

AGENDA ITEM ONE: MOTION

Approve the Financial Statements—Balance Sheet, Profit and Loss Account, Statement of Changes in Net Equity, Cash Flow Statements, and Notes to the Financial Statements—as well as Directors' Report of Banco de Sabadell, S.A., including the Annual Corporate Governance Report, and its consolidated group, all corresponding to the financial year ended 31 December 2015; grant discharge to the Directors of Banco de Sabadell, S.A. for the financial year that commenced on 1 January 2015 and ended on 31 December 2015; and approve the proposal for application of results of that financial year, consisting of the following distribution of income:

To voluntary reserves	366,886,899.72 Euro
To legal reserve	35,369,609.44 Euro
To reserves for investment in the Canary Islands	192,489.69 Euro

AGENDA ITEM TWO: MOTION

To allocate, with a charge to voluntary reserves recognised in 2014 and shown on the balance sheet as of 31 December 2015, duly audited by PricewaterhouseCoopers Auditores, S.L., which is submitted for approval by this General Meeting of Shareholders under item One of the agenda, a "Capitalisation reserve under Act 27/2014" for the amount of 35,985,000 euro, which will be restricted for the time and subject to the exceptions laid down in article 25 of Act 27/2014, of 27 November, on Corporate Income Tax.

AGENDA ITEM THREE: MOTIONS

1.- First motion under Agenda item Three.

Approve flexible shareholder remuneration (scrip dividend) in the amount of approximately 0.05 euro per share, in the form of a capital increase with the following characteristics:

1. Capital increase charged to reserves

Increase capital stock with a charge to reserves in the amount resulting from multiplying (a) the par value of 0.125 euro per share of Banco de Sabadell, S.A. ("Banco Sabadell" or the "Bank") by (b) the total determinable number of new shares of Banco Sabadell resulting from the formula indicated in section 2 below (all new shares of the Bank issued by execution of this resolution shall be referred to collectively as the "New Shares" and each one of them individually as a "New Share"), while the total reference market value of the New Shares may not, in any event, exceed the limit of 271,962,250 euro (the "Capital Increase").

The Capital Increase will be carried out via the issuance and distribution, as appropriate, on the date of execution of the Capital Increase, of the New Shares, which will be ordinary shares with a par value of 0.125 euro each, all of the same class and series as those currently outstanding, and represented by book-entries.

The Capital Increase will be performed entirely with a charge to the reserves referred to in article 303.1 of the Capital Companies Act. When implementing the Capital Increase, the Board of Directors, with express power to sub-delegate, will determine the reserve(s) to be used and the amount of such reserve(s) in accordance with the balance sheet used as a basis for the transaction.

The New Shares will be issued at par, i.e. for their par value of 0.125 euro, without an issue premium, and will be assigned free of charge to the Bank's shareholders.

The Capital Increase may be executed within the year following the adoption of this resolution, by the Board of Directors, which is given express powers to sub-delegate, at its sole discretion and, therefore, without the need to seek further permission from the General Meeting of Shareholders, having regard also to the legal and financial conditions at the time of executing the Capital Increase, in order to offer a flexible, efficient formula for remunerating the Bank's shareholders. The Capital Increase is expected to take place in the months of April and May 2016.

In accordance with the provisions of article 311 of the Capital Companies Act, it is envisaged that the Capital Increase may not be allocated in full in the event that the Bank, any company in its group or a third party waives part or all of the rights to free assignment held by them at the time of executing the Capital Increase, with the result that, in the event of such a waiver, the capital stock will be increased by the corresponding amount.

2. New Shares to be issued

The number of New Shares to be issued will be calculated by applying the following formula, rounding the result down to the nearest whole number:

$$\text{NNS} = \text{TNSh} / \text{No. of rights}$$

where,

NNS = Number of New Shares to be issued,

TNSh = Total number of shares of the Bank that are outstanding on the date the Board of Directors, or the body to which it delegates, resolves to implement the Capital Increase; and

No. of rights = Number of rights to free assignment that is needed to be assigned one New Share, which will be obtained by applying the following formula, rounding the result up to the nearest whole number:

$$\text{No. of rights} = \text{TNSh} / \text{Prov. no. of shares}$$

where,

$$\text{Prov. no. of shares} = \text{Option Amount} / \text{PrePrice.}$$

For these purposes, the term "Option Amount" will be understood as meaning the maximum reference market value of the Capital Increase that may be set by the Board of Directors or, by delegation, the Executive Committee or the Director(s) in whom the Board or the Executive Committee delegates, which will be at most of 271,962,250 euro, in accordance with the limits established in paragraph 1 above.

"PrePrice" shall be the arithmetic mean of the weighted average price of the Bank's share in the *Sistema de Interconexión Bursátil* automated quotation system in the five trading sessions prior to the resolution by the Board of Directors (or, by delegation, the Executive Committee or the Director(s) chosen by the Board or the Executive Committee) to implement the Capital Increase and determine the number of free assignment rights required for the assignment of one New Share, and the Acquisition Price (as defined below), rounded to the nearest one-thousandth of a euro and, in the case of half of one-thousandth, rounded up to the next thousandth of a euro.

3. Rights to free assignment

Each outstanding share of the Bank will entitle its holder to one right to free assignment.

The number of rights to free assignment needed to receive one New Share will be determined automatically based on the proportion between the number of shares of

the Bank that are outstanding on the date of execution of the Capital Increase (TNsh) and the provisional number of new shares, calculated using the formula established in the preceding section. Specifically, shareholders will be entitled to receive one New Share for each number of rights to free assignment that they hold, calculated as provided in the previous section (No. of rights).

The holders of bonds convertible into shares of Banco Sabadell will not enjoy the right of free assignment but, as appropriate, the bonds' conversion ratio will be modified in proportion to the amount of the increase in accordance with the provisions of the anti-dilution clauses provided in their issuance language.

In the event that the result of multiplying the number of rights to free assignment needed to obtain one New Share (No. of rights) by the number of New Shares to be issued (NNS) is less than the number of shares of the Bank outstanding on the date of execution of the Capital Increase (TNSh), the Bank (or an undertaking in its group that owns shares of the Bank) will waive a number of rights to free assignment that is equal to the difference between those two numbers, for the sole purpose of ensuring that the number of New Shares to be issued is a whole number and not a fraction.

The rights to free assignment will be assigned to shareholders of record in the accounting registers of “Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal” (“Iberclear”) on the appropriate date as determined by the securities clearing and settlement rules, systems and procedures that are applicable at the time this resolution is executed.

The rights to free assignment shall be transferable on the same terms as the shares from which they derive. The rights to free assignment may be traded in the market during the period established by the Board of Directors, which has express powers to sub-delegate, which period must be at least fifteen calendar days. During that period, it will be possible to acquire, in the market, rights to free assignment in the amount and proportion necessary to receive New Shares.

4. Irrevocable commitment to acquire the rights to free assignment

During execution of the Capital Increase, the Bank or, with its guarantee, the Group company to be determined will make, in the conditions set out below, an irrevocable undertaking to purchase the rights to assignment received free of charge by the shareholders at the price indicated below (the "Purchase Commitment"). The Purchase Commitment will be in force and may be invoked by those shareholders during the period, within the period for trading the rights, that is established by the Board of Directors or, by delegation, the Executive Committee or the Director(s) in whom the Board or the Executive Committee delegate, which must be at least the first ten calendar days in the period during which the rights to free assignment are traded. For these purposes, Banco Sabadell or the corresponding company in its group is hereby authorised to acquire such

rights to free assignment (and the shares corresponding to them), up to the maximum total amount of rights that are issued, subject to compliance at all times with any legal limitations which apply.

Depending on the decision by the Board of Directors, using the powers delegated to it by the General Meeting of Shareholders, with express authority to sub-delegate, having regard to market conditions and the Bank's interests, the Purchase Commitment will refer to one of the following two alternatives:

- (i) the rights of free assignment received by the shareholders of record per the accounting registers of Iberclear on the date indicated in item 3 above, excluding those rights that have been disposed of in the market; or
- (ii) all the rights to free assignment, regardless of whether their holders received them free of charge from the Bank due to being shareholders at the time of assignment or purchased them in the market.

The "Purchase Price" for each right to free assignment shall be the fixed price at which the Bank will acquire each right to free assignment by virtue of the Purchase Commitment. The Purchase Price will be approximately 0.05 euro (gross) per share and the exact amount will be calculated in accordance with the following formula, with the resulting number being rounded to the closest one-thousandth part of one euro and, in the case of one-half of one-thousandth of one euro, to the next higher one-thousandth part of one euro:

$$\text{Acquisition Price} = \text{PrePrice} / (\text{No. of rights} + 1)$$

The acquisition by the Bank of the rights to free allocation as a consequence of the Purchase Commitment will be effected with a charge to the reserves referred to in article 303.1 of the Capital Companies Act.

5. Balance Sheet for the transaction and reserve against which the capital increase is to be charged

The balance sheet used as a basis for the transaction is the one for the financial year ended 31 December 2015, duly audited by PricewaterhouseCoopers Auditores, S.L. and submitted to the shareholders for approval at this General Meeting of Shareholders under item one on the agenda.

The Capital Increase will be performed entirely with a charge to the reserves referred to in article 303.1 of the Capital Companies Act. When implementing the Capital Increase, the Board of Directors, with express power to sub-delegate, will determine the reserve(s) to be used and the amount of such reserve(s) in accordance with the balance sheet used as a basis for the transaction.

6. Representation of the New Shares

The New Shares will be represented by book entries, accounted for by Iberclear and its member firms.

7. Rights of the New Shares

The New Shares will grant their holders the same political and economic rights as the ordinary shares of the Bank that are currently outstanding as from the date on which the Capital Increase is declared to be subscribed and paid up. In particular, the holders of the New Shares will be entitled to collect the interim dividend and any supplementary dividend amounts that are paid as from the date on which the Capital Increase is declared to be subscribed and paid up.

8. Shares on Deposit

Once the period for trading the rights to free allocation has ended, the New Shares that could not be allocated for reasons not attributable to Banco Sabadell will be kept on deposit for parties who can provide evidence that they are the lawful holders of the corresponding rights to free allocation. Once three years have elapsed from the end of the aforementioned period for trading the rights to free allocation, the New Shares that are still pending allocation may be sold for the account of such rightful owners in accordance with the provisions of article 117.3 of the Capital Companies Act. The net proceeds from that sale will be deposited at the Bank of Spain or the State Cashier's Office (*Caja General de Depósitos*) at the disposal of such rightful owners.

9. Application for listing

To apply to list the New Shares to be issued pursuant to this capital increase resolution on the domestic and, as appropriate, international stock exchanges on which the shares of the Bank are listed at any given time, in accordance with the procedures provided by each such stock exchange, and to undertake such proceedings and actions as may be necessary and submit such documents as may be required to the competent bodies for listing of the New Shares issued as a consequence of the Capital Increase hereby approved, the Bank expressly submitting to the regulations that exist or may be enacted in connection with the stock exchange and, in particular, with regard to trading, continued listing, and delisting.

It is expressly stated for the record that, in the event of a subsequent request for delisting of the Bank's shares, such delisting will be carried out with the same formalities as may be applicable and, in such event, the interests of the shareholders opposing or not voting on the resolution to delist will be safeguarded, in compliance with the requirements of the Capital Companies Act and related provisions, all in accordance with the consolidated text of the Securities Market Act, approved by Legislative Royal Decree 4/2015, of 23 October, and its secondary legislation in force at any given time.

10. Execution of the Capital Increase

Within a period of one year from the date of this resolution, the Board of Directors or, by delegation, the Executive Committee or the director(s) they deem fit, may set the date on which the Capital Increase resolution is to be implemented and the terms and conditions thereof in all aspects not specified in this resolution (including, in particular, the Option Amount).

Nevertheless, before executing the resolution, the Board of Directors (with express powers to subdelegate) will analyse and take account of the conditions of the market, of the Bank itself and those arising from any other social or financial event of particular significance and, where, in their opinion, such circumstances warrant not executing the Capital Increase, they may decide not to do so. Additionally, the Capital Increase shall not take place if, within the period of one year indicated by the General Meeting of Shareholders for its execution, the Board does not exercise the powers delegated to it.

Once the period for trading the rights to free allocation has ended, the following shall apply:

(a) The New Shares will be allocated to those who, according to the records of Iberclear and its member firms, are the owners of the rights to free allocation, in the proportion resulting from section 3 above.

(b) The Board of Directors, with express powers to sub-delegate, will declare the period for trading the rights to free allocation to have ended and will charge the appropriate amounts to the account(s) against which the Capital Increase is to be made, and it will thereby be paid up.

Likewise, once the period for trading the rights to free allocation has concluded, the Board of Directors, with express power to sub-delegate, will adopt the resolutions required to amend the Articles of Association so that they reflect the new amount of the share capital and the number of shares resulting from the implementation of the Capital Increase, and will apply to list the New Shares on the domestic and any foreign stock exchanges on which the Bank's shares are listed at any given time.

11. Delegation of powers to the Board of Directors to execute the Capital Increase

In accordance with the provisions of article 297.1.a) of the Capital Companies Act, it is resolved to delegate to the Board of Directors, as broadly as may be required by law, with the power to sub-delegate to the Executive Committee or the director(s) it considers appropriate, the powers expressly established in that precept, as well as all of the powers expressly conferred on it by this resolution and the power to set the conditions that are not expressly envisaged in this resolution.

In particular, and by way of example only, the following powers are delegated to the Board of Directors, with express power to sub-delegate:

- (i) Set the date on which the Capital Increase must be implemented, which must in any case be within one year from approval thereof, and determine the schedule for implementation of the Capital Increase, and make any procedural adjustments that may be required in connection with the provisions of this resolutions as a result of the entry into force of the new securities clearing and settlement system.
- (ii) Set the exact amount of the Capital Increase, the Option Amount, the number of New Shares, and the number of rights to free allocation necessary for the allocation of one New Share, applying the rules established by this resolution for such purpose.
- (iii) Determine the reserve(s), from among those contemplated in this resolution, against which the Capital Increase will be charged and against which the Bank will acquire the rights to free allocation as a result of the Purchase Commitment.
- (iv) Declare the Capital Increase to have been completed and executed.
- (v) Set the duration of the period for trading the rights to free allocation.
- (vi) Set the period during which the Purchase Commitment will be in effect and determine the object of the Purchase Commitment within the limits established in this resolution.
- (vii) Fulfil the Purchase Commitment, by paying the corresponding amounts to those who accepted it.
- (viii) Declare the Capital Increase to be completed and implemented, establishing, for this purpose, the number of New Shares actually allocated and, therefore, the amount by which the Bank's share capital must be increased in accordance with the rules established by the shareholders at this General Meeting, and declare that the Capital Increase was not fully subscribed, if that is the case.
- (ix) Amend the article of the Articles of Association that regulates share capital so as to reflect the new amount of share capital and the number of outstanding shares resulting from the implementation of the Capital Increase.
- (x) Waive the rights to free allocation held by the Company at the end of the period for trading them as a result of the Purchase Commitment, and, therefore, waive the New Shares corresponding to such rights.
- (xi) Waive any rights to free allocation to subscribe for New Shares, for the sole purpose of ensuring that the number of New Shares is a whole number and not a fraction.

- (xii) Perform all the necessary formalities in order to ensure that the New Shares are entered in the accounting records of Iberclear and listed on the domestic and any foreign stock exchanges on which the Bank's shares are listed at any given time, in accordance with the procedures implemented by such stock exchanges.
- (xiii) Take such action as may be necessary or appropriate to implement and formalise the Capital Increase before any public or private entities or bodies, whether domestic or foreign, including declarations, supplements and rectification of defects or omissions that might hamper or prevent the foregoing resolutions from being enforceable.

2.- Second motion under Agenda item Three.

Approve supplementary shareholder remuneration of 0.02 euro per share, consisting of the distribution in kind of part of the issue premium reserve through the delivery, to shareholders of Banco de Sabadell, S.A. ("Banco Sabadell" or the "Bank"), of shares of the Bank which are held in treasury stock.

The remuneration to be delivered will be the equivalent of distributing €0.02 per entitled share, i.e. a payment in kind out of the voluntary issue premium reserve amounting to a total of at most 108,784,900 euro.

For the purposes of this decision, the reference value of each share to be delivered will be the arithmetic mean of the weighted average share price in the *Sistema de Interconexión Bursátil* automated quotation system in the five sessions prior to the date of the General Meeting, i.e. 31 March 2016, if, as expected, the Meeting is held at second call (the "Reference Value").

The number of shares to be delivered to each shareholder will be determined by the product of €0.02 and the shareholder's total number of shares divided by the Reference Value, rounded down to the nearest whole number, any excess ("Excess") resulting from such rounding being paid in cash to the shareholder.

The shares will be delivered through Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (IBERCLEAR) in accordance with the securities settlement systems, rules and procedures in force at the time, to the shareholders of record of Banco Sabadell per the accounting records of the IBERCLEAR members at the end of the day to be established for this purpose by the Board of Directors, which the latter will notify to the shareholders sufficiently in advance, and the Board is empowered to determine the date of execution of this resolution within one year following its approval and any other aspects not determined by the General Meeting of Shareholders.

Banco Sabadell, acting as Agent Bank for these purposes, will coordinate and perform with IBERCLEAR and its member entities the processes and transactions that are necessary or merely advisable to implement the distribution in kind, all in conformity with the procedure and terms set out in this decision and any others which are established by the Board of Directors of Banco Sabadell.

The shares delivered and the Excess paid in cash represent gross amounts and, accordingly, any withholdings and prepayments that may be required by current law will be for the account of the shareholders. Shareholders will also be liable for any commissions or expenses that may be charged for the distribution by member entities of IBERCLEAR or the depositories in accordance with current legislation. However, Banco Sabadell will not charge any commission to shareholders whose shares are deposited at Banco Sabadell Group entities and who are beneficiaries of the scrip dividend charged to the share premium reserve and of the Excess.

AGENDA ITEM FOUR: MOTIONS

1.- First motion under Agenda item Four

Subject to obtaining the authorizations required by law or regulation, amend articles 38 and 39 of the Articles of Association to adapt the right to attend the General Meeting on the basis of the number of shares.

The new wording of the articles to be amended is as follows:

Article 38. In order to attend, speak and vote at a Shareholders' Meeting, a shareholder's shares must be on record in the register of shares five days before the day on which the Meeting is to be held and they must have obtained an attendance card, which will be available from the Secretary's Office until five days before the date of the Meeting and must show the number of votes to which the shareholder is entitled on the basis of one vote for every thousand (1000) paid-up shares.

The company's executives and advisers are entitled to attend Shareholders' Meetings and to speak but not to vote.

Article 39. Shareholders may attend the Shareholders' Meeting in person or appoint a proxy.

Holders of a general power of attorney for the shareholder in the form of a public instrument with the power to administer all of the shareholder's assets in Spanish territory are also entitled to represent the shareholder.

To grant proxy, the shareholder need only indicate, at the foot or on the back of the attendance card, the name of the shareholder so appointed and sign their name, provided that the signature has been legalised or is recognised by the Bank. Otherwise, the signature must be accompanied by a second signature that fulfils these requirements.

The proxy appointment must contain, or have attached to it, the agenda for the Meeting and the request for voting instructions with indications of how the proxy is to vote in the event of precise instructions not being provided.

Minors must be represented by their guardians or legal representatives, and corporations or companies by their legal representatives, in which case the identity of such person must be specified so that an attendance card can be issued in their name and they may appoint a proxy as provided in the first paragraph.

Proxies shall be granted and valid for a specific Shareholders' Meeting and may be revoked in any event. Attendance in person by the principal at the Meeting shall have the effect of revoking any proxies.

To attend and vote at a Shareholders' Meeting, shareholders must show evidence of holding or acting for the holders of one thousand (1000) shares. Shareholders holding shares that do not come up to that minimum amount may group together to constitute the minimum and grant

proxy to any one of them or to another shareholder that is entitled to attend, as provided in this article.

2.- Second motion under Agenda item Four

Subject to obtaining the authorizations required by law or regulation, to eliminate article 9 and amend articles 41, 42, 55, 57, 60 and 88 of the Articles of Association in order to make technical improvements.

The new wording of the articles to be amended is as follows:

Article 41. A Shareholders' Meeting may be Ordinary or Extraordinary, and shall be called by the Board of Directors.

An Ordinary Shareholders' Meeting shall be held within the first six months of each financial year at such place, date and time as the Board of Directors shall determine, provided that it is held in the limits of the city where the registered offices are located; meetings may be adjourned for one or more consecutive days based on a proposal by the Board of Directors or at the petition of shareholders representing one-quarter of the capital present at the Meeting. Regardless of the number of sessions into which the General Meeting is divided, it shall be treated as a single Meeting and only one set of minutes shall be drawn up.

The ordinary General Meeting shall be asked to examine and approve the financial statements, directors' report, income statement, statement of changes in net equity, cash flow statement, and balance sheet for the previous year, the proposal for the allocation of income and any other proposals that the Board of Directors decides to submit.

The ordinary Shareholders' Meeting shall also hear and consider any reasoned proposals from shareholders that are duly signed and presented within five days following the publication of the notice of meeting; any such proposal must be signed by shareholders representing at least three per cent of the share capital and be directly related to the business already included or to be included in the agenda of the meeting.

Once the items on the agenda have been dealt with, shareholders may put forward any motions they see fit and, if they are accepted by the Board of Directors, those motions shall be submitted either to the next Ordinary Shareholders' Meeting or to an Extraordinary Shareholders' Meeting, at the Board's discretion.

Article 42. An Extraordinary Shareholders' Meeting shall be called whenever the Board considers it to be in the interests of the Company. An Extraordinary Shareholders' Meeting shall also be called when requested by a number of shareholders representing at least three percent of the share capital, such shareholders having stated in their request the nature of the business to be transacted at the Meeting. In this case, the Meeting shall be called so as to take place within two months from the day on which a notarially certified request to hold a meeting is received by the Board of Directors.

The Agenda for the meeting must necessarily include all items of business stated in the request.

Article 55. The Board shall appoint one of its members as Chairman. The Board shall also select one or more Vice-Chairmen; if there is more than one, they shall be numbered sequentially. The distribution of their responsibilities may be changed when the Board sees fit.

The Board shall also appoint a Secretary and may appoint a Vice-Secretary, neither of whom need be a director. A Secretary who is not a director shall not have the right to vote.

The Chairman of the Board of Directors is the Bank's chief representative and, in performing his functions, he is the person with primary responsibility for the effectiveness of the Board of Directors, representing the Bank in any event, and signing on behalf of the company; he will convene and chair meetings of the Board of Directors, setting the agenda, directing the debates and deliberations within the Board of Directors, and, in the event, the General Meeting, and shall be responsible for executing the decisions adopted by the Board of Directors and the General Meeting of Shareholders without the need for this to be expressly mentioned. Moreover, the Board shall delegate to him all the powers that it sees fit which may be delegated by law.

If the Chairman is unable to discharge his duties for any reason, they shall be performed by the Vice-Chairman, or the first Vice-Chairman if there is more than one, or, if the first Vice-Chairman is unable to act, by the next Vice-Chairman in numerical order.

The Board may appoint one of its members as Managing Director.

The Managing Director shall be the person with primary responsibility for managing and directing the business, and he shall be the Bank's representative in the absence of the Chairman. Moreover, the Board shall delegate to him all the powers that it sees fit which may be delegated by law.

The Board of Directors may designate a Lead Director from among the independent directors; that person will be empowered to give notice of meetings of the Board of Directors, add items to the meeting agenda, coordinate and meet with the non-executive directors, reflect the opinion of the external directors, and direct any regular assessment of the Chairman of the Board of Directors.

In the absence of the Chairman and the Vice-Chairmen, if any, the Lead Director shall chair the Board of Directors.

The Secretary shall be responsible for taking minutes at Shareholders' Meetings and at meetings of the Board of Directors and for signing them with the Chairman, and for keeping the minute books and for issuing, with the countersignature of the Chairman or his replacement, any certificates that may be required, whether in relation to such minutes or to any other documents or matters concerning the Company.

In the event of the Secretary being absent or incapacitated or in the event of the office being vacant, his duties shall be undertaken by the Vice-Secretary or, if none has been appointed, by a director designated by the Board.

Any director so appointed to stand in for the Chairman or Secretary shall not be required to show proof of his appointment to third parties.

Article 57. The Board of Directors shall meet once per month and as and when the Chairman shall see fit, or whenever a Director requests a Meeting. To be quorate, a majority of the members must be present in person or by proxy; resolutions shall be adopted by an absolute majority of the directors in attendance, with the Chairman having a casting vote in the event of a tie.

Non-executive directors may grant proxy only to another non-executive director.

Resolutions of the Board shall be recorded in a Minute Book, which shall be signed by the Chairman and the Secretary; the Secretary shall be responsible for taking the Minutes and for issuing any certificates required, which shall be countersigned by the Chairman.

Article 60. The Executive Committee shall consist of a maximum of six directors, to be appointed by the Board with the favourable vote of two-thirds of its members, with a composition similar to that of the Board in terms of categories; the Chairman of the Board shall be a member of this Committee and act as its chair.

The Executive Committee is responsible for the coordination of the Bank's executive management, adopting any resolutions and decisions under the scope of the powers granted to it by the Board of Directors, and overseeing the Bank's ordinary activities; it must report the decisions adopted at its meetings to the Board of Directors, without prejudice to the other functions attributed to it by these Articles of Association and the Board of Directors Regulation.

Article 88. The Shareholders' Meeting may approve a distribution, partly or entirely in kind, of dividends (charged either against the profits for the year or unrestricted reserves) or of any share premium reserve, provided that the assets or securities to be distributed are uniform and sufficiently liquid or are readily realizable; this shall be presumed always to be the case for securities that are listed or are to be listed on a regulated market. Interim dividends distributed in accordance with article 91 of these Articles of Association may be paid partly or entirely in kind provided that the goods or securities to be distributed fulfil the conditions indicated above.

The rule set out in the preceding paragraph shall also apply to the refunds of contributions in the event of a capital reduction.

3. Third motion under Agenda Item Four.

To amend, subject to any authorisations required by law or by regulation, articles 44 and 61 of the Articles of Association to adapt them to new legislation.

The new wording of the articles to be amended is as follows:

Article 44. In order for an Ordinary or Extraordinary Shareholders' Meeting to validly adopt a resolution to issue bonds that are convertible into shares or grant entitlement to participate in the company's earnings, reduce or increase the share capital, change the legal form of the Company, merge or de-merge the Company or, generally, make any amendment to the Articles of Association, the Meeting, if at first call, must be attended, in person or by proxy, by shareholders holding not less than 50 per cent of the subscribed voting shares.

If at second call, 25 per cent of capital shall suffice.

Where those present represent less than 50 per cent of the subscribed voting shares, any of the resolutions referred to in the preceding paragraph shall require a majority of two-thirds of the capital in attendance, in person or by proxy.

Article 61. The Audit and Control Committee shall comprise at most five directors, appointed by the Board of Directors, none of whom may be an executive director; at least a majority of them must be independent directors, and one must be appointed on the basis of his knowledge and experience of accounting and/or auditing. The Board of Directors shall appoint its Chairman from among the members who are independent directors, with the favourable vote of two-thirds of its members.

The Chairman may hold office for at most four years, and may only be re-elected after a one-year interval.

The Audit and Control Committee must meet at least once every three months, and whenever convened by the Chairman at his own initiative or at the request of any Committee member, or at the request of the Chairman of the Board of Directors or of the external auditors.

The Audit and Control Committee may require the attendance at its meetings of such executives, including executive directors, as it sees fit, to which end it shall notify the General Manager(s) to schedule their attendance.

The Audit and Control Committee has the responsibilities established by law, including:

- 1. Reporting to the General Meeting on all issues raised by shareholders that are within its remit.*
- 2. Supervising the effectiveness of the company's internal control, internal audit and risk management systems, including those relating to tax risk, as well as discussing with the auditors or audit firms any significant weaknesses in the internal control system detected in the course of the audit;*
- 3. Overseeing the drafting and presentation of regulated financial information.*
- 4. Proposing to the Board of Directors, for submission to the General Meeting, the appointment of the external auditor, establishing the engagement conditions, the scope of the professional mandate, and revocation or non-renewal, if appropriate; reviewing*

- compliance with the audit contract, striving to ensure that the opinion on the financial statements and the main content of the auditors' report are drafted clearly and accurately.*
- 5. Advising on the annual, quarterly and half-yearly financial statements and the prospectuses that must be submitted to the regulatory or supervisory bodies, exercising vigilance to ensure compliance with the requirements of the law and the proper application of generally accepted accounting principles, and advising on proposals to amend those principles.*
 - 6. Establishing the appropriate relations with external auditors to receive information about any issues that might jeopardise their independence, to be reviewed by the Committee, and any others related to the process of performing the audit functions and in the audit rules.*
 - 7. Supervising the internal audit units, reviewing the appointment and removal of the head of internal audit.*
 - 8. Being apprised of the company's financial reporting process and internal control systems.*
 - 9. Liaising with the external auditors in order to receive information about matters that might jeopardise their independence and any other matters related to the audit process as well as other communications envisaged in the audit legislation and technical audit standards.*
 - 10. Reporting on any issues referred to the Committee by the Board of Directors that are within its remit.*
 - 11. All other functions attributed to it by law and by these Articles of Association and the regulations implementing them.*

The Audit and Control Committee shall draft an annual report on its activities, which shall be included in the Directors' Report referred to in article 82 hereof.

4. Fourth motion under Agenda item Four

To authorize the Board of Directors to consolidate the text of the Articles of Association of Banco de Sabadell, S.A., renumbering the articles as needed and amending any cross-references that need to be amended as a result of the renumbering resulting from the elimination of article 9.

AGENDA ITEM FIVE: MOTION

Amend articles 7, 9, 10 and 14 of the Regulation of the General Meeting of Shareholders.

The amendment seeks to adapt the wording of the Regulation of the General Meeting of Shareholders to the changes arising from the amendments to the Articles of Association.

The new wording of the articles to be amended is as follows:

7. *Notice of meeting*
 1. *Ordinary General Meetings must be called by the Board of Directors.*
 2. *Extraordinary General Meetings may be called by the Board of Directors on its own initiative or at the request of shareholders representing at least 3% of capital stock, subject to the other requirements and consequences set out in the Articles of Association.*
 3. *The decision by the Board of Directors to call the General Meeting must be adopted sufficiently in advance to ensure that the notice is publicised and to safeguard shareholders' right to information.*

9. *Motions presented by shareholders*
 1. *Shareholders representing at least three per cent (3%) of capital may present motions, duly signed, provided that they are germane to the items that are already on the agenda or which ought to be on the agenda for the scheduled meeting.*
 2. *Such proposals must be presented within five days following the publication of the notice of meeting, and they shall be vetted by the Board of Directors. If such motions fulfil the requirements established herein, the Board of Directors shall read the motion into the corresponding item of the agenda, alongside the motion proposed by the Board itself. Where the motions are mutually exclusive, the approval of the motion put forward by the Board of Directors shall entail simultaneous rejection of the alternative motion(s). Where the motions are complementary, they shall be voted on separately and consecutively, commencing with the one put forward by the Board of Directors.*
 3. *If the Board of Directors rejects a motion presented by the shareholders on the grounds that it is not directly germane to the items on the agenda, the shareholders may exercise their other rights.*
 4. *The Board of Directors shall strive to ensure that, while providing guarantees of authenticity and security, the shareholders may also present motions via the company's website; the Board of Directors may also use that same channel to notify the requesting shareholders of its decision to accept or reject such motions, and to report the content of the motions to the other shareholders, as appropriate.*

10. *Attendance and proxy rights*

1. *Holders of shares representing at least one thousand (1000) shares that are registered in the Company's Register of Shareholders at least five days in advance of the date scheduled for the General Meeting at first call shall be entitled to attend Meeting. Shareholders holding shares that amount to less than that minimum amount may group together to constitute the minimum and grant proxy to any one of them, or to another shareholder that is entitled to attend the General Meeting in accordance with the provisions of the Articles of Association and this Regulation.*
2. *To gain admittance to the General Meeting, shareholders entitled to attend must apply to the Secretary, not later than five days before the Meeting date at first call, for the pertinent admission or attendance card, which shall be issued personally in their name. Notwithstanding requests by shareholders, in order to facilitate shareholder participation in the General Meeting, the Board of Directors may send all registered shareholders the aforementioned attendance card, which shall entitle them to attend in the terms provided in the Articles of Association and in this Regulation.*
3. *The attendance card shall state the number of votes corresponding to the holder, at a rate of one vote per thousand (1000) shares.*
4. *The right to attend and the corresponding right to vote may be exercised by the shareholder personally or by proxy.*
5. *Holders of a general power of attorney for the shareholder in the form of a public instrument with the power to administer all of the shareholder's assets in Spanish territory are also entitled to represent the shareholder.*
6. *Minors must be represented by their legal guardians or representatives, and corporations or companies by their legal representatives, in which case the identity of such person must be specified.*
7. *The delegation of the right to attend and vote must be indicated at the bottom or on the back of the attendance card, which must contain or be attached to the Agenda. Proxies must be signed by the shareholder, provided that the shareholder's signature is authenticated or is recognized by the Bank. The shareholder may give express instructions regarding his vote for each item on the Agenda. In the absence of express instructions, the proxy shall be entitled to vote as he sees fit, except in the event of conflict of interest.*
8. *If a shareholder sends the company an attendance card with a duly signed proxy form but without identifying the proxy, the proxy will be exercised by the Chairman of the Board of Directors or, if he is not a shareholder, by another Director who is a shareholder.*
9. *Before his appointment, the proxy must inform the shareholder in detail whether there is a conflict of interests. If the conflict arises after the appointment of the proxy and the shareholder principal has not been warned of its possible existence, he must be informed of it immediately. In both cases, absent specific voting instructions for each item on which the proxy must vote on behalf of the shareholder, the proxy must abstain.*
10. *Where the proxy has a conflict of interests, unless the shareholder indicates otherwise it shall be assumed that the shareholder has also designated as representatives, jointly and severally, in the following order, the Chairman of the General Meeting and, if he has a conflict of interests, the person designated by the Chairman.*

11. *Without prejudice to the provisions of article 187 of the Capital Companies Act, if a proxy is granted in accordance with the terms of the preceding section either to the Board of Directors or its Chairman, without express voting instructions, the shareholder shall be deemed to have decided to vote in favour of all the motions proposed by the Board of Directors.*
 12. *The Board of Directors may provide electronic systems for granting proxy where it considers that the necessary guarantees of authenticity and legal certainty exist.*
 13. *Shareholders who grant proxy by electronic means may give voting instructions for each item on the Agenda by those same means.*
 14. *Proxies or delegations shall be granted for a specific General Meeting and shall only be valid for that meeting; they may be revoked in any event. Attendance in person by the principal at the Meeting shall have the effect of revoking any proxies.*
 15. *The Company's executives and advisors and any other persons that the Chairman of the General Meeting sees fit may attend General Meeting and speak but not vote.*
 16. *The members of the Board of Directors and the Secretary or Vice-Secretary, who is not a director, are obliged to attend the General Meeting.*
 17. *The Company's external auditors must attend ordinary General Meetings and any others where the Board of Directors considers that their presence is necessary because of the motions on the agenda.*
14. *Voting*
1. *Where the Articles of Association or the laws do not require a special majority or a supermajority, motions shall be approved by a simple majority of the votes validly cast.*
 2. *At Shareholders' Meetings attended by shareholders representing less than 50 per cent (50%) of the subscribed voting capital, the resolutions referred to in article 44 of the Articles of Association and 12.4 of this Regulation may only be validly adopted with the favourable vote of two-thirds of the capital in attendance, either in person or by proxy.*
 3. *The Board may permit voting by mail or by electronic systems whenever possible subject to there being assurances of legal certainty and the authenticity of the shareholders' votes.*

Finally, to authorise the Board of Directors to consolidate the text of the Regulation of the General Meeting of Shareholders of Banco de Sabadell, S.A. to incorporate the amendments set out above and the cross references contained in the Regulation to the new numbering of the Articles of Association.

AGENDA ITEM SIX: MOTION

The General Meeting of Shareholders takes cognizance of the fact that, at a meeting on 25 February 2016, the Bank's Board of Directors resolved to amend articles 5, 8, 11, 12, 13, 14 and 25 of the Regulation of the Board of Directors and to eliminate article 16 bis, all conditional upon the approval of the amendments to the pertinent Articles of Association.

The amendment seeks to adapt the wording of the Regulation of the Board of Directors to the changes arising from the amendments to the Articles of Association.

The aforementioned articles are hereby reworded as follows:

ARTICLE 5. GENERAL SUPERVISION FUNCTION

1. *With the exception of matters falling within the remit of the Shareholders' Meeting, the Board of Directors is the highest decision-making body in the Company and its consolidated group and is responsible under the law and the Articles of Association for the management and representation of the Company.*
2. *Subject to the Articles of Association and the resolutions adopted by the Shareholders' Meeting, the Board of Directors represents the Company and the Company shall be bound by its decisions. The Board of Directors shall be responsible for taking such action as may be considered necessary in pursuit of the Company's object as described in the Articles of Association.*

The Board of Directors, following consultation with the Appointments Committee, shall assess the performance of the Board itself and the discharge of their duties by the Chairman of the Board and the Managing Director. Also, following a report by the Board's Delegated Committees, it shall evaluate their performance.

3. *Without prejudice to the foregoing, the Board of Directors acts mainly as an instrument of supervision and control, and delegates the management of ordinary business matters of the Company to the executive organs and management team.*
4. *Powers may not be delegated where they are required by law or the Articles of Association to be exercised directly by the Board of Directors or are necessary for the responsible performance of the general function of supervision.*
5. *Specifically, to ensure better and more efficient performance of its general supervisory duties, the Board undertakes to discharge the responsibilities provided by law, including:*
 - a) *those deriving from the generally-applicable corporate governance standards.*

- b) approving the Company's general strategies;*
 - c) appointing and, as necessary, removing the company's senior executives;*
 - d) appointing and, as necessary, removing directors of the Company's subsidiaries;*
 - e) identifying the Company's and its consolidated Group's main risks and implementing and monitoring the appropriate internal control and reporting systems.*
 - f) setting policy on the reporting and disclosure of information to shareholders, the markets and the general public;*
 - g) setting policy on treasury stock in accordance with any guidelines laid down by the Shareholders' Meeting;*
 - h) authorising transactions between the Company and directors or significant shareholders which may lead to conflicts of interest; and*
 - i) generally deciding on business or financial transactions that are of particular importance for the Company; and*
 - j) those specifically envisaged in this Regulation.*
- 6. Delegation or assignment of the power to represent the Bank to one or more directors, whether individually or collectively, binds them to inform the Board of any actions they take in the exercise of such powers which go beyond ordinary administration.*
- 7. The Board of Directors shall have the power and the function to determine and establish the limits and conditions governing risk and lending transactions that may be arranged by each of the subsidiaries, and the fees and general conditions to which such transactions must conform, without prejudice to the functions of the subsidiaries' Board of Directors.*
- 8. In performing its functions of representing BANCO DE SABADELL, S.A., the Board of Directors shall designate the Chairmen of the governing bodies of the operating subsidiaries.*

The appointee must obligatorily inform the Board of Directors about business performance at the respective subsidiary.

ARTICLE 8. THE CHAIRMAN OF THE BOARD OF DIRECTORS, THE MANAGING DIRECTOR AND THE LEAD DIRECTOR

1. *Following consultation with the Appointments Committee, the Chairman of the Board of Directors shall be elected from among its members and must fulfil the requirements of the Articles of Association for holding that position.*
2. *The Chairman of the Board of Directors is the Bank's chief representative and, in performing his functions, he is the person with primary responsibility for the effectiveness of the Board of Directors, representing the Bank in any event, and signing on behalf of the company; he will convene and chair meetings of the Board of Directors, setting the agenda, directing the debates and deliberations within the Board of Directors, and, in the event, the General Meeting, and shall be responsible for executing the decisions adopted by the Board of Directors and the General Meeting of Shareholders without the need for this to be expressly mentioned. Moreover, the Board shall delegate to him all the powers that it sees fit which may be delegated by law.*
3. *If for any reason the Chairman is incapacitated, he shall be replaced by the First Vice-Chairman and, absent the latter, by the Second Vice-Chairman; absent both of them, by the director designated by the Board of Directors.*
4. *The Board may appoint one of its members as Managing Director.*

The Managing Director shall be the person with primary responsibility for managing and directing the business, and he shall be the Bank's representative in the absence of the Chairman. Moreover, the Board shall delegate to him all the powers that it sees fit which may be delegated by law.

5. *The Board of Directors may designate a Lead Director from among the independent directors; that person will be empowered to give notice of meetings of the Board of Directors, add items to the meeting agenda, coordinate and meet with the non-executive directors, reflect the opinion of the external directors, and direct any regular assessment of the Chairman of the Board of Directors.*

In the absence of the Chairman and the Vice-Chairmen, if any, the Lead Director shall chair the Board of Directors.

ARTICLE 11. DELEGATED BODIES OF THE BOARD OF DIRECTORS

1. *The Board of Directors may, with the quorum established by the Articles of Association, permanently delegate, in whole or in part, such of its powers as may legally be delegated, as it may see fit, to members of the Board, to be exercised by them collectively as Delegated Committees.*
2. *The Board of Directors must establish the Delegated Committees that the Company is required to establish by law, and at least the following:*
 - *Executive Committee*
 - *Audit and Control Committee*
 - *Appointments Committee*
 - *Remuneration Committee*
 - *Risk Committee*
3. *The Delegated Committees shall meet upon notice being given by their Chair. Absent specific provisions in the Articles of Association and in this Regulation, the rules of functioning established by this Regulation in relation to the Board shall apply, provided that they are compatible with the Delegated Committee's nature and purpose.*
4. *Without prejudice to the specific provisions of this Regulation with regard to each specific Delegated Committee, the committees shall comprise two or more directors, as decided by the Board of Directors, and shall be chaired by the Chairman of the Board of Directors or, in his absence, by the director designated by the Committee itself from among its members. The Secretary of each of the Delegated Committees shall be appointed by the Board of Directors and need not be a director. In any event, minutes will be countersigned and ratified by the Secretary or Vice-Secretary of the Board, who shall issue such certificates as may be pertinent.*
5. *Each Delegated Committee may require the attendance at its meetings of such executives, including executive directors, as it sees fit, to which end it shall notify the General Manager(s) to schedule their attendance.*
6. *Without prejudice to the specific provisions of this Regulation with regard to each specific Delegated Committee, the Chairman of each Committee shall determine the order or frequency of meetings and give notice of same.*
7. *Any Director may request that the Board be informed of any matter that is within the remit of any of the Delegated Committees.*
8. *The committees of the Bank's Board of Directors may also exercise those same functions for those subsidiaries or dependent companies which, under the legislation applicable at any given time, are also required to have such bodies.*

ARTICLE 12. THE EXECUTIVE COMMITTEE

1. *The Executive Committee shall consist of a maximum of six directors, who shall be appointed by the Board of Directors; its composition in terms of director categories shall be similar to that of the Board itself.*
2. *The Executive Committee shall coordinate the Bank's executive management and, to this end, adopt any resolutions and decisions within the scope of the powers vested in it by the Board of Directors.*

The Executive Committee shall report its decisions to the Board of Directors.

3. *The Chairman of the Board of Directors shall always be a member of the Executive Committee and act as its Chair.*
4. *It shall meet whenever convened by its Chairman or by the Vice-Chairman standing in for the former, and its meetings may be attended by any person, whether related to the Company or otherwise, who is invited to attend, by a decision of the Committee itself or the Chairman of same, for the purposes to be determined on the basis of the purpose of the matter in question; such persons may speak but not vote.*
5. *The Committee Secretary, who need not be a director, shall be designated by the Board of Directors, which shall also designate a substitute secretary for cases of illness or absence.*
6. *The Committee shall be quorate if at least one-half of its members are in attendance in person or by proxy; it shall adopt all resolutions by majority of those in attendance, in person or by proxy; the Chairman shall have a casting vote in the event of a tie. Members of the Committee may grant proxy to another member, but no member may hold more than two proxies.*
7. *The resolutions of the Commission shall be entered in a minutes book, and the minutes shall be signed by the Chairman and the Secretary or, where applicable, by those who played those roles at the meeting in question, by virtue of the provisions of this Regulation.*

ARTICLE 13. AUDIT AND CONTROL COMMITTEE

1. *The Audit and Control Committee shall comprise at most five directors, appointed by the Board of Directors, none of whom may be an executive director; at least a majority of them must be independent directors. The Board of Directors shall appoint its Chairman from among the members who are independent directors, with the favourable vote of two-thirds of its members. At least one of the members of the Audit and Control Committee must be appointed in consideration of his expertise in accounting, auditing,*

or both. Other non-executive directors may be designated to attend and speak but not vote in order to cover absences or vacancies. The Chairman of the Audit and Control Committee shall hold office for at most 4 years and may only be re-elected after a lapse of one year. The Board of Directors shall appoint the Committee Secretary, who need not be a director.

- 2. The Audit and Control Committee must meet at least once every three months, and whenever convened by the Chairman at his own initiative or at the request of any Committee member, or at the request of the Chairman of the Board of Directors or of the external auditors.*
- 3. Meetings of the Audit and Control Committee shall be minuted by the Secretary designated by the Board of Directors. The business transacted at Committee meetings shall be reported to the Board of Directors at the next meeting by means of a reading of the minutes of each meeting.*
- 4. The Audit and Control Committee may require the attendance at its meetings of such executives, including executive directors, as it sees fit, to which end it shall notify the General Manager(s) to schedule their attendance.*
- 5. The Audit and Control Committee has the responsibilities established by law, including:*
 - a) Informing the Shareholders' Meeting on the questions raised by shareholders which fall within its scope of authority;*
 - b) Supervising the effectiveness of the company's internal control, internal audit and risk management systems, including those relating to tax risk, as well as discussing with the auditors or audit firms any significant weaknesses in the internal control system detected in the course of the audit;*
 - c) Overseeing the drafting and presentation of regulated financial information.*
 - d) Proposing to the Board of Directors, for submission to the General Meeting, the appointment of the external auditor, establishing the engagement conditions, the scope of the professional mandate, and revocation or non-renewal, if appropriate; reviewing compliance with the audit contract, striving to ensure that the opinion on the financial statements and the main content of the auditors' report are drafted clearly and accurately.*
 - e) Advising on the annual, quarterly and half-yearly financial statements and the prospectuses that must be submitted to the regulatory or supervisory bodies, exercising vigilance to ensure compliance with the requirements of the law and the proper application of generally accepted accounting principles, and advising on proposals to amend those principles.*

- f) *Establishing the appropriate relations with external auditors to receive information about any issues that might jeopardise their independence, to be reviewed by the Committee, and any others related to the process of performing the audit functions and in the audit rules.*
 - g) *Reporting on any issues referred to the Committee by the Board of Directors that are within its remit.*
 - h) *Any other matters for which the Committee is responsible by law or under the Articles of Association or any regulations made in accordance therewith, or under any generally applicable rules on corporate governance.*
6. *The Audit and Control Committee shall draft an annual report on its activities, which must be included in the Directors' Report referred to in article 82 of the Articles of Association.*

ARTICLE 14. APPOINTMENTS COMMITTEE

1. *The Appointments Committee shall comprise at most five directors, appointed by the Board of Directors, none of whom may be an executive director; at least two of them must be independent directors. In any event, the Chairman of the Committee shall be appointed from among its members who are independent directors.*

Nevertheless, at the request of the Committee's Chairman, General Managers, even if directors, may attend meetings when issues of the Bank's senior management are being discussed, except where they refer directly to them or to the Chairman of the Board of Directors.

2. *Without prejudice to the other duties assigned to it by law, the Articles of Association, the Board of Directors or this Regulation, the Appointments Committee shall have the following basic duties:*
- a) *make proposals to the Board of Directors as to the appointment of independent directors, for co-optation or for remittal to the General Meeting, and as to the re-appointment or removal of such directors;*
 - b) *advise on proposals to appoint other directors by co-optation or for remittal to the General Meeting, and on proposals to re-appoint or remove them;*
 - c) *ensure that the composition of the Board of Directors complies with the provisions of article 54 of the Articles of Association;*
 - d) *check that the members of the Board of Directors are suitable and possess the necessary competency, knowledge and experience;*
 - e) *advise on proposals for the appointment and removal of senior executives and of the Designated Group;*

- f) advise on the basic conditions of the contracts of executive directors and senior executives;*
 - g) examine and organize succession plans for the Chairman of the Board of Directors and of the Bank's chief executive and, as appropriate, make proposals to the Board;*
 - h) establish a target for representation of the gender that is less represented on the Board of Directors and draw up guidelines on how to achieve that target;*
- 3. The Appointments Committee shall meet whenever the Board or its Chairman requests that it issue a report or adopt a proposal, and whenever it is advisable in order to properly discharge its duties. In any case, it shall meet once per year to provide advice in advance on the Board's performance evaluation.*

ARTICLE 25. OBLIGATION NOT TO COMPETE

- 1. Directors may not render professional services in Spanish companies whose object is wholly or partly similar to that of the company. This prohibition does not refer to any positions they may hold in Group companies.*
- 2. Before accepting any executive appointment in another company or entity, directors must notify the Appointments Committee.*

AGENDA ITEM SEVEN: MOTION

Approve the expansion of the Designated Group to which the cap on variable remuneration amounting to two years' salary is applicable, i.e. 200% of the annual fixed remuneration assigned to each of the members of the Designated Group, in accordance with the provisions of article 34 of Act 10/2014, of 26 June, on ordering, supervision and solvency of credit institutions, in the exceptional cases that may be authorised by the Remuneration Committee, all in conformity with the resolution approved by the General Meetings of Shareholders on 27 March 2014 and 28 May 2015, authorising the Board of Directors to include such other members in Designated Group as may be required by the regulations or the regulators and, in that event, to update its composition in the information made available to shareholders at the next General Meeting of Shareholders.

The aforementioned members of the Designated Group are as follows:

- Director of Structured Finance
- Global IT, Digital Transformation & Innovation Director
- Digital Transformation & Innovation Director
- Director of Solvia
- Director of Solvia Promoción y Desarrollos
- Director of Real Estate and Institutional Markets
- Director of Sabadell Consumer Finance
- Director of Marketing

The Designated Group to which the aforementioned cap on remuneration applies consists of 52 people as set out in the list made available to shareholders at the time notice was given of the General Meeting Of Shareholders.

AGENDA ITEM EIGHT: MOTION

Approve a long-term supplementary incentive plan linked to the appreciation by the shares of Banco de Sabadell, Sociedad Anónima ("Banco Sabadell" or the "Bank") for executive directors, senior executives and other executives of the Banco Sabadell Group (Plan ICLP 2016, the "Incentive"), with the following basic features:

- a) **Objective:** the Incentive will consist of the assignment of a specific number of rights to the beneficiaries, which include the right to receive the increase in value of the same number of shares of Banco Sabadell over a given period of time based on the reference share price, which will be paid in the form of delivery of shares of the Bank itself.
- b) **Beneficiaries:** the beneficiaries of the Incentive will be the executive directors, senior executives and other executives who form part of the Designated Group, and other executives of Banco Sabadell and its investees that form part of its consolidated group, as determined by the Board of Directors based on a proposal by the Remuneration Committee.

The provisional number of beneficiaries, pending final decision by the Board of Directors based on a proposal by the Remuneration Committee, will be 3 executive directors, 7 senior executives, 42 members of the Designated Group and 430 other executives.

Adoption of the Incentive by the beneficiaries will be voluntary.

- c) **Number of stock options to which the Incentive refers:** the maximum number of stock options to be assigned to the beneficiaries of the Incentive will be 30,000,000. Within that maximum number, the number not assigned initially will be reserved to cover the possible inclusion under the Incentive of new beneficiaries not envisaged at the time of initial allocation or the possible allocation of additional rights to pre-existing beneficiaries.
- d) **Individual assignment:** the individual assignment of the number of stock options to be taken as a reference in favour of each beneficiary under the Incentive will be made by the Board of Directors based on a proposal by the Remuneration Committee.

That individual assignment will be made for simple calculation purposes and will not entail acquisition by the beneficiary of the status of shareholder or of any other rights linked to that status. Additionally, the rights will be *intuitu personae*, i.e. non-transferable except in the special circumstances that may be provided under the general conditions of the Incentive to be approved by the Board of Directors of Banco Sabadell.

The Chairman of the Board of Directors is entitled to 1,600,000 stock options. The Managing Director of Banco Sabadell is entitled to 1,400,000

stock options. The Director - General Manager of Banco Sabadell is entitled to 800,000 stock options.

- e) Reference share value: the Incentive will be calculated by taking the initial unit value of the shares of Banco Sabadell to be the arithmetic mean, rounded to the third decimal place, of the closing prices of Banco Sabadell share in the twenty trading sessions preceding the date of the Board of Directors meeting in February 2016, i.e. 1.494 euro. For new beneficiaries joining the Incentive, and for new allocations, in the terms that may be envisaged in the future, the initial value of the shares will be the arithmetic mean, rounded to the third decimal place, of the closing price of the Banco Sabadell share in the 30 trading sessions prior to the Incentive grant date. The final value will be taken to be the arithmetic mean, rounded to the third decimal place, of the closing price of the Banco Sabadell share in the first twenty trading sessions of March 2019.
- f) Duration of the Incentive: the Incentive will commence on 1 April 2016 and will conclude on 30 April 2019. The period of time to be considered for the purposes of calculating the increase in the value of the shares will commence on 25 February 2016 and conclude on the last day of the first twenty stock market sessions of March 2019, except in the event of new allocations or early settlement of rights in the special circumstances that the Board of Directors provides for in the general conditions governing the Incentive.
- g) Settlement: a necessary condition in order for the rights to vest is that the beneficiary exceeds the minimum percentage of compliance with the personal objective referred to as the "professional effectiveness score" (hereafter PES) (*Valoración de la Eficacia Profesional* – “VEP”) in the terms to be defined in the general conditions of the Incentive. The final decision as to fulfilment of the PES will be made by the Remuneration Committee of Banco Sabadell. Other conditions attached to vesting will be that the beneficiary maintain his/her employment or contractual relationship with the group and that he/she must not have incurred in any serious breach of the applicable internal rules, all in the conditions to be established by the Board of Directors in the general conditions of the Incentive.
- h) Settlement of the Incentive: the Incentive will be settled by the delivery of shares of the Bank, valued at the arithmetic mean, rounded to the third decimal place, of the closing price of the Banco Sabadell share in the first twenty stock market trading sessions of March 2019. Consequently, the total number of shares to be delivered will be determined by the result of dividing the increase in the value of the shares of Banco Sabadell corresponding to the assigned rights by the aforementioned value of the share of Banco Sabadell.
- i) Share delivery: the shares will be delivered either by the Bank itself or by a third party, subject to the hedging systems that the Board of Directors finally

adopts, and once the applicable legal requirements have been fulfilled, having regard to the hedging system that is finally adopted.

- j) Early termination or amendment of the Incentive: the Incentive may provide for early termination or amendment in the cases of capital dilution that the Board of Directors determines.
- k) Hedging procedure: the hedge of the Incentive will be determined, in terms of time and form, by the Bank's Board of Directors, which is expressly empowered for this purpose.
- l) Legal grounds: this incentive is approved under articles 219 and 529 *novodecies*, paragraph 5, of the Capital Companies Act and article 51 of the Articles of Association and it supplements the remuneration policy contained in the reasoned motion presented by the Board of Directors in connection with item twelve on the agenda regarding the approval of the remuneration policy.

Without prejudice to the general provisions of item fifteen on the Agenda, to empower the Board of Directors as broadly as is allowed by law, with the power to sub-delegate to the Executive Committee or the director(s) that the Board of Directors or the Executive Committee considers appropriate, in order to:

- a) Implement the Incentive, with the power to specify and elaborate, as necessary, the rules contained herein, the contents of the general conditions of the Incentive, and the contractual documents to be signed with the beneficiaries or third parties, with the power also to ratify, as necessary, any steps taken for this purpose up to that time.
- b) Negotiate, agree and sign counterparty and liquidity contracts with the financial institutions that they freely designate, in the terms and conditions that they deem to be appropriate.
- c) Adapt the content of the Incentive as set out above to the circumstances or corporate transactions that might arise during its term which, in their opinion, have a material effect on the objectives and basic conditions established initially, and any applicable legal amendments.

AGENDA ITEM NINE: MOTION.

Revoking the delegation granted in resolution number nine adopted by the General Meeting on 28 May 2015 in the amount not used, grant the Board of Directors of Banco de Sabadell, S.A. ("Banco Sabadell" or the "Bank") powers as broad as may be required by law so that, in accordance with the provisions of article 297.1.b) of the Capital Companies Act, it may increase share capital, on one or several occasions, in the amount(s), on the date(s) and on the terms and conditions that the Board of Directors may determine, with power to delegate to the Executive Committee or the director(s) that the Board of Directors of the Executive Committee considers appropriate, up to the maximum limit and within

the maximum term contemplated in the Act, being authorised to determine the characteristics of the shares, to freely offer any new shares that were not subscribed in any pre-emptive subscription period(s), to determine that, in the event of incomplete subscription, the capital increase be made only in the amount actually subscribed, and to amend the wording of the article of the Articles of Association on share capital. That power may be exercised only if the sum of the capital increase(s) performed by the Board of Directors under this authorisation and those performed to cater for the conversion of convertible debentures, preference shares, or warrants and analogous securities performed under authorisations granted by this General Meeting of Shareholders does not exceed the aforementioned limit.

The delegation covers the power to establish all the terms and conditions of the capital increase(s) that may be decided upon by virtue of this delegation subject to the limits provided in article 297.1.b) of the Capital Companies Act, particularly as regards the issue premium of new shares, the issuance of preference shares, non-voting shares, or redeemable shares and other financial instruments or securities referenced or related to the Bank's shares that may entail an increase in share capital; applying for listing, continued listing and delisting of the shares issued; and taking any other steps that may be necessary to ensure that the new shares resulting from the capital increase(s) are listed on Spanish and foreign stock markets where the Bank's shares are listed at any given time, in accordance with the procedures established by each stock market. It also includes authorisation, where appropriate, to override pre-emptive subscription rights in connection with share issues made under this delegation of powers in cases in which this is in the corporate interest, pursuant to the provisions of Article 506 of the Capital Companies Act; in the event of overriding the pre-emptive right, such a capital increase may not amount to more than 20% of capital stock.

The Board of Directors is expressly empowered, with powers as broad as may be required by law, and with the power to sub-delegate to the Executive Committee or the director(s) that the Board of Directors or the Executive Committee considers appropriate, and without prejudice to any existing delegations or empowerments, to remedy, clarify, interpret, complete, specify and render more precise, as appropriate, the adopted resolutions, and, in particular, remedy any defects, omissions or errors that may be observed.

The Board of Directors is also expressly empowered, as broadly as may be required by law, with the express power to sub-delegate to the Executive Committee or the director(s) that the Board of Directors or the Executive Committee considers appropriate, and without prejudice to any existing delegations or empowerments, to perform all of the actions and processes necessary or merely advisable for the execution and implementation of any capital increases that are decided upon under this delegation and, in particular, including but not limited to, the following:

- (i) drafting, signing and presenting to the CNMV, if necessary, the prospectus for the capital increase or any equivalent document, in compliance with the provisions of the consolidated text of the Securities Market Act, approved by Legislative Royal Decree 4/2015, of 23 October, and Royal Decree

1310/2005, on the listing of securities on the official secondary markets and primary and secondary offerings, assuming liability for its content, and drafting, signing and presenting such supplements to same as may be necessary, requesting vetting and registration of same by the CNMV and issuing the regulatory and other disclosures that may be necessary or advisable;

- (ii) drafting, if necessary, the International Offering Memorandum to facilitate dissemination of the information about the capital increase to international shareholders and investors, and assuming liability for its content;
- (iii) drafting, signing and presenting such documentation or additional or supplementary information as may be necessary before the CNMV, the Stock Exchange Governing Companies, and any other competent authority or body, Spanish or foreign, to obtain authorisation, vetting and subsequent implementation of the capital increase;
- (iv) appearing before the notary of their choice and expressing this capital increase decision as a public instrument, and taking such steps as may be necessary and approving and formalising such public or private documents as may be necessary or advisable to render this capital increase resolution fully enforceable in all of its aspects and contents, and particularly remedying, clarifying, interpreting, completing, specifying and rendering more precise, as appropriate, the adopted resolution, and, in particular, remedying any defects, omissions or errors that may be observed by the Mercantile Registry in its verbal or written feedback;
- (v) negotiating, signing and granting such public and private documents as may be necessary in connection with the capital increase in accordance with standard practice for this type of transaction, including, in particular, an underwriting and/or placement contract, which may include among its provisions the declarations and guarantees by Banco Sabadell that are habitual in this type of contract, agency contracts, protocols and draft agreements relating to such underwriting/placement contracts, and any that may be advisable for the implementation of the capital increase, reaching an agreement on fees and other terms and conditions it considers appropriate, including any compensation for the underwriters;
- (vi) drafting and publishing such advertisements as may be necessary or advisable; and
- (vii) declaring that the capital increase has not been fully subscribed, where that is the case, upon expiration of the subscription period and following payment for the shares finally subscribed, and granting such public and private documents as may be necessary to execute the capital increase.

AGENDA ITEM TEN: MOTION

Revoking the delegation granted under resolution number eleven of the General Meeting on 28 May 2015 in the amount not yet used, delegate to the Board of Directors of Banco de Sabadell, S.A. (“Banco Sabadell” or the “Bank”), in accordance with the general rules on issuance of debt securities and with the provisions of articles 285-290, 297 and 511 of the Capital Companies Law and 319 of the Mercantile Register Regulation, the power to issue debt securities, preference shares and any other securities representing part of a debt that are convertible into newly-issued shares of the Bank and/or are exchangeable for existing shares of the Bank, and warrants or analogous securities giving entitlement, directly or indirectly, to subscribe for or acquire shares of the Bank, whether newly-issued or pre-existing, or which otherwise allocate a share in corporate profits, in accordance with the following conditions:

1. The securities for whose issuance the Board of Directors is empowered under this resolution may be issued at one or more times at any time within at most five (5) years from the date of adoption of this resolution.
2. The maximum total amount of the issue(s) to be made under this delegation is two billion euro (€2,000,000,000.00) or the equivalent in another currency.
3. When using the powers granted hereby, the acts which the Board is empowered to perform include, but are not limited to, the following: determining, for each issue, the amount, form of payment, place of issue (Spain or other countries), and currency and, in the event of using a foreign currency, the equivalent in euro; the name, whether bonds (*bonos*) or debentures (*obligaciones*), subordinated or otherwise, preference shares and any others allowed by law; the date(s) of issuance; the number of securities and their nominal value, which, in the case of instruments giving entitlement to subscribe for shares, may not be less than the shares' par value; in the case of warrants and analogous securities, the issue price and/or premium, the strike price (which may be fixed or variable) and the procedure, term and other conditions applicable to the exercise of the right to subscribe for the underlying shares or the overriding of that right, as appropriate; the yield, which may be fixed or variable, payment being at the discretion of the Bank, conditional or obligatory, the dates and procedures for the payment of coupons, where appropriate; whether the securities are perpetual or amortisable and, in the latter case, the term of amortisation and the maturity date; the reimbursement rate, premiums and batches, the collateral; the form of representation, whether by certificates or book entries or any other system allowed by law; the form of subscription; the degree of seniority of the securities and any subordination clauses; the legislation applicable to the issue; and generally any other condition of the issue, including the appointment of a Commissioner, where appropriate, and approval of the fundamental rules to govern the relations between the Bank and the Syndicate of holders of the securities to be issued, where it is necessary to form such a Syndicate.

Moreover, the Board of Directors is empowered so that, where it sees fit, and subject to obtaining the necessary authorisations and, where necessary, the approval of the Assemblies of the Syndicates of holders of the securities in question, it may modify the terms of any securities issued under this authorisation, including in particular their respective maturities and any yields they accrue.

4. For the purposes of determining the rules and forms of conversion and/or exchange, the following criteria are established:

4.1. Convertible and/or exchangeable debentures and bonds, and preference shares:

- i. The securities (bonds, debentures, preference shares and any others allowed by law) that are issued under this resolution shall be convertible into new shares of the Bank and/or exchangeable for existing shares of the Bank in accordance with the conversion and/or exchange ratio established (whether determined or determinable) or to be established by the Board of Directors or shall consist of a variable ratio, and the Board is also empowered to determine whether they are convertible or exchangeable, and to determine whether conversion and or exchange is mandatory or voluntary only in certain situations and, in the event that it is voluntary, whether this is at the election of the holder or the issuer, with the frequency and in the term to be established in the issuance resolution, which may not exceed thirty (30) years from the date of issuance. The maximum term indicated above shall not apply to perpetual securities.
- ii. Where the issue is convertible and exchangeable, the Board may also establish that the issuer reserves the right to choose at any time between conversion into new shares or exchange for existing shares of the Bank, specifying the nature of the shares to be delivered at the time of conversion or exchange, and it may even choose to deliver a combination of new and existing shares of the Bank and even settle the difference in cash. In any event, the issuer shall apply equal treatment to all holders of securities that are converted and/or exchanged on the same date.
- iii. For the purposes of conversion and/or exchange, in the case of a fixed conversion and/or exchange ratio, the securities representing part of a debt claim shall be valued at their nominal value (which may be increased, where so provided, by the outstanding accrued interest or yield) and the shares at the fixed price determined or determinable as specified in the resolution adopted by the Board of Directors by making use of this delegation, and in any case amounting to at least the higher of: (i) the average price, whether the arithmetic mean or a weighted average, at the discretion of the Board of Directors, of the shares on the Continuous Market of the Spanish Stock Exchanges in which the shares

of the Bank are listed, based on the closing prices, the average price of each session or another reference price, during a period to be determined by the Board amounting to not more than three months and not less than three calendar days, which may conclude at any time up to the date of adoption of the decision to issue the securities of reference by the Board of Directors, and (ii) the price of the shares on that same Continuous Market using the closing price of the last session prior to the date of adoption of the decision to issue the securities of reference by the Board of Directors. Additionally, a discount not exceeding 25% may be established with respect to that minimum share price.

- iv. It may also be decided to issue convertible and/or exchangeable fixed-income securities with a variable conversion and/or exchange ratio. In this case, the securities representing part of a debt claim shall be valued in accordance with the provisions of the preceding paragraph and the share price for the purposes of conversion and/or exchange shall be the average (arithmetic and/or weighted) price of the shares on the Continuous Market of the Spanish Stock Exchanges in which they are listed, based on the closing prices, the average price of each session or another reference price, during a period to be determined by the Board amounting to not more than three months and not less than three calendar days, which may conclude at any time up to the beginning of the period for conversion or the date of conversion or exchange, as may be decided. Additionally, a minimum and/or maximum reference price for the shares may be established for the purposes of conversion and/or exchange, in the terms that the Board of Directors sees fit to decide.
- v. During conversion and/or exchange, any fraction of a share corresponding to the holder of debentures, bonds or preference shares shall be rounded down to the next whole number and the difference in this case shall be paid in cash.
- vi. In no event may the value of the share used for converting the debentures into shares be less than the par value. As provided in article 415 of the Capital Companies Act, debentures may not be converted into shares if the nominal value of the former is less than the par value of the latter.
- vii. At the time of approving an issue of convertible debentures under this authorisation granted by the General Meeting, the Board of Directors must issue a report setting out and specifying, on the basis of the foregoing criteria, the conditions and forms of conversion applying specifically to the issue in question. That report must be accompanied by the auditors' report referred to in article 414.2 of the Capital Companies Act.

- 4.2 Warrants and other analogous securities giving entitlement, directly or indirectly, to subscribe for or acquire newly-created or pre-existing shares of the Bank.

The Board of Directors is empowered to determine, in the broadest terms, the criteria applicable to the exercise of the right to subscribe for or acquire shares of the Bank arising from securities of this class that are issued under this delegation, applying the criteria established in section 4.1 above, with the necessary modifications to be compatible with the legal and financial rules governing this class of securities.

5. As far as possible, in the conversion and/or exchange for shares of the securities issued under this delegation, the holders shall have all rights granted to them under the current legislation, especially the right to be protected by anti-dilution clauses.
6. The delegation to the Board of Directors also includes, but is not limited to, the following powers:
- i. The power to set out and specify the conditions and forms of conversion, exchange and/or exercise of the rights to subscribe for and/or acquire shares arising from the securities to be issued, having regard to the criteria established in item 4 above.
 - ii. The power, as provided by article 511 of the Capital Companies Act, for the Board of Directors to override, either fully or partially, the shareholders' pre-emptive subscription right in those issues that are for monetary amounts, when necessary to raise funds in the domestic or international markets or when it is in the Bank's interests in any other way. In any case, if the Board decides to override the pre-emptive subscription right in relation to a specific issue of convertible debentures, preference shares, or warrants or analogous securities that it decides to make under this authorisation, it must, at the time of approving the issue and in accordance with the applicable regulations, issue a report detailing the specific reasons in connection with the Company's interests that justify the measure, which must be accompanied by a report by an auditor other than that of the Company, appointed by the Mercantile Registry as referred to in articles 414 and 417.2.b of the Capital Companies Act by reference from article 511 of that Act. Those reports shall be made available to shareholders and disclosed to the first General Meeting held after the decision to issue.
 - iii. The power to increase capital in the amount needed to meet requests for conversion and/or exercise of the right to subscribe for shares. That power may be exercised only if the sum of the capital increase performed to cater for the issuance of convertible debentures, preference shares, or warrants and analogous securities and any other capital increases decided upon under authorisations granted by this

General Meeting does not exceed the limit of one-half of the capital stock as provided in article 297.1 b) of the Capital Companies Act, or 20% of the total amount of capital stock in the case of issues of convertible securities which override the shareholders' pre-emptive subscription right. This authorisation to increase capital includes the power to issue and place in circulation, at one or more times, the shares necessary to cater for the conversion and/or exercise of the right to subscribe for shares, as well as the power to redraft the article in the Articles of Association relating to the share capital figure and, if necessary, the power to cancel any part of that capital increase that is not necessary for the conversion into shares and/or the exercise of the right to subscribe for shares. As provided in article 304.2 of the Capital Companies Act, shareholders shall not have pre-emptive subscription rights in capital increases made to issue new shares for the conversion of debentures.

7. The Board of Directors is empowered to apply, where appropriate, to list, on official or unofficial secondary markets, organised or otherwise, in Spain or other countries, the convertible and/or exchangeable debentures and/or bonds, preference shares or warrants issued under this delegation and the shares issued to cater for conversion of the convertible debentures and/or bonds, preference shares or warrants, and the Board of Directors is also empowered, as broadly as may be required by law, to take any necessary steps before the competent authorities of the various domestic or foreign securities markets to achieve such listing.

At successive General Meetings of Shareholders, the Board of Directors shall inform shareholders of any use it has made of the delegation.

The delegation to the Board of Directors, which includes the express power to sub-delegate to the Executive Committee or the director(s) that the Board of Directors or Executive Committee sees fit, includes all the powers granted under this agreement and the broadest powers that may be necessary under law to interpret, apply, execute and implement the resolutions to issue securities that are convertible or exchangeable for shares of the Bank adopted at one or more times under this resolution, and to make capital increases and deliver pre-existing shares, and the Board is also empowered to remedy and complement the same where necessary, and to fulfil any requirements that may be applicable by law to achieve those outcomes, with the power to remedy omissions or defects in those resolutions that are pointed out by any authorities, functionaries or bodies, whether domestic or foreign, and it is also empowered to adopt such decisions and grant such public or private documents as may be considered necessary or advisable for the adaptation of these decisions to issue convertible or exchangeable securities and the corresponding capital increase on the basis of the verbal or written feedback from the Mercantile Registrar or, generally, from any other competent authorities, functionaries or institutions, whether domestic or foreign.

AGENDA ITEM ELEVEN: MOTION

Revoke the delegation granted under resolution twelve adopted at the General Meeting on 28 May 2015 in the part not executed, and authorise Banco de Sabadell, S.A. so that, either directly or through any of its subsidiaries, and within a maximum period of five years as from the date of this General Meeting, it may acquire, at any time and as often as it sees fit, shares of Banco de Sabadell, S.A. ("Banco Sabadell" or the "Bank") by any of the means admitted by law, including against profit for the year and/or unrestricted reserves, and that it may subsequently sell or cancel any shares thus acquired or, where appropriate, deliver them to employees or directors of the Bank as part of their remuneration or as a result of the exercise of stock options which they hold, all in accordance with the provisions of articles 146, 509 and matching articles of the Capital Companies Act.

Approve the limits or conditions of these acquisitions, as follows:

- The par value of the shares thus acquired, directly or indirectly, in addition to any shares already held by the Bank and its subsidiaries, shall not exceed, at any time, the legal limit established at any time by the legislation in force (currently ten per cent of share capital), complying in all cases with all the limits for acquisition of treasury shares established by the stock market regulators in the markets on which Banco Sabadell shares are listed.
- The acquisition, including any shares previously acquired by the Bank (or a person acting in his own name but on the bank's behalf) and held by it, must not lead to equity being less than the amount of capital plus legal reserves and reserves that are designated as restricted under the Articles of Association.
- The shares acquired must have been fully paid.
- The acquisition price must be no less than par value and no higher than 20 per cent above the stock market price or any other price whereby the shares may be valued as of the date of their acquisition. All acquisitions of treasury shares shall be made in accordance with general stock market rules and regulations.

In cases where disposal or delivery are not expected, reduce the share capital in order to cancel any treasury shares that the Bank may hold on its balance sheet, against profits or unrestricted reserves and in the amount that may be considered appropriate or necessary at any time, up to and including all treasury shares held as of that date.

Authorize the Board of Directors, and grant it the express power to subdelegate this authorisation to the Executive Committee or the director(s) that the Board of Directors or the Executive Committee sees fit, in order that it may execute the foregoing resolutions and, in particular the resolution on capital reduction, which may be made on one or several occasions and within a maximum period of five years from the date of adoption of this resolution, taking all steps and actions and obtaining all authorisations that may be necessary or required under the Capital Companies Act and other applicable legislation, and in particular authorise the Board so that, within the period and limits established for said execution, it may:

set the date(s) of the specific capital reduction(s) to be made, their timing and advisability; determine the amount of the capital reduction; determine the use to be made of the amount thus reduced, furnishing, where necessary, any guarantees and complying with any conditions that may be required by law; amend the wording of Article 7 of the Articles of Association to the new amount of capital; apply for delisting of the shares that are cancelled; and generally adopt any decisions that may be necessary for that cancellation and the consequent reduction of capital; and appoint the persons to participate in formalising these decisions.

AGENDA ITEM TWELVE: MOTION.

Approve, in accordance with the provisions of article 529 novodecies of the Capital Companies Act, the remuneration policy for the directors of Banco de Sabadell, S.A. ("Banco Sabadell" or the "Bank") for the years 2016, 2017 and 2018, the text of which was made available to shareholders when notice was given of the General Meeting.

Justification of the motion in accordance with the provisions of Article 529 novodecies of the Capital Companies Act

Based on a reasoned report by the Remuneration Committee, the Board of Directors has considered it appropriate to submit to the General Meeting of Shareholders a new remuneration policy for the years 2016, 2017 and 2018. Although the General Meeting of Shareholders on 28 May 2015 approved on a binding—and not merely consultative—basis, the Annual Report on Director Remuneration, which contained the director remuneration policy, the specific features of remuneration in financial institutions in terms of transparency and market best practices in connection with remuneration and corporate governance policy make it advisable to expressly distinguish between the director remuneration policy and the annual report on remuneration.

Directors' remuneration for their status as such as set out in the remuneration policy is consistent with the remuneration system provided for in the Articles of Association and respects the limits set in the resolution establishing the overall maximum amount of director remuneration for 2014 and subsequent years, which was adopted by the General Meeting of Shareholders on 27 March 2014 and is still in effect to the extent that it has not been amended.

Moreover, remuneration for performing executive functions, which is also described in the director remuneration policy, meets the requirements arising from the Capital Companies Act and the principles and rules contained in the Articles of Association as well as current legislation, which is applicable in particular to directors because the Bank is a credit institution (mainly Act 10/2014, of 26 June, on ordering, supervision and solvency of credit institutions, and matching regulations).

The Board considers that the remuneration policy proposed for adoption respects the required proportions with respect to Banco Sabadell's capital and risk policy and is in line with market standards for comparable companies, to which end the Board reviewed reports by independent experts. In addition, the factors that influence the various components of remuneration for executive functions are consistent with the principles governing the protection of customers, investors and shareholders; are compatible with the business strategy, objectives, values and long-term interests of the institution; conform to appropriate, healthy and effective

management of the Bank's risks and, above all, comply with regulatory parameters in connection with prudential regulation and capital that are applicable to Banco Sabadell.

AGENDA ITEM THIRTEEN: MOTION

Approve, on a consultative basis, the Annual Report on Director remuneration, as provided in article 541 of the Capital Companies Act and in Order ECC/461/2013, of 20 March.

AGENDA ITEM FOURTEEN: MOTION

Re-appoint, in accordance with the provisions of Article 264 of the Capital Companies Act, and following the corresponding proposal submitted by the Audit and Control Committee to the Board of Directors, the audit firm PricewaterhouseCoopers Auditores, S.L., with Tax ID Num. B-79031290, as auditors of the Company's and of the consolidated Group's financial statements for 2016.

AGENDA ITEM FIFTEEN: MOTION

To expressly authorise the Chairman of the Board of Directors of Banco de Sabadell, S.A., Mr José Oliu Creus, the Secretary, Mr Miquel Roca i Junyent, and the Vice-Secretary of the Board, Ms María José García Beato, or the persons who may replace them in their respective posts of Chairman, Secretary and Vice-Secretary, in order that any one of them, without distinction, may, on behalf of Banco de Sabadell, S.A. (“Banco Sabadell” or the “Bank”):

Take such steps as may be necessary to obtain the necessary authorisations or registrations from the Bank of Spain, Ministry of Economy and Competitiveness, General Secretariat of the Treasury and Finance Policy, the National Securities Market Commission, and any other body. Appear before a Notary for the purpose of executing the adopted resolutions in a public instrument, and take all steps that may be appropriate or necessary to achieve complete execution and registration thereof, as and when appropriate, in the corresponding public registries and, in particular, in the Mercantile Registry of the Province; this authorisation shall include the power to correct, clarify, interpret, specify or supplement, where appropriate, the adopted resolutions in any public instruments or documents that may be executed for implementation thereof and, in particular, any defects, omissions or errors, of form or content, that may impede registration of the resolutions adopted and of their consequences in the Mercantile Registry of the Province, and to incorporate, on their own authority, any modifications that may be necessary to this effect or that may be indicated verbally or in writing by the Mercantile Registrar or required by the competent authorities, with no need for further consultation with the General Meeting.

Approve, on a consultative basis, the Annual Report on Director remuneration, as provided in article 541 of the Capital Companies Act and in Order ECC/461/2013, of 20 March.