posted on [disjob](#), an employment website for persons with disabilities.

SAFETY AND WELL-BEING

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

The bank has a safety plan, as required by current legislation. The plan is the roadmap for safety management at the bank and has been reviewed and updated by the Safety Department in consultation with the safety officers and with the approval of management.

The company publishes an annual report on health and safety initiatives.

The report is available on the employee portal and also (this year, for the first time) on the corporate website.

Workplace risk assessment

An initial risk assessment is performed for each new work premises and also after refurbishment of existing premises. 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, lighting, etc.

To further mitigate risk to employees, defibrillators have been installed in the Sant Cugat and Madrid headquarters.

Workplace safety

- A total of **7317** routine medical check-ups were scheduled in 2011.
- **78%** agreed to the medical
- **7** emergency drills were held
- A single, easy-to-remember emergency **phone number** has been implemented for emergencies at all the bank's headquarters.

All companies that work on bank premises must coordinate safety measures.

Absenteeism index

	2011	2010
Periodic prevalence rate (number of employees on disability leave/total employees) x 100	3.81%	4.21%
Seriousness index (days lost/total working days) x 100	2.36%	2.51%

Drive carefully on your commute

In cooperation with Fremap, a workplace accident mutual insurance company, in 2011 Banco Sabadell launched an audiovisual campaign among employees whose aim is to avoid road accidents. The campaign, accessible on the training portal, consists of practical videos with useful tips for safe driving and avoiding accident-prone attitudes while driving.

In 2011

Banco Sabadell implemented an audiovisual campaign to **prevent road accidents**

Workplace safety training

All Banco Sabadell personnel and new hires receive information on workplace risk prevention and are required to attend a course on health and safety at work in the form of an on-line learning module lasting approximately two hours. In 2011, the content was revised and screen design was enhanced to make the module more dynamic and attractive.

The communication channels are also used to distribute publications, ergonomics tips, and work equipment manuals, in connection with the risks specific to the bank's activity.

Training data for 2011

Branch managers that took the basic safety officer course.	209
Persons in the emergency teams that completed the practical course on fire-fighting at specialised centres.	55

Stress management course

In 2011, employees were reminded via the intranet of the possibility of taking a stress management course, available on-line in the employee portal.

580 employees

580 employees have completed the course since it was launched in 2009

EMPLOYEE PARTICIPATION

Banco Sabadell has several channels of communication between the various levels of the bank aimed at enhancing internal communication and involving employees in the bank's project.

To this end, the bank provides employees with full information relating to human resources management and the bank's activities on the intranet in the form of a virtual human resources guide that sets out the main issues affecting employees in their professional life cycle, and also in the in-house magazine.

The virtual guide has links to the main internal regulations in the field of human resources.

Additionally, face-to-face meetings are organised each year: executive meetings, breakfast with the CEO, performance and potential interviews, etc.

BS Idea

The "BS Idea" platform enables employees to make suggestions for improvement in any area of the organisation.

The platform is an excellent communication channel by which employees can file queries and share experiences on products and processes.

"I participate because I constantly want to make contributions to improve the bank, to make us more efficient and to provide a higher quality service, to release us from uncreative tasks: I tend to be very active and participative in my daily work"

BS Idea user

The ideas that get the most employee votes receive a prize and are analysed by an improvement team to decide on their implementation.

BS Ideas in figures: in 2011

Almost **2,000 ideas** and over **2,100 comments** were submitted, and **19,800 votes** were cast (93% positive, 7% negative).

A total of **1,272 new users registered** (8,948 users in total).

7,000 euro in prizes were distributed among the 85 award-winning ideas.

Three weekends at Parador hotels were raffled among all participants.

Employees are given specific challenges to help improve specific areas. For example, a recent challenge sought ideas for improving the information that customers receive in the new personal finance project. The project and the impact to date were described briefly, together with the planned next steps. As a result, the ideas submitted were very focused and had visible results in the short term.

Senior executive programme

The bank maintains an emotional link with former employees. The Senior executive programme includes professionals with a long track record at the bank who are outstanding because of their experience and entrepreneurship. The group participates in Banco Sabadell projects by contributing their valuable knowledge and experience.

The Senior group assisted with the following projects in 2011: they contributed to designing the Corporate Management Programme, participated in induction sessions for new commercial managers, and acted as mentors in on-line courses.

“It is very gratifying for me and the other members of the Senior group to maintain a link with the company to which we devoted the most active years of our lives. We feel that the knowledge we acquired throughout our career is valued and we feel fortunate to be able to transmit that knowledge to the new generations of employees.”

Josep Manuel Suàrez

Satisfaction survey

The bank participates in the “Best workplaces” survey conducted by the [Great Place to Work Institute](#), which covers over 5,000 employers and 1,500,000 employees in 32 countries around the globe.

The survey consists of 58 questions on credibility, respect, fairness, pride and camaraderie, and another 24 questions specifically about Banco Sabadell. The survey is the benchmark in workplace satisfaction, and enables companies to compare themselves to employers that are considered to be excellent places to work.

The entire workforce in Spain was surveyed in 2011. A total of 5,811 responses were received. Some of the most notable results of the survey are detailed below.

Survey results

Credibility

70% of employees responded positively about the level of responsibility assigned to them.

87% of employees have a clear image of their responsibility and functions and the purpose of their job.

Respect

82% of employees consider that they feel their workplace is secure.

66% consider that the training and development programmes enable them to advance professionally.

Fairness

A large percentage of employees perceive that the company treats them fairly, regardless of their race or sexual orientation.

Pride

81% of employees feel proud of their achievements.

58%
satisfaction

Overall, **58% of employees** consider the bank is a great place to work.

Corporate volunteer programme

Ojos del Sahara (Eyes of the Sahara)

Since 2009, Banco Sabadell has assisted the Ojos del Mundo Foundation's Eyes of the Sahara Programme.

For the third consecutive year, the entire workforce was invited to participate. After the process of selection by the foundation and the bank, it was decided to postpone volunteer participation following the kidnapping of three aid workers from a nearby refugee camp.

TV3 telethon

This year's edition was devoted to organ and tissue regeneration and transplants; 120 bank employees participated. All the volunteers attended a 90-minute training session beforehand.

The group also participated in the "Piula per La Marató" campaign on Twitter, and the #BSsolidaris hashtag was created in connection with our volunteers' participation.

In 2011, the Catalonia Regional Government's Department of Social Welfare and the Family expressed its gratitude to the **Banco Sabadell employees for their participation in the 2010 telethon.**

Food bank

Another campaign to collect food for the food bank was conducted in 2011.

“This is a crucial time,
a situation pregnant
with positive and radical
change, particularly if
we consider the critiques
from all sides”

Oriol Bohigas,

*86 years old, founder of MBM
Arquitectes, Gold Medal in
Architecture from the Higher
Council of Architects in Spain,
60 years working to make
Barcelona a better city.*



SUSTAINABILITY AND ENVIRONMENTAL MANAGEMENT

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COMMITMENT TO SUSTAINABILITY

Continuing with the broad lines of the [group's environmental policy](#), in recent years Banco Sabadell has established a number of commitments to social responsibility and sustainable development in both its financial activity and its service and installations.

Some of the commitments have a long track record worldwide and are tightly integrated into the organization, such as the group's intense activity in investing and funding renewable energy projects, its commitment to the Global Compact, and its ISO 14001 certified environmental management system. In the case of sustainable building, pioneering initiatives have been developed in Spanish territory (LEED/GreenBuilding) that are currently being incorporated into the organisation's day-to-day operations.

“This is a crucial time, a situation pregnant with positive and radical change, particularly if we consider the critiques from all sides”



Oriol Bohigas,
86 years old, founder of MBM Arquitectes, Gold Medal in Architecture from the Higher Council of Architects in Spain, 60 years working to make Barcelona a better city.



United Nations [Global Compact](#)



Signed the [Equator Principles](#)



Signed the [Carbon Disclosure Project](#)



Environmental management systems certified to [ISO 14001](#) at five corporate headquarters, and adapted to the rest of the group



The new Centro Banco Sabadell building complies with [LEED-NC](#) (New Construction) sustainable building certification requirements



Member of the [EU GreenBuilding Programme](#) for the sustainable construction of its Polinyà logistics centre



Member of Catalonia's [2026.CAT Sustainable Development Strategy Advisory Board](#)



Agreement with [SendeCO2](#), in which the bank has a 10% stake, to act as central counterparty in the emissions trading market

The Equator Principles



Banco Sabadell adopted the Equator Principles on 28 September 2011. Since then, all new project finance deals worldwide with capital costs in excess of 10 million euro include the Equator Principles as a covenant binding on the borrower.

Banco Sabadell was the fifth Spanish bank to adopt the Equator Principles. Launched in 2003, the Equator Principles are based on the International Finance Corporation (IFC) Performance Standards on social and environmental sustainability and on the World Bank Group Environmental, Health, and Safety Guidelines, and were initially adopted by ten financial institutions: ABN AMRO Bank, NV, Barclays Plc, Citi, Crédit Lyonnais, Crédit Suisse First Boston, HVB Group, Rabobank Group, Royal Bank of Scotland, WestLB AG and Westpac Banking Corporation.

Projects are classified as A, B or C based on the IFC standards; all category A or B projects include a social and environmental assessment by an independent expert.

During the year, Banco Sabadell allocated 917 million euro to structured finance projects, the bulk (72%) for renewable energy facilities. Seven projects were signed in 2011 that incorporate the Equator Principles, six of which relate to renewable energy and one to the expansion of a school.

C:
**minimal or
non-existent
social and
environmental
impact**

LOMA DEL CAPÓN: Funding for a 30.6 MW wind farm, amounting to 56.7 million euro.

EÓLICA MIRASIERRA: Funding for a 44 MW wind farm in Spain, amounting to 68.5 million euro.

EL RASO: Funding for a 6 MW wind farm in Spain, amounting to 8.9 million euro.

COLEGIO ARGANDA DEL REY: Funding for a privately-owned State-funded school in Spain, amounting to 9.6 million euro.

B:
**low, localised and
reversible social
or environmental
impact**

TAPESTRY: Funding for a 205 MW wind farm in the US, amounting to 171 million euro

ROTH ROCK: Funding for a 50 MW wind farm in the US, amounting to 46.5 million euro

A:
**significant,
diverse social or
environmental
impacts**

DESERT SUNLIGHT: Funding for a 550 MW photovoltaic facility in the US, amounting to 106.5 million euro

Also, the **analysis of loan applications** includes environmental criteria that enable us to give the necessary support to analysts and to the branch network in general for making decisions. 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.

Renewable energies

Banco Sabadell promotes the development of a more sustainable energy model through direct investment and by financing renewable energy projects. Once again, the bank retained its leading position in this sector in Spain and shared its experience by sending speakers to the main events in this area in Spain: Annual Meeting on Solar Thermoelectric Energy, the Annual Wind Energy Convention, the Spanish Wind Energy Association, etc.

Financing and brokerage

In 2011, Banco Sabadell provided 659 million euro in finance to renewable energy generation projects. The portfolio of renewable energy facilities financed by the bank represents a total installed capacity of 15,835 MW. Most of this capacity is in the form of wind farms, and represents over 25% of the Spanish wind energy market.

In addition to funding, Banco Sabadell provides advice and brokerage services for renewable energy projects.

72%
projects

In 2011, **72% of structured finance** projects funded by Banco Sabadell were for renewable energy facilities.

Total number of facilities financed

as of 31 December 2011

Energy source	Number of facilities
Wind	participant in 12,755 MW
Solar thermal	participant in 861 MW
Photovoltaic	participant in 663 MW
Biomass	participant in 131 MW
Small hydroelectric	participant in 116 MW
CCGT	participant in 500 MW
Biofuels	809 tonnes/year

Facilities financed

in 2011

Energy source	Number of transactions	Country	Installed capacity	Projected annual output
Wind	4	USA	325 MW	1,093 GWh
Wind	1	Germany	400 MW	1,300 GWh
Wind	12	Spain	551 MW	98,672 GWh
Solar thermal plant	3	Spain	200 MW	773 GWh
Biomass plant	1	Spain	50 MW	400 GWh
Photovoltaic plant	1	USA	550 MW	1,340 GWh
CCGT	1	USA	500 MW	699 GWh
Total			2,576 MW	104,277 GWh

104,277
GWh

Total **projected annual** output.

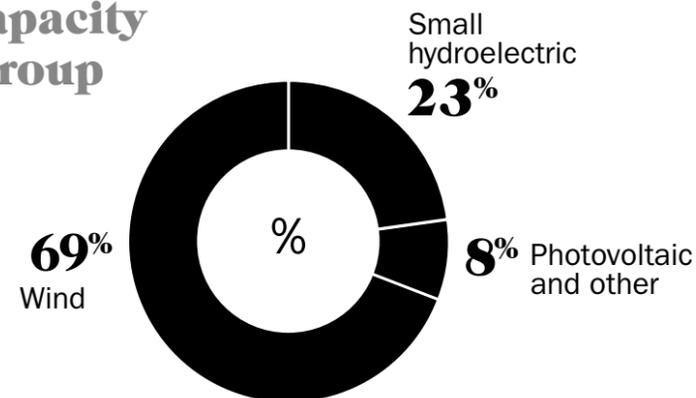
Direct investment

Banco Sabadell, through its wholly owned subsidiary, Sinia Renovables SCR de Régimen Simplificado, S.A., invests directly in power generation projects that use renewable energy. The bank owns stakes in 13 companies in the sector, and maintains its holdings in Hidrodata, S.A., (46%), Adelanta Corporación, S.A. (25%), Eolia Renovables, S.A. (6%) and Fersa Energías Renovables (4%).

The bank acquired stakes in companies that are currently building wind farms: 100% of Parque Eólico Loma del Capón, S.L. (30.6MW), 62% of Eólica Sierra Sesnández, S.L. (20.0MW) and 50% of Eólica Mirasierra, S.L. (44.0MW). At 2011 year-end, the subsidiaries in this area represented 965 MW of installed capacity, of which 123 MW were directly attributable to the Banco Sabadell group.

6.7
million euro
6.7 million euro invested in **renewable energies**
projects in 2011

Breakdown of the capacity attributable to the group



Additional wind power construction and/or operation projects are expected to be added in 2012

Environmental products and services

Banco Sabadell sells some products that incorporate benefits for customers and for global sustainability.

The Energy Efficiency operating lease product became firmly established in 2011; it is used to finance street lighting, biomass boilers and cogeneration facilities. During the year, BanSabadell Renting financed products of this type for over 100 city governments and energy services and industrial companies. The Energy Efficiency operating lease product is designed for turnkey projects, i.e. which provide the client with a complete package of technology, insurance, installation and maintenance.

The **Renting Fotovoltaico** product serves to finance photovoltaic installations for companies, private individuals and governments that wish to install them to reduce energy consumption.

Banco Sabadell actively markets these new technologies in its [automobile lease products](#). 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 a subsidy of up to €2,000 for leasing more energy-efficient hybrid vehicles.

Banco Sabadell also 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.

ENVIRONMENTAL MANAGEMENT

In parallel with its finance business, Banco Sabadell is working steadily to improve the energy efficiency of its facilities and reduce the environmental impact of the services it provides. The Environment Committee is charged with supervising performance and leading environmental programmes within the organisation.

Since 2006, the bank has had an environmental management system in accordance with the ISO 14001:2004 standard which is implemented at all corporate headquarters and is being rolled out steadily throughout the organisation. Five of the corporate headquarters, where 15% of the workforce is located, are certified to ISO 14001.

Eco-efficiency measures

Energy

- 85% of the branch network is equipped with **centralised lighting and climate control systems**.
- **Illuminated signs** are timed in line with the hours of darkness.
- **Plan to replace ATMs** with more efficient machines made from recyclable materials.
- **Lighting systems** using LED lamps and presence detectors in the corporate headquarters.
- **Low-energy bulbs.**
- At the headquarters and larger branches, the bank has **climate control systems** that recover energy.
- **Improve energy efficiency** of the climate control systems in the current CBS headquarters.
- Computer hardware with **energy-saving features and TFT monitors**.
- Progressive replacement of **PCs with thin clients**, which use 90% less energy.
- PCs in the corporate offices have an **automatic shut-off function**.
- Oversight mechanisms for **waste management** in branches that are being closed.

Resources

- Efficient mechanisms in toilet cisterns and taps to optimise **water management**.
- With regard to waste water management, all our offices are connected to the **public sewage network**.
- The new CBS building has a **pond for collecting rainwater** for use in watering the garden, and a garden with drought-resistant native plants.
- Conventional **paper** is chlorine-free, **certified by the FSC** and produced to ISO 9001 and ISO 14001 standards; the in-house magazine is always printed on recycled paper.
- All printers are configured for **duplex printing** by default.
- **E-mail communication** with customers has been fully implemented.
- **Recycled paper** accounts for 78% of all paper used at corporate headquarters.
- **BS Carpooling platform for employees.**
- Dissemination of **environmental best practices** in the employee magazine.

Inventory of emissions of CO₂

Tonnes of CO₂

	2011	2010	2009
Scope 1: direct emissions generated by company installations	379	363	354
Scope 2: indirect emissions due to electricity consumption	20,219	21,664	21,288
Scope 3: indirect emissions due to business trips	1,888	2,421	2,054

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.

* breakdown available in annex of sustainability indicators

Energy consumption⁽¹⁾

	2011	2010	2009
Electricity consumption (MWh)	61,269	65,649	54,583
Electricity consumption per employee (MWh/employee)	6.17	7.29	5.95

⁽¹⁾ The data for 2009-2010 was recalculated and revised

Water consumption

	2011	2010	2009
Water consumption (m ³) ⁽²⁾	299,212	267,148	265,683
Water consumption (€)	424,881	379,350	377,270
Water consumption per employee (€/employee)	42.8	42.2	41.1

The water used by the group is obtained from the water grid. There is no other form of water withdrawal
⁽²⁾ estimates of water consumption were based on the cost of water in Spain (2009; National Institute of Statistics).

Paper consumption⁽³⁾

	2011	2010	2009
Paper consumption (tonnes)	526.49	526.25	601.93
Paper consumption per employee (kg)	53	58	66
Use of recycled paper at headquarters (%)	78%	84%	71%
Use of recycled paper in Spain (%)	19%	24%	25%

⁽³⁾ All data related to paper refers to A4 size. The data for 2009-2010 was recalculated and revised.

Waste

	2011	2010	2009
Paper and cardboard waste (tonnes)	768.18	744.94	746.17
Paper and cardboard waste per employee (kg)	77.3	82.8	81.4
Toner waste per employee (units)	1.47	1.22	1.26

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

* Headquarter buildings: refers to all headquarters Spain, where approximately 30% of the workforce is located.

* Data for 2011 includes figures for Banco Guipuzcoano from April to December.

The new Centro Banco Sabadell building in Sant Cugat del Vallès will be 23% more efficient in terms of energy consumption and 65% more efficient in terms of water use

In June 2012, Banco Sabadell will inaugurate the new building, which has already been certified LEED-NC Gold for the design phase. The new building is approximately 23% more efficient in terms of energy consumption and 65% more efficient in terms of water consumption than a conventional building of the same characteristics.

The LEED system of sustainable building encompasses the entire building process, from the design phase until completion, and it includes measures for energy efficiency, water sparing, the use of sustainable materials, and improved comfort for users. It includes the following sustainable building initiatives: recovery of rainwater for irrigation, high albedo roofing, drought-resistant native plants, and priority parking spaces for low-emission vehicles.

Efficient

The new building will be 23% more efficient in terms of **energy consumption** and 65% more efficient in terms of **water consumption**

“Paper-free office”, a new culture in the workplace

“In presenting this project, we affirm that it will prepare the bank for the future, through a bid for innovation and a gradual reduction in paper use.”

The project includes installing tablet computers for customer signatures, eliminating paper archives. The first transactions that have been adapted to use these devices are cash deposits and withdrawals, since they are the largest single category of transaction performed in our network (about 12 million transactions per year).

There are plans to transition other transactions to this system in the future, steadily eliminating the use of paper. In 2011, approximately 44% of paper used by the group was in customer documentation, which will be kept on file in the general archive in Polinyà for the next ten years due to legal requirements. The historical archives that were destroyed in 2011 accounted for approximately 30% of the paper waste produced by the group.

The magnitude of the change resulting from this new *modus operandi* is evident in the following numbers:

- During the first three months in which tablets were used for customer signatures, they accounted for **one-third of total transactions** (about 875,000, out of a total of 2.5 million).
- From the time the pilot phase of the project commenced at the Document Services Centre in July to the end of 2011, **a total of 8.95 million pages were scanned** and 85% of the branch offices in Spain participated.

Banco Sabadell has 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). Banco Sabadell also participates in the HP Planet Partners programme for collection and reuse of toner cartridges, and it disposes of technology waste through authorised waste managers.

Throughout the group's entire branch and corporate office network, used paper must be **managed in line with internal regulations**: it is treated as documentation for shredding, and 100% is recycled through authorised waste managers

In the process of replacing company mobile phones in 2011, the bank arranged for the collection of handsets donated by employees to the "Donate your Mobile" campaign. Banco Sabadell has been cooperating with this programme for several years, through an internal communication campaign aimed at employees who wish to donate their personal handsets. The "[Donate your Mobile](#)" campaign, organised by Entreculturas Foundation and the Spanish Red Cross, makes it easy to donate and old handset and promotes reuse and recycling. The funds are allocated to social action projects.

ENVIRONMENTAL AWARENESS

During the year, a number of environmental communication plans were implemented which focus on employees and society in general, the aim being to engage stakeholders and convey Banco Sabadell's environmental commitment.

The entire staff has access to an on-line training course, which is obligatory for staff at the certified headquarters buildings. A key means of improving environmental performance is by providing information and raising awareness of environmental issues throughout the organisation. Every print edition of the in-house magazine *Canal BS* contains an interesting article on the environment and is used in combination with the BS al día channel on the intranet to disseminate current events related to the environment.

Employees can also use the **BS Carpooling** platform to arrange car pools. This saves on transportation costs and contributes to reducing CO₂ emissions.

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. In the case of suppliers that provide services with an environmental impact at certified premises, the organisation provides the supplier's staff with on-site training in the Environmental Management System and the ISO 14001 standard.

Connect with the environment



An online guide called “Connect with the environment” was launched in 2011 to **educate and inform on environmental management in the group**. The guide gives employees ready access to information about the bank’s environmental footprint, as well as resource consumption and waste management at the branch or headquarters.

Banco Sabadell has launched specific campaigns to promote the use of virtual channels with customers and the elimination of postal correspondence.

The innovative advertising campaign involving reusable shopping bags continued in 2011; close to 265,000 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.



265,000

reusable shopping bags

Close to 265,000 reusable shopping bags were distributed in **order to promote sustainability** and highlight the bank’s commitment.

“We are gradually
sidelining the value
of experience”

Loquillo

*age 50, rock singer
formerly with the band
Trogloditas, born in
Barcelona and known for
his trademark hairstyle.*



RESPONSIBLE PROCUREMENT

154 RESPONSIBLE
PROCUREMENT

RESPONSIBLE PROCUREMENT

Banco Sabadell's relationships with suppliers are based on professionalism, mutual respect and transparency, as established in the [code of conduct](#), the [supplier policy](#) and the internal regulations. Procurement contracts include specific clauses on compliance with environmental criteria, human rights and the Ten Principles of the United Nations Global Compact, as well as acceptance of the [Supplier Code of Conduct](#).

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

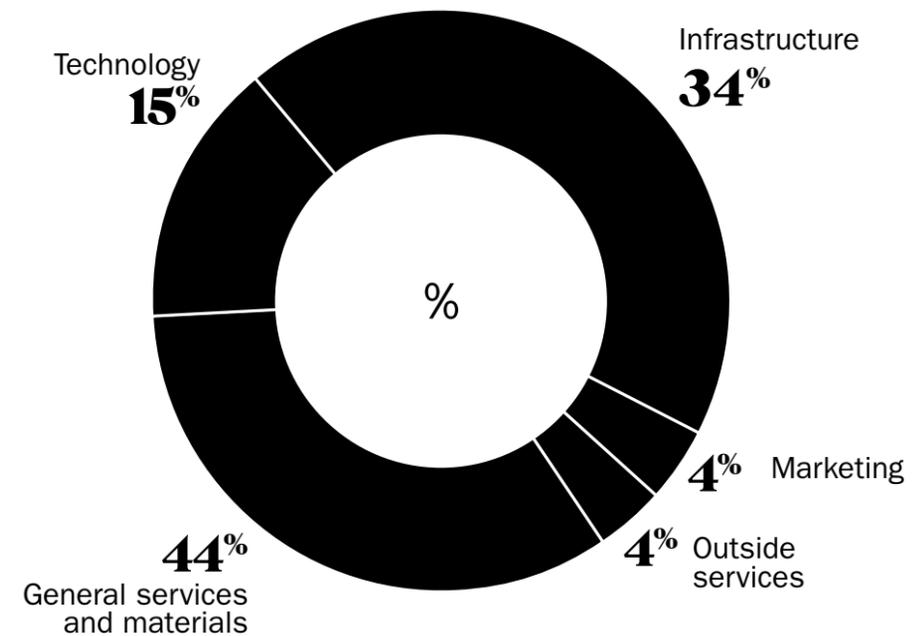
56
suppliers

56 significant suppliers have contracts worth a total of **44 million euro**. A supplier is classified as significant if it bills more than 150,000 euro per year to the group.

280
suppliers

280 suppliers were awarded contracts worth a total of **51 million euro**.

Breakdown of suppliers by category



The implementation of the new version of the procurement platform in 2011 led to a restructuring of the procurement categories.

This change affected the marketing and supplies to employees and the logistics services groups, which are now broken down into marketing, outside services, and general services and materials.

“We are gradually sidelining the value of experience”

Loquillo
age 50, rock singer formerly with the band Trogloditas, born in Barcelona and known for his trademark hairstyle.



The bank has established a number of mechanisms and rules in the engagement process to ensure that suppliers are committed to the principles of ethics and social responsibility.

Acceptance of products, services and suppliers

To register with the [bank's procurement website](#), companies wishing to supply products or services must accept the conditions of the [Supplier Code of Conduct](#) and specify their social and environmental characteristics (certification under ISO 14001, ISO 9001, etc.) and the features of their offering.

Once certified, suppliers have personalised access to the procurement website, where they are informed about the [environmental policy](#).

Procurement process

A **minimum of 3 suppliers** are invited to bid for each procurement process, thereby encouraging participation by new companies and ensuring competition.

Positive ratings are given for ISO 9001, ISO 14001/EMAS and EFQM certification and for the use of special employment centres.

The products' environmental features (recycled, ecological or reusable) are also taken into account. In particular, the specifications for products and services with a significant environmental impact include environmental requirements.

Because of the economic situation, in 2011 the bank considered the solvency of candidates for critical supplies.

2012 new quality module

The procurement portal was implemented in 2005.
In **2012**, a new module for **supplier quality management will be added**.

Public tenders

All negotiation processes and the arguments upon which a candidate proposal is based **are public** and a record is kept of every decision.

78% of the paper used at corporate headquarters has been recycled

100% of the plain paper used is certified by the FSC or PEFC

Allocation of procurements

Procurement contracts include specific clauses on compliance with environmental criteria, human rights and the Ten Principles of the United Nations Global Compact, as well as acceptance of the [Supplier Code of Conduct](#).

Supplier assessment

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

Assessment of the supplier's degree of compliance:

- Punctuality in product deliveries
- Quality control
- Errors and delays in service
- Returns, incidents and complaints

Weighting of positive factors:

- ISO 9001:2008 and EFQM excellence certification
- ISO 14001:2004 and EMAS certification



Supplier satisfaction survey

Each year, Banco Sabadell performs a satisfaction survey among its suppliers about:

- Their degree of satisfaction with the bank throughout the duration of the contract.
- Software available to the suppliers.
- Other aspects of the process of hiring, allocating work, negotiations, resolution of incidents, and relations with the bank's teams.

One hundred surveys were sent to a representative sample of suppliers in 2011:

68% response rate among the 100 surveys (64% in 2010).

92%

92% of suppliers are **satisfied** or very satisfied.

**“Dreams are important
because they have the capacity
to change people”**

*Luz Casal,
53 years old, Galician, singer,
composer and producer.
More than 5 million albums sold.*



SOCIAL AND CULTURAL ACTION

162 INVESTING IN SOCIETY

166 BANCO SABADELL
FOUNDATION

168 BANCO HERRERO FOUNDATION

INVESTING IN SOCIETY

Banco Sabadell's [social and cultural action policy](#) is consistent with the group's commitment to society and its surroundings and its will to create value. Banco Sabadell's social and cultural activities are based on the civic awareness and identity of the group, which strives to ensure that the funds are used transparently.

Banco Sabadell operates in this area through the [Banco Sabadell Foundation](#), the [Banco Herrero Foundation](#), and [Banco Sabadell's Sponsorship Commission](#). The "Society" section of the [institutional website](#) provides full information about the foundations and their annual awards. The [group's blog](#) provides information on the initiatives it supports in the various areas of social and cultural action.

The Sponsorship Commission is the body that coordinates Banco Sabadell's institutional sponsorships; additionally, some initiatives arise from internal committees or departments within the organisation. Among the most notable are the corporate volunteer initiatives, headed by human resources, and the management fees donated by the solidarity investment products, coordinated through their committees and ethics commissions.

**“Dreams are important
because they have the capacity
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*Luz Casal,
53 years old, Galician, singer,
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More than 5 million albums sold.*



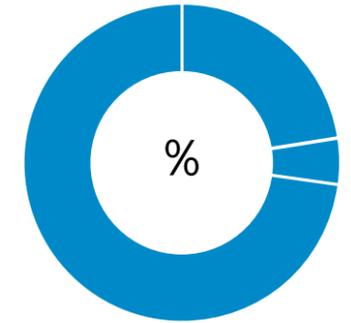
The foundations' expenditure is funded by the yield on their assets and grants from Banco Sabadell. The foundations are governed and managed by their boards of trustees, which are fully empowered to act independently. This ensures the foundations' independence and avoids conflicts of interest with the Bank's commercial activities.

In 2011, Banco Sabadell and its foundations allocated a total of 3,324,704.25 euro to social and cultural action. The group accounts for and reports its social action in line with a number of international standards (LBG, SAM, etc.).

3,324,704.25
euro invested in social and cultural action

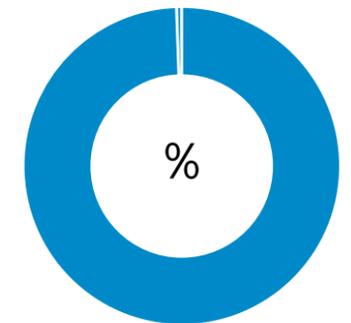
Reason for investment (%)

SOCIAL INVESTING Strategic long-term commitment to working with the community	72.9%
SPORADIC CONTRIBUTIONS Sporadic support for a wide range of social causes in response to the needs of, and requests from, charitable and social organizations	4.6%
ACTIVITIES ALIGNED WITH THE BUSINESS Initiatives of social interest focused on directly enhancing the company's business	22.5%

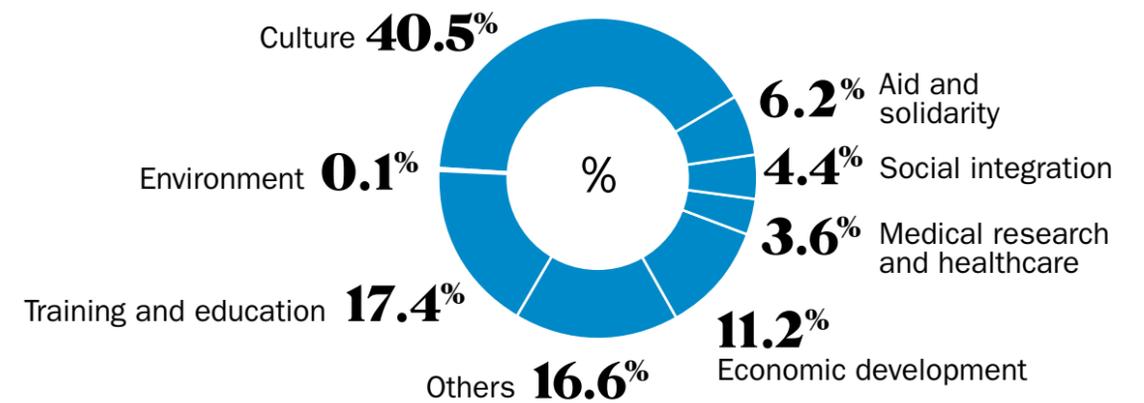


Type of contribution (%)

MONETARY Value of monetary contribution	99.5%
IN KIND Value of in-kind contribution	0.5%



Areas of action



BANCO SABADELL FOUNDATION

The Banco Sabadell Foundation was founded 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. Its main activities include granting awards and sponsorships to promote and recognise talent and excellence in young people.

Since 2006, the Foundation has organised the **Banco Sabadell Award for Biomedical Research**. Amounting to 50,000 euro, it is the most important award in Spain for young researchers with an outstanding track record in biomedical research.

The [6th award](#) was granted to Dr. Óscar Fernández-Capetillo, aged 36, Leader of the Genomic Instability Group at the Spanish National Cancer Research Centre (CNIO), who described the award as “an enormous stimulus to continuing our work in lines of research that have proven to be a way of obtaining new anti-tumour treatments”.

His most recent work has focused on exploring a new idea for chemotherapy against cancer, based on the observation that tumours have a high level of replication stress, leading the Genomic Instability Group to explore methods for inhibition.

“Banco Sabadell’s social action arises out of who we are and our commitment to people”

*Miquel Molins Nubiola,
Chairman of Banco Sabadell Foundation
and Banco Herrero Foundation*

Some of the Foundation’s notable initiatives:

Art<30 painting and photography competition. Focused on young artists, the competition is sponsored by the Banco Sabadell Foundation and is supported by the Catalonia Regional Government’s Department of Culture. www.ub.edu/bellesarts/ / www.salapares.com

International Music Competition Maria Canals. The International Music Competition Maria Canals was first held in 1954. With HRH Queen Sofia as President of Honour, the organisation has held 110 competitions in piano, singing, violin, guitar, percussion and chamber music, in which approximately 7,000 contestants from over 100 countries on five continents have participated. www.mariacanal.org

Cooperation with the 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. www.comunidadescaf.org

BANCO HERRERO FOUNDATION

Created in 1979 by Banco Herrero, this foundation manages sponsorship activities in the Principality of Asturias and in the city of León. Its most outstanding activities include the [Banco Herrero Foundation Award](#), regular activities in the Banco Herrero Exhibition Hall, [annual aid for scientific research](#), [internship grants](#) for University of Oviedo students, and participation in the [Prince of Asturias Awards](#).

The Banco Herrero Foundation is attached to the University of Oviedo's International [Campus of Excellence](#), an initiative that is part of the 2015 University Strategy, which seeks to achieve greater visibility for teaching and research and to foster knowledge transfer from research to business and industry.

The **Banco Herrero Foundation Award** is granted to young researchers (under 40) for excellence in research in the fields of economics, business and sociology. The award, which amounts to 30,000 euro, seeks to promote and recognise the work of Spanish researchers in the fields of economics, business or sociology, and contribute to the analysis and creation of alternatives which promote social well-being.

The [tenth award](#) was given to Ms. Marta Reynal Querol for her research into the relations between economics, ethnic diversity and civil conflict. Her most recent research analyses the importance of leaders' personal and psychological traits on the results of companies and countries, which are dimensions not normally addressed in mainstream research.

BHF Award

The **tenth award** was given to Ms. **Marta Reynal Querol** for her research into the relations between economics, ethnic diversity and civil conflict

ADDITIONAL INFORMATION

172 170 PROCESS OF DRAFTING THE CSR REPORT

178 GRI G3,1 INDICATORS-FINANCIAL SERVICES SECTOR SUPPLEMENT

200 SUSTAINABILITY INDICATORS

PROCESS OF DRAFTING THE CSR REPORT

Since 2003, the bank has published 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 G3.1 guidelines and is checked by external auditors; once again, the bank received an A+, the highest level.

Stakeholder inclusiveness

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 stakeholders to improve both content and format. In particular, Banco Sabadell engaged with employees, customers and consumers in building shared value and has developed technological tools for leveraging their capacity for innovation and fostering their participation.

Scope of the Report

The contents of this Annual Corporate Social Responsibility Report refer to the period from 1 January to 31 December 2011. The report is published together with the [Annual Report](#) and the [Corporate Governance Report](#), and is available on the corporate website.

Process for defining report content

The content of the report was guided by the principles of materiality, stakeholder engagement, sustainability context and completeness established by the Global Reporting Initiative's G3.1 guidelines.

Materiality

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

Sustainability context

Account was taken of the sustainability context and efforts were made to present the bank's contribution to improving social, environmental and economic conditions, both locally and globally.

Principle of completeness

In line with the principle of completeness, efforts were made to ensure that the scope, coverage and timing of the report are optimal in order to reflect the social, environmental and economic impacts of the organisation's activity in 2011.

The information presented in the report refers to the financial activity of the entire Banco Sabadell Group. In exceptional cases where the scope is different, this is indicated explicitly.

Reporting principles for defining quality

In addition to the principles described above, the principles for defining report quality were considered in order to achieve maximal transparency.

Balance

Efforts were made to reflect positive and negative aspects of the organisation's performance. Additionally, comments are included to explain any positive or negative trends.

Comparability

To enable comparative analysis of the data, the calculation methods industry indicators copes were maintained.

Where changes were made, the historical data was recalculated, or the reasons for not doing so are disclosed.

Accuracy

Efforts were made to provide sufficient detail and accuracy to enable stakeholder to assess the organisation's performance.

Where necessary, the content of the report was complemented with attachments, available on the bank's blog and website.

Timeliness

The CSR report is published annually, providing data as of 31 December.

Clarity

In line with this principle, the information is made available in a manner that is clear, understandable and accessible to stakeholders.

Reliability

In the course of drafting and reviewing the report, the supporting documentation and internal controls were reviewed to ensure the veracity of the information disclosed in the report.

The group's key figures presented in the report are audited as part of the **audit of the consolidated financial statements** by PricewaterhouseCoopers Auditores, and are presented together with a declaration of responsibility by the directors of Banco Sabadell in the Annual Report. The corporate governance data is published in the Corporate Governance Report approved by the Board of Directors and published by the National Securities Market Commission.

All activities and processes performed by Banco Sabadell in Spain were audited in 2011 by Bureau Veritas Certification and the declaration of conformity with the **ISO 9001:2008 standard was renewed**.

Banco Sabadell's workplace safety system was audited in accordance with the legal requirements in 2011. The auditor, Audelco, concluded that the **workplace health and safety model in place is integrated, documented and effective**.

The organisation's **environmental performance** at its five certified headquarters was audited in 2011 by Bureau Veritas Certification and declared to conform to the requirements of the ISO 14001:2004 standard. The data on the Group's environmental performance in Spain that is disclosed in the report is drawn from the annual review of the environmental management system by the Environment Committee.

The data on **investment in society** by the Banco Sabadell and Banco Herrero Foundations is drawn from the respective financial statements audited by PricewaterhouseCoopers Auditores and presented on the group website.

External assurance

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 G3.1 guidelines. The audit included two site inspections at the bank's offices.

Final review of the entire process was carried out by GRI, which [confirmed an A+ level](#) for the report based on the guidelines in the GRI Sustainability Report (G3.1) published in 2011 and in the 2008 financial services sector supplement. The [verification report](#) is available on the corporate website.

Profile disclosure in accordance with G3.1

Report Application Level		C	C+	B	B+	A	A+
STANDARD DISCLOSURE	Profile disclosures (G3) <small>OUTPUT</small>	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15		Report on all criteria listed for Level C plus: 1.2 3.9 - 3.13 4.5 - 4.13, 4.16 - 4.17		Same as requirement for Level B	
	Disclosures on management approach (G3) <small>OUTPUT</small>	Not required		Management approach disclosures for each indicator category		Management approach disclosures for each indicator category	
	Performance indicators (G3) & sector supplement performance indicators <small>OUTPUT</small>	Report fully on a minimum of any 10 Performance Indicators, including at least one from each of: social, economic, and environment.	Report externally assured	Report fully on a minimum of any 20 Performance Indicators, at least one from each of: economic, environment, human rights, labour, society, product responsibility.	Report externally assured	Respond on each core 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.	Report externally assured

* Sector supplement in final version

GRI G3.1 INDICATORS FINANCIAL SERVICES SECTOR SUPPLEMENT

NOMENCLATURE:

AR: 2011 Annual Report

CGR: 2011 Corporate Governance Report

Profile

1, Strategy and analysis

Index	Page	Description	Verification
1.1	2-3	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	2-3	Description of key impacts, risks, and opportunities.	√

2, Organisation profile

Index	Page	Description	Verification
2.1	2	Name of the organisation.	√
2.2	60-61	Primary brands, products, and/or services.	√
2.3	58	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.	√
2.4	212	Location of organisation's headquarters.	√
2.5	60-63	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	√
2.6	46	Nature of ownership and legal form.	√
2.7	62-63	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	√
2.8	200	Scale of the reporting organisation.	√
2.9	56-59	Significant changes during the reporting period regarding size, structure, or ownership.	√
2.10	5, 7, 9, 24-26	Awards received in the reporting period.	√

3, Report parameters

Index	Page	Description	Verification
Report profile			
3.1	172	Reporting period (e.g., fiscal/calendar year) for information provided.	√
3.2	172	Date of most recent previous report (if any).	√
3.3	172	Reporting cycle (annual, biennial, etc.).	√
3.4	172	Contact point for questions regarding the report or its contents.	√
Report scope and boundary			
3.5	172-173	Process for defining report content.	√
3.6	173	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	√
3.7	173	State any specific limitations on the scope or boundary of the report.	√
3.8	173	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 organisations.	√
3.9	174-175, 203, 205-207, 209	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.	√

3.10	83, 94, 144-145, 211	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	178-199	Table identifying the location of the Standard Disclosures in the report.	√
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Assurance

3.13	176	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 organisation and the assurance provider(s).	√
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1) There were no significant changes in the reporting period

4, Governance, commitments and engagement

Index	Page	Description	Verification
Governance			
4.1	45, CGR p10-11, CGR p16, CGR p34-40	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	√
4.2	CGR p11, CGR p24	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	50	For organisations 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	41, 48, 126-127	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	√
4.5	AR p103-108, CGR p17-18	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	41	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	√
4.7	51, CGR p27	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	√
4.8	22-23, 40-41	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	40-41, CGR p16, CGR p43-55	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.	√
4.10	51	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 p43-55	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	√
4.12	24-26	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	√
4.13	24-26	Memberships in associations (such as industry associations) and/or national/international advocacy organisations which the organisation supports.	√

Stakeholder engagement

4.14	23	List of stakeholder groups engaged by the organisation.	√
4.15	22-23	Basis for identification and selection of stakeholders with whom to engage.	√
4.16	27-31	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	√
4.17	27-31	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	√

Product and Service Impact

Financial services sector-specific product and service impact disclosure on management approach

Aspect: product portfolio				34-36,66-74,138-140
Index	Page	Description	Verification	
C	FS1	66-74, 136-137, 141	Policies with specific environmental and social components applied to business lines.	√
C	FS2	71-74, 34-36, 136-137	Procedures for assessing and screening environmental and social risks in business lines.	√
C	FS3	138	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions.	√
C	FS4	34-35, 149-150	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	√
C	FS5	24-31, 138-140	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities.	√
Aspect: product portfolio				69-74
C	FS6	AR p46-47, AR p218	Percentage of the portfolio for business lines by specific region, size (e.g, micro/ SME/ large) and by sector.	√

Financial services sector-specific product and service impact performance indicators

C	FS7	68-74, 136-137	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose.	√
C	FS8	136-141, 71-74	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose.	√
Aspect: audit				175
C	FS9	175	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	√
Aspect: active ownership				71-74, 140
C	FS10	72, 140	Percentage and number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues.	√
C	FS11	71-74	Percentage of assets subject to positive and negative environmental or social screening.	√
C	FS12	71-74	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 section

Economic performance indicators

Index	Page	Description	Verification	
Aspect: economic performance			200	
C	EC1	200	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.	✓
C	EC2	134-148	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	✓
C	EC3	120-121	Coverage of the organisation's defined benefit plan obligations.	✓
C	EC4	(2)	Significant financial assistance received from government.	✓
Aspect: market presence			104,116,154	
A	EC5	116	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	✓
C	EC6	154-155	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	✓
C	EC7	104	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

Aspect: Indirect economic impacts				200
C	EC8	66-70, 140	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	✓
A	EC9	200	Understanding and describing significant indirect economic impacts, including the extent of impacts.	✓

Environmental dimension

Environmental performance indicators

Index	Page	Description	Verification	
Aspect: materials			145, 148	
C	EN1	145	Material used by weight or volume.	√
C	EN2	145, 148	Percentage of materials used that are recycled input materials.	√
Aspect: energy			142-144, 207	
C	EN3	207	Direct energy consumption by primary energy source.	√
C	EN4	207	Indirect energy consumption by primary source.	√
A	EN5	142, 144, 146	Energy saved due to conservation and efficiency improvements.	√
A	EN6	142-143, 146-147	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	149-150	Initiatives to reduce indirect energy consumption and reductions achieved.	√
Aspect: water			145	
C	EN8	145	Total water withdrawal by source.	√
A	EN9	145	Water sources significantly affected by withdrawal of water.	√
A	EN10	145	Percentage and total volume of water recycled and reused,	√

Aspect: biodiversity				note (3 y 4)
C	EN11	(3)	Location and size of land owned, leased or managed in protected areas and areas of high biodiversity value outside protected areas.	√
C	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.	√
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.	√

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

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

Aspect: emissions, effluents and waste				144-145, 208-209
C	EN16	144	Total direct and indirect greenhouse gas emissions by weight.	√
C	EN17	208-209	Other relevant indirect greenhouse gas emissions by weight.	√
A	EN18	139-144	Initiatives to reduce greenhouse gas emissions and reductions achieved.	√
C	EN19	208-209	Emissions of ozone-depleting substances by weight.	√
C	EN20	(5)	NO _x , SO _x , and other significant air emissions by type and weight.	√
C	EN21	143	Total water discharge by quality and destination.	√
C	EN22	145-148	Total weight of waste by type and disposal method.	√
C	EN23	(6)	Total number and volume of significant 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.	√
A	EN25	143	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.	√

5) Banco Sabadell does not have significant emissions of Nox or Sox

6) Not 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.

Aspect: products and services				142-143
C	EN26	142-143	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	√
C	EN27	(8)	Percentage of products sold and their packaging materials that are reclaimed by category.	√
Aspect: compliance note (9)				
C	EN28	(9)	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	√
Aspect: transport				208
A	EN29	208-209	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce.	√
Aspect: overall note (10)				
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 2011

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

Social dimension

Labour practices and decent work performance indicators

Index	Page	Description	Verification	
Aspect: employment			100-105	
C	LA1	100-105	Total workforce by employment type, employment contract, and region, broken down by gender.	√
C	LA2	103	Total number and rate of new employee hires and employee turnover by age group, gender and region.	√
A	LA3	120-121	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	√
C	LA15	119-120	Return to work and retention rates after parental leave, by gender.	√
Aspect: labour/management relations			117-118	
C	LA4	118	Percentage of employees covered by collective bargaining agreements.	√
C	LA5	117	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	√
Aspect: occupational health and safety			122-125	
A	LA6	122	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.	√
C	LA7	122-123	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	√

C	LA8	124-125	Education, training, counselling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases.	√
A	LA9	122	Health and safety topics covered in formal agreements with trade unions.	√
Aspect: training and education			106-113	
C	LA10	112-113	Average hours of training per year per employee by gender, and by employee category.	√
A	LA11	106-111	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	√
A	LA12	108	Percentage of employees receiving regular performance and career development reviews, by gender.	√
Aspect: diversity and equal opportunity			50, 102	
C	LA13	50, 102	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	√
Aspect: equal remuneration for men and women			116	
C	LA14	116	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	√

Human rights

Human rights performance indicators

Index	Page	Description	Verification	
Aspect: investment and procurement practices			71-74, 154-158	
C	HR1	71-74	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	√
C	HR2	154-158	Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken.	√
A	HR3	40-41	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.	√
Aspect: non-discrimination			note (11)	
C	HR4	(11)	Total number of incidents of discrimination and corrective actions taken.	√
Aspect: freedom of association and collective bargaining			154-158	
C	HR5	154-158	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	√

11) There were no incidents of discrimination

Aspect: child labour			154-158	
C	HR6	154-158	Operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour.	√
Aspect: forced and compulsory labour			154-158	
C	HR7	154-158	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour.	√
Aspect: security practices			154-158	
A	HR8	154-158	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations.	√
Aspect: indigenous rights			note (12)	
A	HR9	(12)	Total number of incidents of violations involving rights of indigenous people and actions taken.	√
Aspect: assessment			34-39	
C	HR10	34-39	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	√
Aspect: remediation			note (12)	
C	HR11	(12)	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	√

12) There were no incidents of violation of human rights nor indigenous rights in the reporting year

Society

Social performance indicators

Index	Page	Description	Verification
Aspect: local communities			80-82, 86-87, 136-137
C	S01	27-30, 136-137 Percentage of operations with implemented local community engagement, impact assessments, and development programmes.	√
C	S09	136-137 Operations with significant potential or actual negative impacts on local communities.	√
C	S010	136-137 Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	√
C	FS13	80-82, 86-87 Access points in low-populated or economically disadvantaged areas by type.	√
C	FS14	66-70, 75-82 Initiatives to improve access to financial services for disadvantaged people.	√
Aspect: corruption			37-39
C	S02	37-39 Percentage and total number of business units analysed for risks related to corruption.	√
C	S03	38 Percentage of employees trained in organisation's anti-corruption policies and procedures.	√
C	S04	(13) Actions taken in response to incidents of corruption.	√

13) There were no corruption incidents during the reporting year

Aspect: public policy			note (14 y 15)
C	S05	(14) Public policy positions and participation in public policy development and lobbying.	√
A	S06	(15) Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	√
Aspect: anti-competitive behaviour			note (16)
A	S07	(16) Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.	√
Aspect: compliance			note (16)
C	S08	(17) Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	√

14) The bank does not participated in setting public policy or engage in lobbying

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 three occasions in 2011 for a total amount of 120,000 euro.

Product responsibility

Product responsibility performance indicators

Index	Page	Description	Verification
Aspect: customer health and safety			36
C	PR1	36-41 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.	√
Aspect: product and service labelling			36, 39-41, 76-85
C	PR3	39-41 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	82-85 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	√

18) There were no incidents in the reporting year

19)The bank was fined on two occasions by the Andalusia Regional Government for a total amount of 20,400 euro

C	FS15	36	Policies for the fair design and sale of financial products and services.	√
C	FS16	76-79	Initiatives to enhance financial literacy by type of beneficiary.	√
Aspect: marketing communications				40-41
C	PR6	40-41	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.	√
Aspect: customer privacy				94-95
A	PR8	94-95	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	√
Aspect: compliance				note (18)
C	PR9	(18)	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	√

SUSTAINABILITY INDICATORS

		2011	2010	2009
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	2,512,394	2,627,450	2,588,605
Economic value distributed				
Payments to suppliers	thousand euro	340,529	302,063	272,202
Personnel expenses (including benefits)	thousand euro	742,600	679,721	715,323
Income tax and other taxes	thousand euro	-13,556	135,690	94,335
Community investments	thousand euro	3,325	2,778	2,619
Economic value retained				
Calculated as Economic value generated less Economic value distributed	thousand euro	1,439,496	1,507,198	1,504,126
Other interesting data				
Shareholders	number	127,310	126,263	89,910
Branches	number	1,382	1,467	1,214
Group workforce	number	10,675	10,777	9,466
Main suppliers	number	56	64	71
Total suppliers	number	280	234	250
Building certified to ISO 14001	number	5	5	4
Employees working at certified locations	%	15%	15%	15%
Community investment ⁽¹⁾	euro	3,324,704	2,777,624	2,618,928
Community investment/ Net attributable profit	%	1.43	0.73	0.50

Economic indicators⁽²⁾

		2011	2010	2009
Magnitudes				
Total assets	thousand euro	100,437,380	97,099,209	82,822,886
Gross loans and advances to customers, excluding repos	thousand euro	73,635,342	73,057,928	65,012,792
Income and earning performance				
Net interest income	thousand euro	1,537,263	1,459,116	1,600,647
Gross income	thousand euro	2,506,722	2,331,339	2,505,030
Operating profit before impairment and other provisions	thousand euro	1,230,710	1,136,304	1,325,477
Net attributable profit	thousand euro	231,902	380,040	522,489
Ratios				
PROFITABILITY AND EFFICIENCY RATIOS				
ROA (Net profit / average total assets)	%	0.24	0.44	0.64
ROE (Net attributable profit / average shareholders' equity)	%	3.82	7.32	11.36
Cost:income (general administrative expenses / gross income)	%	47.32	46.20	43.05
BIS CAPITAL RATIOS				
Core Capital	%	10.30	8.20	7.66
TIER I	%	9.80	9.36	9.10
RISK MANAGEMENT				
Loan loss ratio	%	5.95	5.01	3.73
Loan loss coverage ratio	%	48.5	56.6	69.0
Loan loss coverage ratio including mortgage security	%	115.8	112.5	125.1

1) 2010 data has been recalculated in accordance with LBG methodology.

2) All data are at year end 31th december,

Corporate governance indicators

		2011	2010	2009
Shares	number	1,391,048,717	1,263,630,834	1,200,000,000
Shareholders	number	127,310	126,263	89,910
Individual shareholders	%	56.2%	62.10%	56.30%
Institutional investors	%	43.8%	37.90%	43.70%
Capital represented at Ordinary General Meeting of Shareholders (actually present)	%	5.78%	4.96%	6.20%
Capital represented at Ordinary General Meeting of Shareholders (by proxy)	%	66.95%	62.33%	62.96%
Capital represented at Ordinary General Meeting of Shareholders (total)	%	72.73%	67.29%	69.16%

Customer indicators

		2011	2010	2009
Accessibility				
Branches	number	1,382	1,467	1,214
ATMs	number	1,612	1,703	1,452
Distance banking contracts ⁽³⁾	%	49%	50%	50%
Customer use of BS Móvil	number	141,237	53,557	-
Customer satisfaction				
Overall customer satisfaction with Banco Sabadell	scale of 1 to 7	5.91	5.94	5.68
Overall customer satisfaction with branch	scale of 1 to 7	6.04	6.04	5.87
Overall customer satisfaction with account manager	scale of 1 to 7	5.90	5.88	5.82
Overall customer satisfaction with internet banking	scale of 1 to 7	6.16	6.15	6.08
Private customer satisfaction with Banco Sabadell in INMARK financial behaviour survey	scale of 0 to 10	7.92	7.92	7.37
Overall private customer satisfaction in INMARK financial behaviour survey	scale of 0 to 10	7.62	7.76	7.58

		2011	2010	2009
Business customer satisfaction with Banco Sabadell in INMARK financial behaviour survey	scale of 0 to 10	-	7.73	-
Overall business customer satisfaction in INMARK financial behaviour survey	scale of 0 to 10	-	7.66	-

Quality of service

Overall quality rating for the branch network (mystery shopper)	scale of 1 to 7	5.85	5.99	5.88
Overall quality rating for the branch network (telephone audits)	scale of 1 to 7	6.58	6.57	6.44
Banco Sabadell rating in branch network objective quality ranking ⁽⁴⁾	scale of 0 to 10	7.24	7.41	7.45
Customer Care Service (SAC) ⁽⁴⁾	scale of 0 to 10	6.06	6.11	6.61

Claims and complaints

Breakdown of claims handled vs, complaints ⁽⁵⁾	number	3,660	3,184	3,006
Decisions by the Customer Care Service and Customer Ombudsperson in customer's favour	%	46% ⁽⁶⁾	50%	42%
Decisions by the Customer Care Service and Customer Ombudsperson partly in customer's favour	%	21% ⁽⁶⁾	23%	25%
Decisions by the Customer Care Service and Customer Ombudsperson	%	9% ⁽⁶⁾	10%	9%
Ombudsperson reached by agreement with the customer	%	4% ⁽⁶⁾	3%	1%
Decisions by the Customer Care Service and Customer Ombudsperson in Banco Sabadell's favour	%	66% ⁽⁶⁾	64%	65%
Average response time for simple issues	days	2.37 ⁽⁶⁾	5.98	9.85
Average response time for issues of average complexity	days	11.51 ⁽⁶⁾	10.54	16.63
Average response time for complex issues	days	23.68 ⁽⁶⁾	34.12	39.30

3) An "active customer" is defined as one who makes at least one transaction per quarter,

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

5) The 2011 figure includes the 448 complaints managed by Banco Guipuzcoano's CCS, The complaints received

in the year increased with respect to 2010 due to the increase in the number of branches and customers,

6) Does not include Banco Guipuzcoano.

		2011	2010	2009
Responsible products and services				
URQUIJO COOPERACIÓN SICAV				
Fee assigned to NGO (% of assets)	%	0.6%	0.6%	0.6%
Fee assigned to NGO	euro	63,241	56,004	52,630
SICAV assets	thousand euro	9,320	10,021	10,089
SICAV shareholders	number	166	174	155
URQUIJO INVERSIÓN ÉTICA Y SOLIDARIA, FI				
Fee assigned to NGO (% of assets)	%	0.35%	0.35%	0.35%
Fee assigned to NGO	euro	22,544	13,110	42,314
Fund assets	thousand euro	5,175.54	4,859.10	4,078.93
Fund investors	number	152	183	178
PLAN DE PENSIONES ÉTICO Y SOLIDARIO				
Fee assigned to NGO (% of management fee)	%	0.50%	0.50%	0.50%
Fee assigned to NGO	eur	53,007	13,609	12,005
Pension plan assets	thousand euro	4,428.69	4,643.52	4,494.16
Pension plan investors	number	462	464	439
BS ASSURED FUTURE PLAN				
Fee assigned to NGO (% of returns)	%	0.70%	0.70%	0.70%
Endowment insurance assets	thousand euro	4,382	3,828	2,058
Number of insurance policies	number	1,900	2,062	1,666

workforce indicators

		2011	2010	2009
Workforce description				
Group workforce at year-end	number	10,675	9,624	9,466
Equivalent average workforce ⁽⁷⁾	number	10,670	9,743	9,625
Domestic workforce at year-end	number	9,937	9,000	9,171
International workforce at year-end	number	738	624	295
Workforce gender split (male) ⁽⁸⁾	%	53%	53%	54%
Workforce gender split (female) ⁽⁸⁾	%	47%	47%	46%
Male clerical staff ⁽⁸⁾	%	41%	40%	41%
Female clerical staff ⁽⁸⁾	%	59%	60%	59%
Male managers ⁽⁸⁾	%	71%	72%	73%
Female managers ⁽⁸⁾	%	29%	28%	27%
Male senior managers ⁽⁸⁾	%	92%	92%	92%
Female senior managers ⁽⁸⁾	%	8%	8%	8%
Workforce rotation ⁽⁹⁾				
Personnel terminated	number	169	103	187
Resignations	%	0.47%	0.43%	0.54%
Dismissals	%	0.29%	0.36%	0.65%
Discharge due to finalisation of contracts	%	0.20%	0.23%	0.74%
Discharge due to pre-retirement and retirement	%	0.63%	0.04%	0.01%
Training				
Investment in training as a % of personnel expenses	%	0.42%	0.42%	0.42%
Training actions	number	68,563	57,881	67,128

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

8) Group workforce at year-end.

9) Figures calculated for the Group average workforce.

		2011	2010	2009
Employees who received training	%	95%	90%	99%
Training during working hours	%	70%	70%	70%
Investment in training per employee	euro/ employee	306.97	316.99	313.42
Hours of training per employee	hours	22	28	26

Compensation

Average compensation for male clerical staff	euros	34,962	33,955	33,372
Average compensation for female clerical staff	euros	32,571	31,793	31,035
Average compensation for male managers	euros	52,692	53,301	52,479
Average compensation for female managers	euros	48,711	49,635	48,914
Average compensation for male senior managers	euros	103,088	92,635	90,500
Average compensation for female senior managers	euros	91,997	89,012	86,450
Personnel with variable compensation	%	87.45%	87.36%	70%
Personnel with flexible remuneration	%	38%	19%	17%

Work-life balance

Employees with a shorter working day at their own request	number	210	230	210
Employees with paternity leave	number	203	145	154
Employees with accumulated breastfeeding leave	number	180	206	232

Safety and well-being

Periodic prevalence index ⁽¹⁰⁾	%	3.81%	4.21%	-
Seriousness index ⁽¹¹⁾	%	2.36%	2.51%	-

Workforce participation

Ideas received at BS Idea	number	≈2000	3,173	
Ideas rewarded at BS Idea	number	85	185	

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

11) (Days lost/total working days) x 100

Environmental indicators

		2011	2010	2009
Buildings certified to ISO 14001 ¹³⁽¹²⁾	number	5	4	4
Employees working at certified locations	%	15%	15%	15%

Resource consumption

Electricity consumption in Spain	MWh	61,269	65,649	54,583
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Electricity consumption broken down by primary sources (%)

Solar	%	4%	2%	2%
Wind	%	16%	16%	14%
Cogeneration	%	11%	11%	10%
Other renewable	%	2%	2%	2%
CCGT	%	19%	23%	29%
Hydroelectric	%	11%	16%	11%
Nuclear	%	21%	22%	19%
Coal	%	15%	7%	12%
Oil / gas	%	1%	1%	1%

Electricity consumption at corporate headquarters, per employee	MWh/e	5.73	5.62	6.08
Electricity consumption at headquarters	MWh/e	17,360	15,987	17,013
Electricity consumption in Spain, per employee	MWh/e	6.14	7.29	5.95
Water consumption in Spain	euros	424,881	379,350	377,270
Water consumption at corporate headquarters	m3	48,655	49,909	46,417
Water consumption in Spain, per employee	euros/e	42.76	42.15	41.14
Water consumption at corporate headquarters, per employee	m3/e	16.1	17.5	16.8
Paper consumption in Spain ⁽¹³⁾	t	526.49	526.25	601.93
Paper consumption at corporate headquarters ⁽¹³⁾	t	115.86	131.09	221.29
Paper consumption in Spain, per employee ⁽¹³⁾	kg/e	52.98	58.47	65.63

12) Buildings certified at year- end: Registered office, Sabadell, Barcelona; Centro Banco Sabadell, Sant Cugat del Vallès, Barcelona; Torre BancSabadell, Barcelona; Serrano building, Madrid; Igará, San Sebastian, Guipúzcoa

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

		2011	2010	2009
Paper consumption at corporate headquarters, per employee ⁽¹³⁾	kg/e	38.3	46.0	79.0
Use of recycled paper in Spain ⁽¹³⁾	%	19%	24%	25%
Use of recycled paper at corporate headquarters ⁽¹³⁾	%	78%	84%	71%

Waste

Paper and cardboard waste in Spain	t	768.18	744.94	746.17
Paper and cardboard waste in Spain, per employee	kg/e	77.3	82.8	81.4
Toner waste in Spain, per employee	units/employee	1.47	1.26	1.22

Inventory of emissions of CO₂ ⁽¹⁴⁾

Total emissions generated by Banco Sabadell in Spain (scopes 1, 2 & 3)	tones CO ₂	22,486	24,448	23,695
SCOPE 1 (DIRECT ACTIVITIES: EMISSIONS GENERATED BY COMPANY INSTALLATIONS AND VEHICLES) ⁽¹⁴⁾	tones CO ₂	379	363	354
Breakdown of scope 1: gasoil consumption (electricity generators and fire-fighting equipment)	tones CO ₂	12	12	13
Breakdown of scope 1: propane gas consumption (propane gas boilers)	tones CO ₂	3	4	4
Breakdown of scope 1: natural gas consumption (boilers, foodservice and humidification equipment)	tones CO ₂	184	206	183
Breakdown of scope 1: company vehicles (owned or leased)	tones CO ₂	181	142	155
SCOPE 2 (INDIRECT ACTIVITIES: EMISSIONS DUE TO ELECTRICITY CONSUMPTION NATIONWIDE) ⁽¹⁴⁾	tones CO ₂	20,219	21,664	21,288
SCOPE 3 (OTHER INDIRECT ACTIVITIES: EMISSIONS DUE TO BUSINESS TRIPS) ⁽¹⁴⁾	tones CO ₂	1,888	2,421	2,054
Breakdown of scope 3: plane trips	tones CO ₂	334	1,444	1,074
Breakdown of scope 3: train trips	tones CO ₂	54	60	48
Breakdown of scope 3: vehicles (except company vehicles)	tones CO ₂	1,499	917	932

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

14) 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.

	year	Conversion factor	Source
Gasoil consumption	2009 a 2011	2.65 Kg CO ₂ /liter	Spanish GHG inventory report
Propane gas consumption	2009 a 2011	2.97 Kg CO ₂ /kg	Spanish GHG inventory report
Natural gas consumption	2009 a 2011	56.30 ton CO ₂ /TJ	Spanish GHG inventory report
Electricity consumption	2010 y 2011	0.33 kg CO ₂ /kwh	Spanish National energy commission "MEMORIA DE GARANTÍAS Y ETIQUETADO DE LA ELECTRICIDAD 2009"
	2009	0.39 kg CO ₂ /kwh	Spanish National energy commission "MEMORIA DE GARANTÍAS Y ETIQUETADO DE LA ELECTRICIDAD 2008"
Plane trips (< 500 km)	2011	0.17 kg CO ₂ / P.km	GHG Protocol Mobile guide (2.3 (Oct 2011))
	2009-2010	0.18 kg CO ₂ / P.km	GHG Protocol Mobile guide (03/21/05) V1.3
Plane trips (>500 km)	2011	0.11 kg CO ₂ / P.km	GHG Protocol Mobile guide (2.3 (Oct 2011))
	2009 y 2010	0.11 kg CO ₂ / P.km	GHG Protocol Mobile guide (03/21/05) V1.3
Car trips (petrol)	2011	0.21 kg CO ₂ /km	GHG Protocol Mobile guide (2.3 (Oct 2011))
	2009 y 2010	0.20 kg CO ₂ /km	GHG Protocol Mobile guide (03/21/05) V1.3
Car trips (diesel)	2011	0.19 kg CO ₂ /km	GHG Protocol Mobile guide (03/21/05) V1.2
	2009 y 2010	0.12 kg CO ₂ /km	GHG Protocol Mobile guide (03/21/05) V1.3
Train trips	2010 y 2011	0.02 kg CO ₂ / P.km	Renfe 2010
	2009	0.02 kg CO ₂ / P.km	Renfe 2008 (high-speed train)

Renewable energy

Direct investment

		2011	2010	2009
Attributable installed capacity in renewable energy	MW	123	109	120
Attributable renewable energy (wind)	%	69%	75%	78%
Attributable renewable energy (photovoltaic)	%	8%	9%	7%
Attributable renewable energy (small hydro)	%	23%	17%	16%
FINANCING OF FACILITIES				
Renewable energy projects financed (wind)	MW	12,755	9,752	8,900
Renewable energy projects financed (solar thermal)	MW	861	660	560
Renewable energy projects lead managed (small hydro)	MW	116	117	117
Renewable energy projects lead managed (photovoltaic)	MW	663	103	103
Renewable energy projects lead managed (biomass)	MW	131	80	80
Supplier indicators	number	56	64	71

Supplier indicators

		2011	2010	2009
Main suppliers	number	56	64	71
Total amount allocated to main suppliers	Million euro	44	42	59
Total suppliers	number	280	234	250
Total amount allocated to suppliers	Million euro	51	47	80
Evaluated suppliers with ISO 9001	%	58%	37%	26%
Evaluated suppliers with ISO 14001/EMAS	%	44%	30%	18%

Social and cultural action indicators ⁽¹⁵⁾

		2011	2010	2009
Investment in social and cultural action	euros	3,324,704	2,777,624	2,618,928
REASON FOR INVESTMENT				
Social investment	%	72.9%	76.0%	-
Sporadic contributions	%	4.6%	13.0%	-
Initiatives aligned with the business	%	22.5%	11.0%	-
TYPE OF CONTRIBUTION				
Time contribution to investment	%	0.5%	1.5%	-
Monetary contribution to investment	%	99.5%	98.5%	-
AREAS OF ACTION				
Aid and solidarity	%	6.2%	9.2%	-
Social integration	%	4.4%	6.1%	-
Medical research and healthcare	%	3.6%	7.6%	-
Training and education	%	17.4%	32.0%	-
Culture	%	40.5%	25.3%	-
Economic development	%	11.2%	8.0%	-
Environment	%	0.1%	0.0%	-
Other	%	16.6%	11.8%	-

15) 2010 data has been recalculated in accordance with LBG methodology.
The 2010 figure is not comparable to previous years.

CONTACT US

You can send us any doubts, suggestions, comments or requests for information

The Compliance, CSR and Corporate Governance Department is open to receive any queries or questions about Corporate Social Responsibility via the following e-mail address: rsc@bancsabadell.com

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 **Sabadell**

