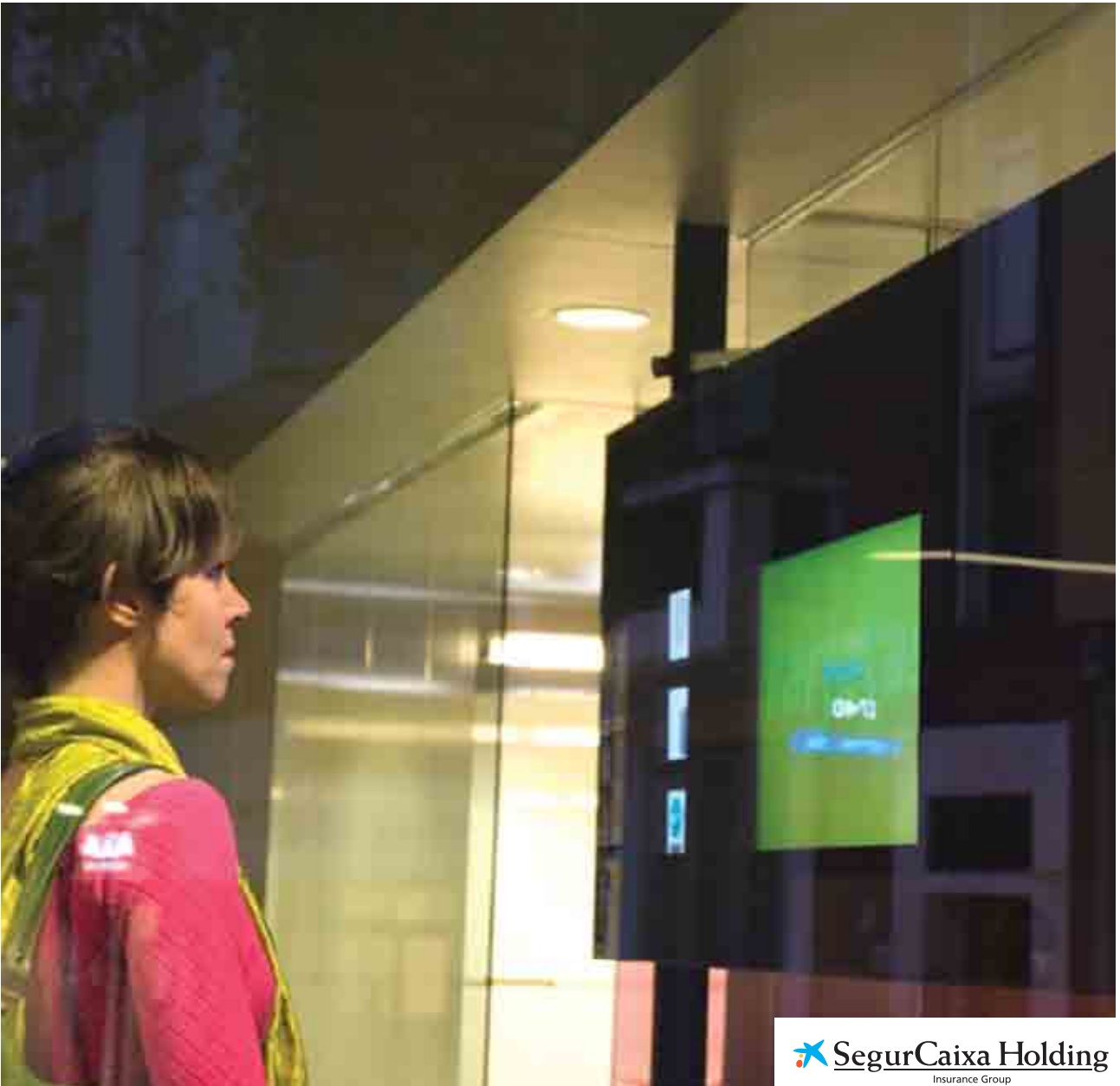


2

Responsible insuring and welfare



Suitable solutions to satisfy the needs of families, SMEs, the self-employed and large companies

Relevant issues	Initiatives 2008	Challenges 2009
Products and services	<p>Through VidaCaixa and SegurCaixa, the SegurCaixa Holding Group once again led the Spanish complementary social welfare market.</p> <p>In pension plans, VidaCaixa developed a commercial strategy adapted to the economic climate that enabled it to grow within a context of economic contraction in the sector, accumulating 1,000 million Euros in income and gaining 1.9% market share.</p> <p>After a first successful year of service, <i>SegurCaixa Auto</i> became one of the most sought after products. The consolidation of this range was completed with the launching of the new <i>SegurCaixa Moto</i>.</p>	<p>Continue to enlarge the portfolio of products and services in insurance and social welfare, taking into account the real needs of customers that are derived from the present economic situation.</p>
Technological Innovation	<p>Adapting applications to the new financial terminals at the branch offices of "la Caixa".</p> <p>Launching the new Commercial Diary, a tool for the network of AgenCaixa advisors, the aim of which is to help the daily follow-up of the commercial management of the advisor teams, widen the commercial autonomy of AgenCaixa and increase the efficiency of its commercial activity.</p> <p>Setting up the Innova+ Project as a result of the "Quality concerns us all" plan and keeping it in line with the Strategic Plan 2007-2010. The project seeks to promote innovation and inject it into the day to day work of all the staff. A total of 854 ideas were received in 2008.</p>	<p>Continue to introduce innovations and improve the relationship with customers by offering them technological solutions aligned to their real needs.</p> <p>Implement a new web application for the management and flow of ideas, which would be accessible from the Innova+ Portal and with which any staff member could see, at any time, the state of each idea, as well as consult the proposals of other members.</p>

Products and services

Individual customers

More than 3.2 million people throughout Spain trust the management of SegurCaixa Holding. This is a vast portfolio of customers that grows every year –5% more than in 2007– and whose

main trait is its loyalty. Looking at this point, it is worth noting that the average seniority of the Group's customers is 4 years. In all, 164,623 people joined SegurCaixa Holding's network of individual customers in 2008, confirming the progressive growth the company has registered since its creation in 1992.

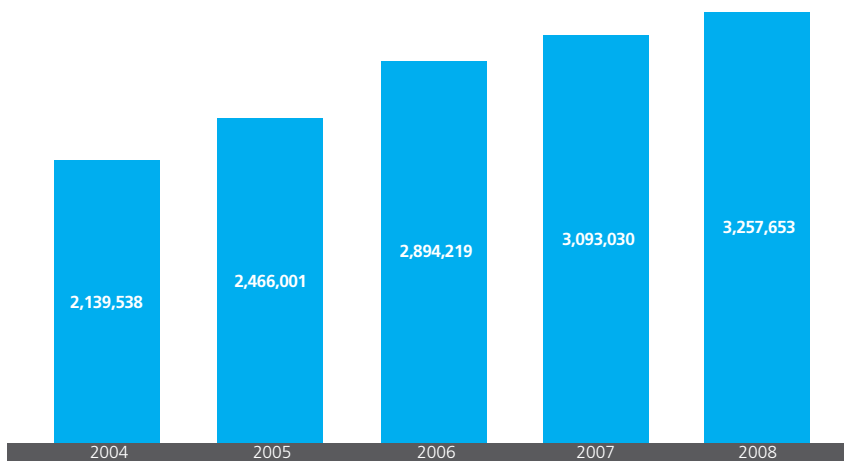
In 2008, the number of individual customers in SegurCaixa Holding reached 3.2 millions, 5% more than in 2007. The number of entities rose to 37,000, which meant an increase of 42%

People between the ages of 36 and 45 constitute the highest concentration of customers in SegurCaixa Holding. Overall, life insurance is the section with the biggest number of contracts, followed by pension plans and household insurance. However, the choice offered to customers, being a very mixed and diversified group, takes into account a

wide range of solutions that covers all their needs. Therefore, non-life insurance, for example, enjoyed a steady rate of growth, which is obvious in the case of *SegurCaixa Hogar*, a product that already covers 730,000 homes, and is one of the most outstanding examples within the extensive range of products and services available.

In all, 164,623 people joined the SegurCaixa Holding's network of individual customers in 2008, confirming the progressive growth the company has registered since its creation in 1992

Evolution of the number of individual customers in SegurCaixa Holding



Customers	2007	2008
VidaCaixa	2,799,987	2,937,567
SegurCaixa	798,405	843,806
Total SegurCaixa Holding	3,093,030	3,257,653

Note: In the overall calculation of SegurCaixa Holding the duplicities between SegurCaixa and VidaCaixa are eliminated.

We make your world better



The choice offered to customers, being a very mixed and diversified group, takes into account a wide range of solutions that covers all their needs

2. Responsible insuring and welfare

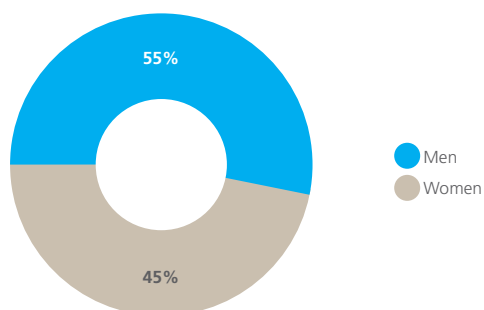
Customers per type of policyholder	2007	2008
Business Product Customers	753,325	861,993
Individual Product Customers	2,518,595	2,604,963

Customers per type of product	2007	2008
Savings Product Customers	1,585,660	1,662,799
Risk Product Customers	2,052,295	2,170,362

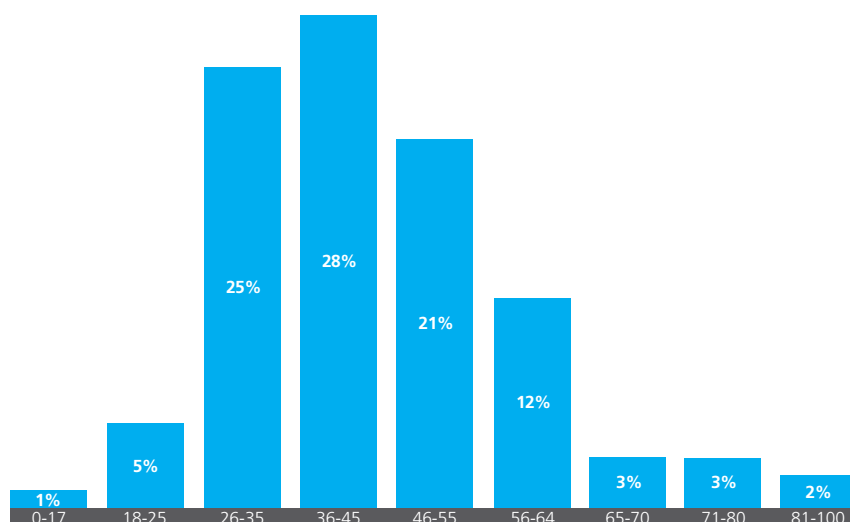
Grouped Products	2007	2008
Company Life-Risk and Accidents Insurance	399,059	458,785
Individual Life-Risk and Accidents Insurance	1,351,129	1,368,050
Individual Pension Plans	844,474	888,321
Group Health Insurance	56,362	81,589
Individual Health Insurance	26,311	32,522
Group Life-Savings Insurance	124,530	125,737
Group Pension Plans	246,996	277,525
Car Insurance	30,069	83,225
Household Insurance	659,543	656,479
Individual Life-Savings Insurance	557,023	564,941

Note: In customer groupings, the duplication of customers is eliminated.

SegurCaixa Holding's customers per gender



Distribution of SegurCaixa Holding's individual customers per age group



Group and Company customers

In all, the number of legal entities registered as corporative customers at the end of 2008 stood at 37,000, which was an increase of 42% with respect to 2007. Of this number, 33,000 belong to SMEs, a segment that the Group have been decidedly committed to over the last few years. The other 4,000 belong to large companies, among which are 20 companies that make up the Ibex 35, 400 multi-national companies and 250 public bodies.

Portfolio of insurance and welfare products

Through VidaCaixa and SegurCaixa, the SegurCaixa Holding Group leads the Spanish market in savings, welfare and protection products in every area.

With 27,528 million Euros, VidaCaixa has become the benchmark as far as the volume of life-saving and individual and group pension plan resources are concerned. VidaCaixa is, in fact, the absolute leader of Complementary Social Welfare in Spain with a market share of 13%.

Among the products the company offers, within the range of life-risk insurance, *Seviam* and *Vida Familiar* stand out. Both products registered a huge number of new contracts and at present they provide cover for 1.4 million people. In the case of *Seviam*, VidaCaixa takes care of the outstanding debt on a loan in the case of the death of the policyholder. The other life-risk policy is *Vida Familiar*, which in the case of death of the policyholder, provides a sum of money.

On the other hand, VidaCaixa also covers the demand for individual health insurance. In addition to healthcare, VidaCaixa provides dental care and has more than 32,000 people in both products, which are evolving quite vigorously.

In pension plans in 2008, VidaCaixa developed four new products adapted to the new needs of customers, fruit of the present economic situation.

VidaCaixa Previsión Social, the division of VidaCaixa devoted to groups and companies, designs and sells life-savings, life-risk, accident and health insurances, as well as associated and joint pension plans; in all, a wide range of products that enabled the company to have more than 19% market share and lead the sector of Complementary Social Welfare in Spain. In this sense, this division channels a volume of life-savings and pension plans destined to complement the retirement of more than 400,000 workers.

The segment of the self-employed also has a specific offer in health insurance. In this case, it is addressed at facing the unforeseen health problems that prevent a person from doing his work. Here *VidaCaixa Previsión Profesional* is worthy of note as it is a product that, with very tight premiums, lets the customer receive an economic compensation in the case he is temporarily off ill.

Another product that enjoys widespread acceptance and diffusion among SMEs is *VidaCaixa Salud Pymes*, through which the policyholders benefit from a quality healthcare insurance without co-payment and in which they can include their families. It also has important fiscal advantages as the premium paid is a deductible expense from one's income tax.

Lastly, SegurCaixa is the channel for the non-life insurances of the SegurCaixa Holding Group. It sells household and accident insurance and incorporated car insurance in 2007. After a first successful year in service, *SegurCaixa Auto* has become one of the most sought after products. The consolidation of this new branch was undoubtedly helped by the launching, in 2008, of the new *SegurCaixa Moto*.

33,000 SMEs, more than 20 companies from the Ibex 35, 400 multi-nationals and 250 public bodies have entrusted their welfare services to the management of VidaCaixa Previsión Social



VidaCaixa
PREVISIÓN SOCIAL

With 27,528 million Euros managed between life insurance and pension plans, VidaCaixa leads the market of complementary social welfare in Spain

2. Responsible insuring and welfare

New residents also found a catalogue especially created for them in SegurCaixa. *SegurIngreso* and *SegurCaixa Repatriación*, both accident insurances, were the most representative.

Innovation

Innovation was one of SegurCaixa Holding's strategic bets in 2008. With the aim of reaching excellence in its overall activity, some changes and renovations in products and services were carried out; new lines of business were opened and existing processes were optimised. At the same time the company committed itself to the professional development of its staff. A new economic scenario led the company to adapt its products and services to meet present needs, while renewed efforts were made to sell new insurances and pension plans.

In this sense, individual pension plans recorded one of the most intense

and successful years in the history of SegurCaixa Holding, with the creation of four new individual pension plans with a guaranteed yield, which were added to the extensive range of pension plans for all types of customer, and so adapted to the different degrees of risk aversion. These new plans are *PlanCaixa 6 Plus*, *PlanCaixa Opción 7*, *PlanCaixa 19* and *PlanCaixa 7 Ya*. The latter was launched at the end of 2008, within the framework of an ambitious marketing campaign. With this product in particular, VidaCaixa allowed the customer to choose between a 7% APR on the contribution made deposited directly into his current account, or a one-year fixed term deposit in the *Depósito 7 Ya* of "la Caixa" that offered an interest rate of 7% APR –which the customer got paid in advance when he made the deposit–, for a maximum amount equal to double the contributions and/or external transfers made to *PlanCaixa 7 Ya*.

After a first successful year in service, *SegurCaixa Auto* became one of the most sought after products by our customer



One of the most important steps taken in 2008 was the consolidation of SegurCaixa Holding in the car insurance business. The launching of *SegurCaixa Auto* in April 2007, which now provides insurance for over 95,000 vehicles, represented a strategic step to position our Group as a benchmark entity in the integral cover of all the welfare branches for families and this was reinforced in 2008 with the launching of the new *SegurCaixa Moto*.

This new product offers three types of insurance: third party, third party with fire and theft and comprehensive insurance with excess (these last two insurances are only for new motorbikes). Some outstanding points are our commitment to fast assistance on the road, with a waiting period of no more than an hour; the free choice of repair garage, including the brand garage; and a free help phone service for mechanical and medical consultations. Similarly, a differential we offer is the compensation in case of a write-off, which for motorcycles with less than one year old is 100% of the cost of a new motorbike, while motorcycles over a year old have 100% of the real market value.

SegurCaixa Protección is an insurance that guarantees the payment of a sum in the case of death or permanent disability caused by an accident that happens in the policyholder's private or professional life. As a novelty, this new insurance also provides cover for partial disability, which, for example, could be the loss or absolute incapacity of a limb.

In the savings insurance line, *VidaCaixa* was the first company to make a PIAS available to customers, which appeared as a result of the new fiscal reform. In fact, SegurCaixa Holding offers two types of PIAS: the *Plan de Ahorro Asegurado* (Guaranteed Savings Plan), which invests in fixed income assets and *Plan de Ahorro Inversión* (Investment Savings Plan), whose investments include variable income assets.

On the other hand, with the aim of boosting sales in its different insurance areas, SegurCaixa Holding carried out several initiatives in which innovative strategies were put into practice, such as combining risk insurance with traditional savings products. So in 2008, our customers were able to combine car, household and health insurance with the possibility of contracting a fixed deposit with an attractive remuneration.

Exclusive offer for our SegurCaixa Hogar customers



Save money and improve your health



With the aim of boosting sales in its different insurance areas, SegurCaixa Holding carried out several initiatives in which innovative strategies were put into practice, such as combining risk insurance with traditional savings products

2. Responsible insuring and welfare

Technological innovation as a key to the service provided

In 2008, SegurCaixa Holding invested a total of 18 million Euros in technology and information systems in order to appropriately satisfy the needs of its customers. In addition, the sum invested in R&D projects amounted to 245,000 Euros.

The deployment of new products and services undertaken by the Entity called for a great deal of effort, which was mostly channelled into new technological resources. After all the technological improvements carried out, customers can now enjoy a higher quality, efficient and innovative service. Although customers generally perceive many of those improvements indirectly, 2008 witnessed several technological innovations that certainly could be felt directly, which created a positive impact on customers. Among those novelties were:

- *Adaptation to the new financial terminals (TF7):* the constant improvement and innovation of the management information systems has always been high on the list of SegurCaixa Holding. That is why in 2008 an adaptation process of the Group's applications was undertaken to integrate them into the new TF7 terminals used by the branch office network of "la Caixa".
- *Mapping in the Corporate Balanced Scorecard:* SegurCaixa's Corporate Balanced Scorecard added a new application to highlight the main figures of business on a map. The explanation of figures on a map of this kind makes it easier to compare the evolution in different areas ranging from the country as a whole down to the level of a branch office.

- *The diary of sales advisors is a new tool for the AgenCaixa network of advisors:* the aims of this new application are to help the daily follow-up of the commercial management of the advisor teams, increase the sales autonomy of AgenCaixa as well as improve the efficiency of their sales activity in relation to the investment they require for expansion.

- *New technological tools:* From the technological point of view, the company carried out a SaaS (Software as a Service) analysis in 2008 as a corporate tool of the Call Center. Open Source tools were also adopted as a highly dynamic solution for the needs of the company; apart from its lesser cost, another advantage is the fact that the software is updated with the contributions of other users, which gives enormous adaptability.

- *Development of a customer and mediator platform for VidaCaixa Previsión Social:* In 2008 the company worked on the development of this new application, which will translate into faster multiple processes of consultation and information transfers and overall will mean an improvement in efficiency.

- *New IDEAS application:* The development of a new support tool for the flow of ideas contributed by the staff of SegurCaixa Holding and the more than 5,000 branch offices of "la Caixa".

Among the main challenges for 2009 in this area are the implementation of the paperless Office Project, which foresees the digitalisation of all the existing information in paper form, the consolidation of ergonomics as a basic parameter in systems design, the setting-up of a plan to spread information about the LOPD (the Organic Law on Data Protection) to all employees and to finish contingency plans of outstanding systems.

Innova+ Project

Created in 2008 and arising out of the “Quality concerns us all” plan, ideas are the raw material of this initiative, which seeks to promote innovation. Its main objective is to inject the search for new ideas into the day to day work of all the

staff by involving all of them in creating concerns and interest and, above all, transforming them into value. For this, a specifically-trained team of 30 project promoters was set up, which form 11 groups that correspond to 11 strategic lines of innovation.



Quality concerns us all

One of the most ambitious and innovative projects undertaken by the Entity is the “Quality concerns us all” plan. The aim of this project, started in 2007, is to steadily improve the quality SegurCaixa offers its customers and to incorporate innovation into its everyday work. In fact, the workforce is the focal point around which this challenge rotates. It represents a major investment in human resources, technology and finance. Through the staff, innovation is what differentiates the quality of service, making the management of SegurCaixa stand out in an ever-increasing competitive environment.

Among all the initiatives that were put into practice, two of the most outstanding were the new information system support for the sale of insurance and the design of a project to reinforce all the branch office tools related to insurance activity. For its part, the Innova+ project is the cornerstone of the guidelines of the “Quality concerns us all” plan. Innova+, apart from getting all the staff involved to varying degrees, was an enormous task in order to consolidate the structure and channels needed to achieve its objectives.



Security and transparency in our relationship with customers

Relevant issues	Initiatives 2008	Challenges 2009
Respect for the privacy and confidentiality of the customer	<p>The necessary steps were taken to comply with the modification foreseen in the Royal Decree 1720/2007, especially with everything concerning security. For this, the company adapted to the new LOPD (Data Protection Law), particularly the treatment of information in non-automated files. A new information security regulation was also approved to be applied by all employees.</p> <p>The merger took place between VidaCaixa and "la Caixa" Gestión EGFP, a company that came from the Morgan Stanley Group. All the customers affected by this merger were informed.</p>	<p>Send a 10-point security list on the treatment of data to all employees.</p> <p>Increase the specific online training on this issue for employees.</p> <p>Set up a series of workshops to improve the office panorama in line with the new commitments in the application of security measures to non-automated files.</p>
Ethics and transparency of commercial information	<p>VidaCaixa and SegurCaixa subscribed to the UNESPA's guide to transparency and publicity.</p> <p>There was a new design for the healthcare insurances that enabled customers to easily identify covers, exclusions, price and copayments, if any.</p> <p>Drawing up of an Internal Guide to Publicity, that lays down the minimum content and requirements that must be followed in all advertising elements published.</p> <p>Advances were made in the sale of insurance through non-manned channels.</p> <p>New design of access to the corporative web page.</p>	<p>In 2008 work was carried out on a new design of reports for the main individual insurances, which will be implemented in 2009.</p>

The constant and renewed commitment of SegurCaixa Holding to its customers is based on transparency and excellence in service. At present, the Group has more than 3.2 million individual customers, thanks to a solid management model that is built on the trust customers have placed in it, as well as in the dynamism of its employees and the quality of its products and services.

Policies based on ethics, transparency and confidentiality

Over the last three years the company has not registered any data leaks, nor has it received a court decision against it for violating any customers' privacy. This is due to the utmost rigour when protecting

the privacy and confidentiality of all customers. Both of these concepts are paramount when analyzing the structure and operations that SegurCaixa carry out.

The company is most concerned that the legal principles of privacy and confidentiality are upheld and for this reason it carries out audits by external companies to evaluate the degree of suitability of the security measures taken to avoid loss of data, alterations or non-authorised treatment of confidential data. Similarly, SegurCaixa Holding takes all relevant information security measures and keeps the important files that may contain personal data registered in the General Registry of Data Protection. These principles have been scrupulously observed in the merger process between

VidaCaixa and "la Caixa" Gestión EGFP, which came from the Morgan Stanley Group. During the merger process that took place in 2008, all customers affected by this change were informed.

It is worth pointing out that in 2008 the Company also set in place all the required measures to comply with the foreseen modifications in the Royal Decree 1720/2007, especially with reference to all the security measures. For this, the company adapted to the new LOPD (Data Protection Law), especially the treatment of information that resides in non-automated files (basically paper).

On the other hand, the Paperless Office Project got under way. This seeks to speed up the flow of documents and reduce the consumption of paper as well as carry out a better and more exhaustive control of the information that at present is on paper.

In this area, the challenges set by SegurCaixa Holding for 2009 are found in a triple initiative: firstly, sending a 10-point security list on the treatment of data to all employees; secondly, increasing the specific online training on this issue for employees and lastly, setting up a series of workshops to improve the office panorama in line with the new commitments in the application of security measures to non-automated files.

SegurCaixa Holding also avoids sending its customers any information that is not exact, that is false, mistaken, exaggerated or ambiguous in its marketing communications so as to eliminate the possibility of error or cheating. This solid commitment to truth and transparency is exemplified by its adhesion to the *Código General de Conducta Publicitaria* (General Code of Advertising Conduct) from the Institutions of Collective Investment and Pension Funds (INVERCO in Spanish) and the regulation on publicity and consumer protection.

Internal Publicity Guide

In order to put into practice the principles promoted by UNESPA (in English, the Spanish Association of Insurance and Reinsurance Companies), VidaCaixa and SegurCaixa not only subscribed to the Association's guide to transparency and publicity, but went further to develop their own Internal Guide to Publicity. It contains the minimum content and requirements that must be followed in any publicity that is published.

This guide takes as a starting point that misleading, disloyal and subliminal publicity is forbidden and therefore all communications are subordinated to the principles of honesty, efficiency and proficiency. In practice, this boils down to three main ideas: false expectations must not be created, the product must be explained in detail, and no essential fact must be left out.

With this eagerness for transparency, the Internal Publicity Guide specifies that it must be absolutely clear that it is publicity and the expiry date for that publicity must be given. Moreover, among other requirements, it must be made clear that the offer is individual and cannot be added to others when the case arises.

For pension plans and EPSV, specific criteria are incorporated that also reinforce transparency. Some examples of these are the need to fix the starting and finishing times of the transaction, the required prerequisites, the minimum and maximum APR, the delivery date of the present, if there is one, the promoter of the plan as well as the manager, the depositary of the fund, etc. Further, when reference is made to historic yields, there is an obligation to refer to the period those yields were given, the equivalent on a yearly basis (APR), the auditor of the fund and the sentence *that past results do not indicate future results*.

The guide goes beyond the traditional paper information pamphlets and envisages initiatives related with the mailing of publicity messages, such as text messages on cell phones. In these cases, the Group undertakes to start all messages with the word "PUBLICITY" so that none of the recipients can claim they have been deceived.

2. Responsible insuring and welfare

Adaptation of products to customers

The appropriateness and suitability of all communications with customers is fundamental, so SegurCaixa Holding carries out tests to evaluate the informative quality of the marketing campaigns it undertakes. This, in turn, is essential for the design of quality products that correspond to the real needs of society.

Some of the modifications in communications that have arisen after a survey to customers are the reduction in the number of asterisks and footnotes and the insertion of practical examples in calculating the tariffs. In this way, customers better understand the products and services the company offers them.

Another action addressed at getting to know the portfolio of customers is matching the different marketing initiatives with the profile of each customer. This is how the Company streamlines its products in the best possible way for each user.



One of the modifications that has arisen after a survey to customers is the insertion of practical examples in calculating the tariffs sent to users

The customer's opinion

The satisfaction of customers is paramount to any business. For this reason, SegurCaixa Holding underwent a study, at the end of 2007, of all the communications sent to customers, which allowed us to extract positive conclusions in favour of customers and cover possible areas of improvement. Once those improvements were implemented, 3 studies were carried out in 2008 to get to know the opinion and evaluation of customers on the communications received.

In all, more than 600 telephone interviews were made connected with the three products: *Pensión Vitalicia Inmediata*, *SegurCaixa Auto* and *Vida Familiar*. The surveyed customers valued aspects such as the interest sparked off by the mail they received, the degree of attention that was given to them or the ideal environment to be received in, at home or at the office.

Initiatives developed to help transparency of contracts

SegurCaixa Holding bases its transparency with customers on the principles that inspire the Guide to Good Practices by UNESPA, the insurance sector association. According to these principles, the company maintains its commitment of trust and transparency to policyholders and continually improves the information provided prior to the signing of a contract as well as in the contract itself.

The clarity of terminology used is common to all contracts, even in the multi-risk contracts. These contracts

are especially complex because of their multiple covers and the combination of different models and variables, so SegurCaixa Holding goes to great lengths to keep the wording clear and simple, including the exclusion and special clauses and those referring to monetary limits.

In line with the initiative of providing the customer with all the tools required to help him make an understandable and critical judgement of contracts, SegurCaixa Holding has enabled a glossary of terms and a basic guide to insurance contracts on its corporate web site.



SegurCaixa Holding has enabled a glossary of terms and a basic guide to insurance contracts on its corporate web site

Clear and direct information

Over the last few years, SegurCaixa Holding has revised its communication of policies. Today, the customer usually receives a single page with all the main data of the contracted policy on it, laid out in a clear and understandable way so that the policyholder knows exactly what the terms and conditions are of the services contracted. The document shows the type of insurance, its premium, the duration of the contract and the covers and limitations among other points.

This is a result of a revision the Company carried out on the policies of its main life insurance products in content as well as in structure. The aim was to simplify, systemise and be coherent in the information given so as to maximise the customer's comprehension of the policy.

In an effort to make sure that the policyholder would completely understand and approve, SegurCaixa Holding designed a methodology that included certain concepts in the information prior to signing the contract. In this way, the customer is informed of the possibility of recalculating the premium depending on the risk, as well as the right of both parties not to renew the policy at the annual revision.

In insurances covering disability, the Company explains very clearly the criteria and variables to describe the claim or degree of disability. This is the case of insurances for disability, illness, dependence or accident of the policyholder. On the other hand, SegurCaixa Holding guarantees that complaints and claims, if any, by customers will be channelled and the policyholders will be informed of their right to the withdrawal of the claim, where required.

To be absolutely sure of providing transparency, the Company reminds the customers in its health questionnaires of the need and convenience of reading all the questionnaire carefully while responding to

the questions honestly and truly. Similarly, SegurCaixa Holding guarantees the proper use of the data according to what is set out by law, by keeping them in top security files.

In savings insurance, the customer is informed of the conditions of the guarantee offered and the guaranteed technical interest. With respect to Unit Linked products, the policyholder is informed that it is he who assumes the risk of the investment he wishes to link to the contract.

Likewise, in accordance with the legally set out criteria, the customers are informed of the conditions required to cash their *Planes de Previsión Asegurados (PPA)*, in English, Guaranteed Welfare Plan, and their Pension Plans.

Lastly, in household insurance, the Company offers the customers approximate valuations so as to avoid possible underinsurance. Moreover, customers are informed of the Group's commitment to renounce the application of the proportional rule in claims under a certain value.

Leadership in sustainable management of investments and solvency

Relevant issues	Initiatives 2008	Challenges 2009
Environmental and social risk policies in SegurCaixa Holding investments	An investment in SRI assets (Socially Responsible Investment) is managed in Pension Funds. 30 million Euros in 2008.	To formalise the application of SRI criteria in the procedures manual for any type of investment inspired by the World Agreement on Principles of Responsible Investment (PRI).
	The tactical position of investments in renewable energies and water treatment is continued.	Increase the minimum investment target in SRI in the variable income of the "la Caixa" employee pension fund.
	The "la Caixa" employees' fund, managed by VidaCaixa, maintains its ethical criteria promoted by the United Nations in its World Agreement on Principles of Responsible Investment (PRI).	Draw up and send an informative letter on this subject to fund managers in order to reinforce the SRI circuit in the external selection of assets.
	An investment fund was sold as it held stakes in weapon-making companies. This was identified in our monthly revisions.	
Systems to evaluate the sustainability of investments	SegurCaixa Holding uses several systems to evaluate the sustainability of investments, such as the questionnaire for the selection of funds for third parties.	Maintain the rigour in the evaluation of the sustainability of the investments carried out by the Company.
	Preparation of the 2009 circuit.	

Application of sustainable criteria to investments

SegurCaixa Holding offers responsible, sustainable and transparent products. Based on these three principles, VidaCaixa articulates the management of investments, whether they are equity such as pension funds or insurances, to avoid investing in groups and companies linked to certain sectors.

SegurCaixa Holding works to satisfy the demands of responsibility required by its customers and for this VidaCaixa selects investments that fulfil ethical and sustainable requisites. To this end, a protocol was set up addressed to the managers the Company works with, who

must fill in a questionnaire about their activities and the application of these principles to their businesses. This is how the selected assets fully conform to the philosophy of each pension fund or portfolio in SegurCaixa Holding.

Under this premise, SegurCaixa Holding wanted to assign part of its employee training resources to setting up norms and procedures to detect activities that finance terrorism and money laundering. Throughout 2008, all the employees at our Headquarters underwent an online course called 'Prevention of Money Laundering and Financing of Terrorism', which was divided into three training sessions.

An important volume of the Company's investments can be found in public fixed interest assets in OECD countries, which guarantees absolute respect for Human Rights. With regards to private fixed and variable interest assets, VidaCaixa's specialised managers evaluate in detail the indices of sustainability. One of the tools used is the Dow Jones Sustainability Index, a list in which most of those assets lie. However, if they are not on the list, an investigation is carried out (web pages, reports) to make sure that the activity of the company conforms to the principles and criteria of VidaCaixa. A monthly follow-up of the investment funds is also undertaken.

Socially Responsible Investment (SRI): a guarantee of sustainability

One of VidaCaixa's responsible objectives is to control how the company uses the investment and where it makes the investment. Here the Due Diligence process consists of a specific questionnaire whose aim is to know in detail how the company uses the investment. VidaCaixa assigns most of its investments to funds that expressly have this verification, Sustainable Responsible Investment

To plan its investments, SegurCaixa Holding is inspired by the ethical criteria promoted by the United Nations in its World Agreement on Principles of Responsible Investment (PRI).

SegurCaixa Holding also has several systems to evaluate the sustainability of the investments, such as the questionnaire for the selection of funds for third parties. In 2008, the Company maintained a policy based on the rigour and transparency that each management required, which was within the framework of its environmental and social risk policy. More specifically, throughout last year the Company kept up an SRI investment in pension funds, as well as its tactical position of investment in renewable energies and water treatment.

Another of the more outstanding initiatives was the incorporation of the "la Caixa" employee pension fund, managed by VidaCaixa, to the Principles of Corporate Social Responsibility of the United Nations. At the close of the year, the investment of that fund in SRI products was 30 million Euros. In response to its policy of exclusion from investments linked to certain sectors determined by the Control Commissions of the pension funds managed, SegurCaixa Holding sold off one of its investment funds for having stakes in weapon-making companies.

Through the adhesion to the World Agreement on Principles of Responsible Investment (PRI), companies commit to applying certain rules to their activities and investments. These rules, based on the so-called Environmental, Social and Business Governance (ESG), consist, for example, of incorporating the ESG criteria into the processes of analysis and the adoption of decisions in investments. In 2009, SegurCaixa Holding envisages formalising, in the manual of procedures, the application of SRI criteria to any type of investment.

VidaCaixa selects the investments so that they fulfil the requirements of sustainability and ethical criteria



2. Responsible insuring and welfare

Solvency II

SegurCaixa Holding, the leading Spanish company in social welfare, has among its commitments fulfilling its long-term promises (mostly life-long promises) to its customers. The company assumes this commitment with responsibility, efficiency and, of course, complete solvency. In order to face any possible losses in value in its investments, SegurCaixa Holding has reserves above the legally required minimum. It is not surprising that the Group inherited the insurance tradition from "la Caixa", which goes back more than 100 years to when the first pension book was issued in 1905. This is why more than 3.2 million people trust SegurCaixa Holding with the management of more than 28,000 million Euros.

To achieve a more efficient and safer control of its customers' investments, the company collaborates by contributing its know-how to work groups of experts that agree with the objective of defining a method that enables the exact measurement of capital demanded from every insurer depending on the risk assumed. Moreover, the company adheres to the Guide of Good Practices in Internal Control and Good Corporate Governance that are promoted by UNESPA.

Solvency study QIS4

In 2008, the company participated in the fourth quantitative impact study on solvency in a European environment, QIS4. The questionnaire is organized by the Committee of European Insurance and Occupational Pensions Supervisors (CEIOPS), and has the intention of correctly calibrating the factors that will influence the new capital requirements derived from the Solvency II project.

As a result of the voluntary participation in this study, SegurCaixa Holding takes advantage of the knowledge acquired and the new measuring techniques observed to advance in the modernization and adaptation of internal models of risk measurement with the aim of optimizing the need of capital risk and guaranteeing the maintenance of the present and future solvency levels of the Group.

Similarly, there has been an analysis of the possibility of making internal models so that risk measurement is more exhaustive, with the objective that it enables a measurement of required capital that is more favourable to SegurCaixa Holding.

Solvency II Project

SegurCaixa Holding participates in the Solvency II Project, a European initiative created to guarantee the feasibility and sustainability of insurance companies, apart from transforming the supervision regime of these entities and assessing the required capital.

Solvencia II aims to improve the measurement of risk in market and operational credit as well as in liquidity. It covers different environments among which the most important are the measurement of assets, liabilities and capital on the one hand and the process of supervision on the other.

With its participation in the plan, SegurCaixa Holding advances the compulsory use of these calculations envisaged for 2012.

Accessibility to insurance and social welfare products

Relevant issues	Initiatives 2008	Challenges 2009
Universal solutions of insuring and social welfare	SegurCaixa Holding has a wide range of products that make up a universal offer in insurance and social welfare for individual customers and for groups. Work is done to adapt the product offer to the needs and requirements of customers at all times.	Continue the commitment to innovation in the products and services offered to the Group, in order to have a suitable product offer to cover the needs and expectations of more than 3 million customers.
Multi-channel management and accessibility	<p>SegurCaixa Holding is a bankassurance Group that uses a multi-channel system.</p> <p>In the individual customer area, as a complement to the wide network of the "la Caixa" branch offices, the Group has the network of AgenCaixa sales advisors and with two other channels that complete a service that is open, accessible and personalized: the call center and sales over the Internet.</p> <p>In Group and company business, the business is distributed through an internal team of advisors and professional experts, and the most prestigious and well known brokers on the market.</p>	Continue the development of accessibility to the products and services the Group offers through geographic proximity, the multi-channel system and the elimination of fiscal and sensorial barriers.

Universal solutions to insuring and social welfare

SegurCaixa Holding bases its product offer on a diverse public and attends to all ages, genders and origins. Its objective is to offer a specific product, suitable to the particular and personal needs of each customer. SegurCaixa Holding has a wide range of individual products, which together make up a universal offer, where accessibility is one of the keys to success. To sell its wide product portfolio, the Group has several channels of distribution and communication as well as competitive prices in all its lines of insurance and social welfare products.

Personal, public and universal service

Each solution developed by SegurCaixa Holding stems from the need and the wish to cover it satisfactorily. For this reason, the young, elderly people, new residents, SMEs and the self-employed find made-to-measure solutions for their needs.

The young

The *Libreta Futuro* is the star product that SegurCaixa Holding created with the youngest members of the family in mind. It lets an adult make contributions to create savings for a young person. Financing their studies or buying a car are just some of the projects that, thanks to the *Libreta Futuro*, can come true in an easy, comfortable way for families.

2. Responsible insuring and welfare

The elderly

Retirement is one of the most important stages of life for the insurance activity of SegurCaixa Holding. It attends, in a special way, to the need to have insurance with which to generate capital to face a better quality retirement, as well as complement the pension received from the Social Security. La *Pensión Vitalicia Inmediata (PVI)* is the answer proposed by SegurCaixa Holding. It is an income insurance specially designed to complement the public retirement pension and benefits from the best financial-fiscal conditions.

New residents

New residents have consolidated themselves as an important growing nucleus of customers within the client portfolio of SegurCaixa Holding. *SegurCaixa Repatriación* and *SegurIngreso*, both accident insurances, the former in repatriation and the latter in periodic payments in the case of death or disability, are the Group's proposals for this segment.

Companies

Just like individual customers, the needs of the self-employed and SMEs

differ and so SegurCaixa Holding is prepared to offer insurance and pension plans specifically designed for these groups. Providing for the new economic contexts where businesses must cope, *VidaCaixa Previsión Social* has a team of professionals specialised in the design and management of insurances for companies. For example, *VidaCaixa Salud Pymes*, introduced in 2007, was well received in its first year on the market. This healthcare insurance does not entail co-payment and includes dental care at a very competitive price.

The needs of the self-employed and SMEs differ and so SegurCaixa Holding is prepared to offer insurance and pension plans specifically designed for these groups

Pioneers and consolidated

After a first successful year, SegurCaixa Holding has consolidated itself as the leading company in offering the new PIAS insurance. In fact, coinciding with the entrance into force of the new fiscal reform in 2007, the insurance company of "la Caixa" was the first one on the market to sell this savings insurance through two products: the *Plan de Ahorro - PIAS* and the *Plan de Ahorro Asegurado - PIAS*, which now have almost 80,000 customers.



VidaCaixa Salud Pymes, introduced in 2007, was well received due to the fact that this healthcare insurance does not entail co-payment and includes dental care

Multi-channel management, personal attention

The multi-channel system is the core round which all the SegurCaixa Holding bankassurance strategy rotates. These channels, supported by an extensive network of more than 5,000 branch offices and numerous advisors and mediators, do a great job of facilitating the access to the welfare products of "la Caixa".

To them we must add the AgenCaixa network of professionals and two other channels, the Call Center and Internet sales, that round off an open, accessible and personalised service. In all, it is a multi-channel platform developed to cover the model the customer feels most comfortable with when contracting a social welfare service.

AgenCaixa

A total of 417 sales advisors, specialised in the sale of insurance and pension plans, complement and dynamise customer care, which is carried out from the branch office network.

The Internet

The comfort the Internet gives when doing things like administrative procedures turns

it into an ideal channel to support the SegurCaixa Holding social welfare offer. So, with the intention of making access easier for a wider public, the Group's customers can contract and manage these services through the *Línea Abierta Web*, the online banking services of "la Caixa". With this, customers can consult updated details of the composition of their portfolio or the evolution of the yield.

In 2008, this channel evolved towards an integrated picture of the customer, in a way that offers a global service that gives him the option to buy, consult and manage the opening of new projects. This is the case of, for example, *SegurCaixa Moto*, found in the section for private individuals, or the insurance for groups in the section for SMEs. Moreover, some guaranteed plans can be contracted and managed over the internet: *PlanCaixa 6 Plus*, *PlanCaixa Opción 7* and *PlanCaixa 7 Ya*.

ATMs

Since 2007, more than 8,000 ATMs deployed all over Spain offer access to the pension plans of VidaCaixa customers. One of the most used options to date is the consultation of the global position of the contracted pension plans to see the movements in detail—appreciations, transfers, contributions, etc.



2. Responsible insuring and welfare

Telephone channel

Telephone access, especially active in the sale of *SegurCaixa Auto*, completes the management models that the Group provides for its customers. To go a step further, in April 2008, the telephone became a new channel to directly contract accident insurance. In this case, there was a triple goal: increase the possibility of contracting, give a service to a wider range of customers and get to know their needs directly. In fact, the telephone offer is an accident insurance designed especially for this channel. It is a very simple product and easy to explain. Among its characteristics are that it has high insured amounts, a monthly premium that is very reasonable and does not require any subscription controls nor medical revisions.

Groups and Companies

In Group business channelled through *VidaCaixa Previsión Social* there is a first channel that is made up of more than 130 managers and account executives who give their services from the Group's headquarters in Barcelona and from the headquarters of *VidaCaixa Previsión Social* in Madrid. They are specialised in products and services adapted to group customers. On the other hand, *VidaCaixa Previsión Social* works with the main agents and brokers on the Spanish market and has also a network of contacts among the main companies devoted to mediation in this type of product, integrated in the international Swiss Life Network.

The multi-channel platform was developed to offer a model that the customer feels comfortable with when contracting a social welfare service

The elimination of physical and communication barriers

In an environment such as social welfare, being accessible is a duty and a commitment to society. Being aware of the need to facilitate access to its services, SegurCaixa Holding has the support

of the financial network of "la Caixa", the most extensive in the country. This geographic accessibility also combines with its commitment to eliminate the physical or sensorial barriers that could make access difficult for people with limited mobility or visual disability.

Height 0, accessibility 10

The "la Caixa" insurance offer is present in every Spanish town with more than 20,000 people and in 91% of the towns with between 5,000 and 20,000 people, where the company has extended its branch network. In all of them "la Caixa" has taken on the challenge of achieving its "0 height" objective and eliminating whatever unevenness that may make access difficult between the footpaths and the interior of the branch offices. This is now a reality in 100% of new branch offices and it is foreseen that architectural accessibility gradually covers the whole network.

It must also be pointed out that all ATMs are adapted to people with visual difficulties by means of a special keyboard for typical operations. Apart from the basic functions, "la Caixa" has prepared 2,000 ATMs to improve operational use even more.

As a pioneer in accessible online banking, the company continued to add new functions in compliance with the level AA norms and also adapted its corporate webpage to this level of accessibility in 2008.

With the aim of facilitating access to a much wider public, the customers of the Group can contract and manage these services through *Línea Abierta Web*, the online banking service of "la Caixa"

One of the most important steps in improving accessibility to the products of SegurCaixa Holding is the renovation of the corporative webpage of the Group, www.segurcaixaholding.com, as well as setting up the web www.vidaixaaprevisionsocial.com.

On the one hand, SegurCaixa Holding launched its new webpage with the aim of updating its design, broadening content and guaranteeing access to people with disabilities. At the same time, new content was added that provided the Internet customer with information. For example, the renewed portal has a section on Frequently Asked Questions, a Glossary of Terms, a section on Working with Us or a section on simple indications about How to Report a Claim. All the content shows the corporate image of SegurCaixa Holding, with an up-to-date and practical design that helps and prioritises access to the most relevant information.

The same commitment to design is present in the latest webpage of the *VidaCaixa Previsión Social* division that specialises in Group and company business. In it corporate customers

can find all the information related to this range of products in a simple, clear and detailed way and even new characteristics for a more friendly use by the customer. For example, it is possible to access the first Commission Control Forum based on a conversation platform that is a pioneer in the sector. In it different points of view of the members of the Control Commissions of the Spanish Employment Pension Plans are debated. The visitor can access the quarterly information bulletin that is sent in digital form to all customers and mediators. This helps the diffusion of socially interesting topics for companies, among other new points. The web also works as an excellent platform supporting a marketing campaign directed at managers of large companies under the theme "*The health of the company is not seen at first sight*". Through this web, SegurCaixa Holding and *VidaCaixa Previsión Social* became two of the few Spanish insurance companies with a webpage completely adapted to the standards set by the Certificate of Double Accessibility of the Web Accessibility Initiative (WAI) for access of people with disabilities.

Aware of the need to facilitate access to its services, SegurCaixa Holding has the privilege of having the proximity of "la Caixa", the largest financial network in the country

