

**AGENDA ITEM ONE: PROPOSED RESOLUTION**

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., which includes the Annual Corporate Governance Report, and of its consolidated group, all corresponding to the financial year ended 31 December 2014; grant discharge to the directors of Banco de Sabadell, S.A. for the financial year that commenced on 1 January 2014 and ended on 31 December of that same year; and approve the proposal for application of income for that financial year, consisting of the following distribution:

To voluntary reserves	820,791,961.26 Euro
To legal reserve	29,076,698.67 Euro
To reserves for investment in the Canary Islands	169,013.83 Euro

## **AGENDA ITEM TWO: PROPOSED RESOLUTION**

Approve flexible shareholder remuneration (scrip dividend) in the amount of approximately 0.04 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 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 Company 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 market value of the New Shares may not, in any event, exceed the limit of 208,788,156.08 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, 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 month of June 2015. The number of New Shares to be issued will be determined by the formula indicated in section 2 below.

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 that 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 208,788,156.08 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 Barcelona, Bilbao, Madrid and Valencia Stock Exchanges, through 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' exchange ratio will be modified in proportion to the amount of the increase in accordance with the provisions in 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 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. 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 corresponding date, 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 at least 0.04 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 2014, duly audited 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 Act 24/1988, of 28 July, on the Securities Market 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 event of particular significance for the company or of a financial nature 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 be 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 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 article 297.1.a) of the Capital Companies Act, 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.
- (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 Shareholders' 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.

### **AGENDA ITEM THREE: PROPOSED RESOLUTION**

Approve supplementary shareholder remuneration of 0.01 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., of shares of the Company which are held in treasury stock.

The remuneration to be delivered will be the equivalent of distributing €0.01 gross per entitled share, i.e. a payment in kind out of the voluntary issue premium reserve amounting to a total of at most 52,197,039.02 euro.

For the purposes of this decision, the reference value of each share to be delivered will be the average of the weighted share price in the Sistema de Interconexión Bursátil (Spain's Electronic Market) in the five sessions prior to the date of the General Meeting, i.e. 28 May 2015 (the "Reference Value").

The number of shares to be delivered to each shareholder will be determined by the product of €0.01 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 the systems and mechanisms established by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (IBERCLEAR) to the shareholders of record of Banco de Sabadell, S.A. per the accounting records of the IBERCLEAR members at the end of the day to be established 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 de Sabadell, S.A., 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 those which are established by the Board of Directors of Banco de Sabadell, S.A., as needed.

The shares delivered and the Excess paid in cash represent gross amounts and, accordingly, any withholdings and prepayments that may be required by 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 de Sabadell, S.A. will not charge any commission to shareholders who are beneficiaries of this transaction and whose shares are deposited in the Banco Sabadell Group entities.

## **AGENDA ITEM FOUR: PROPOSED RESOLUTIONS**

### **1.- First motion under Agenda item Four**

Re-appoint, at the proposal of the Appointments and Remuneration Committee and in accordance with the provisions of Article 51 of the Articles of Association, Mr José Oliu Creus, with National ID no. 39.005.001-Z, as a member of the Board of Directors for a period of four years, with the status of Executive Director.

## **2.- Second motion under Agenda item Four**

Re-appoint, at the proposal of the Appointments and Remuneration Committee and in accordance with the provisions of Article 51 of the Articles of Association, Mr Joaquín Folch-Rusiñol Corachán, with National ID no. 46.211.475-J, as a member of the Board of Directors for a period of four years, with the status of External Director.

### **3.- Third motion under Agenda item Four**

Re-appoint, at the proposal of the Appointments and Remuneration Committee and in accordance with the provisions of Article 51 of the Articles of Association, Mr José Javier Echenique Landiribar, with National ID no. 15.768.843-C, as a member of the Board of Directors for a period of four years, with the status of Independent Director.

#### **4.- Fourth motion under Agenda item Four**

Re-appoint, at the proposal of the Appointments and Remuneration Committee and in accordance with the provisions of Article 51 of the Articles of Association, Mr José Ramón Martínez Sufrategui, with National ID no. 16.492.354-C, as a member of the Board of Directors for a period of four years, with the status of Independent Director.

#### **5.- Fifth motion under Agenda item Four**

Ratify, at the proposal of the Appointments and Remuneration Committee, the appointment, by co-optation by the Board of Directors, of Ms Aurora Catá Sala, with National ID no. 46.120.387-M, as an Independent Director, and approve, in accordance with article 51 of the Articles of Association, her appointment as a member of the Board of Directors for a term of four years as from this date.

#### **6.- Sixth motion under Agenda item Four**

Ratify, at the proposal of the Appointments and Remuneration Committee, the appointment, by co-optation by the Board of Directors, of Mr José Manuel Lara García, with National ID no. 6.354.964-M, as an Independent Director, and approve, in accordance with article 51 of the Articles of Association, his appointment as a member of the Board of Directors for a term of four years as from this date.

#### **7.- Seventh motion under Agenda item Four**

Appoint, at the proposal of the Appointments and Remuneration Committee and in accordance with the provisions of Article 51 of the Articles of Association, Mr David Vegara Figueras, with National ID no. 43.412.552-Y, as an Independent Director for a term of four years as from this date. This appointment is made to fill the vacancy currently existing on the Board.

## AGENDA ITEM FIVE: PROPOSED RESOLUTION

### 1.- First motion under item Five of the Agenda.

Subject to obtaining the authorizations required by law or regulation, to amend articles 41, 42, 43, 46, 47 and 63 (renumbered as 68), all related to the working of the General Meeting.

The purpose of the amendment is to adapt the wording of the Articles of Association to recent legal changes, particularly those introduced by Act 31/2014, of 3 December, amending the Capital Companies Act to enhance corporate governance.

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 paid-up 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 paid-up 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 thirty*

days 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 43.** *Notice of Shareholders' Meetings shall be given by means of an announcement published in the Official Bulletin of the Mercantile Register [Boletín Oficial del Registro Mercantil] or in one of the daily newspapers with the largest circulation in Spain, on the Spanish National Securities Commission's website, and on the company's website, at least one month before the date on which the Meeting is scheduled.*

*The notice must state all items of business on the Agenda. It must also state whether the meeting is ordinary or extraordinary, the name of the company, the date of the first call and the place and time, the position of the person(s) responsible for the notice, and any other information required by the law in force.*

*The notice may also state a day, not less than twenty-four hours after the first call, on which, in the event of the Meeting not being quorate at first call, it may be held at second call.*

*Shareholders representing at least three per cent of the share capital may ask for a supplement to the notice of the Shareholders' Meeting to be published, adding one or more items to the Agenda, in accordance with the legislation in force.*

*The shareholders who wish to exercise that right must send certifiable notification to the company, to be received at the company's registered office within the five days following publication of the notice of meeting. The supplement must be published at least fifteen days prior to the scheduled meeting date.*

*As from the publication of the notice, an Electronic Shareholders' Forum must be created on the company's website, which may be accessed subject to the appropriate safeguards, with a view to facilitating communication prior to the General Meetings.*

*The General Meeting shall be quorate at first call if the attendees who are present or represented hold at least twenty-five per cent (25%) of the subscribed voting capital. The Meeting shall be quorate upon second call regardless of the amount of capital in attendance.*

**Article 46.** *Shareholders' Meeting may not discuss or debate any business that is not on the Agenda.*

*Up to the fifth day prior to the scheduled meeting date, shareholders may request from the Board of Directors any information or clarification they require or submit questions in writing regarding the items on the agenda. Shareholders may also request information or explanations in writing about information accessible to the public which the company supplied to the Spanish National Securities Market Commission [Comisión Nacional del Mercado de Valores] since the last Shareholders' Meeting was held.*

*Any information requested under the preceding paragraph must be provided in writing by the directors up to the day prior to the Shareholders' Meeting.*

*Valid requests for information, clarification and questions made in writing and the answers given in writing by the directors will be posted on the company's website.*

*During a Shareholders' Meeting, shareholders may make verbal requests for any information or explanations they see fit regarding the items on the agenda; if it is not possible to fulfil a shareholder's request at that time, the directors must supply the information requested, in writing, within seven days from the end of the Meeting.*

*The Directors must supply all the information requested in accordance with this article except where it is unnecessary to safeguard the shareholder's rights or there are objective reasons to believe it may be used for purposes unrelated to the company or that its disclosure might be detrimental to the company or to related companies.*

*If the request is supported by shareholders representing at least one-quarter of share capital, the information may not be withheld.*

**Article 47.** *The Shareholders' Meeting has the power to decide about any matters attributed to it by law or the Articles of Association. In particular, its powers include, but are not limited to:*

- a) Approval of the financial statements, application of the results, and grant of discharge from liability.*
- b) Appointment and removal of directors, liquidators and auditors, if any, and the presentation of shareholder derivative suits against any of them.*
- c) Amendment of the Articles of Association.*
- d) Capital increases and reductions.*
- e) Overriding or limitation of the pre-emptive subscription right and pre-emptive assumption right.*
- f) The acquisition of essential assets or their disposal or contribution to another company.*
- g) The transfer to dependent undertakings of essential activities performed up to that point by the Company itself, even where the latter retains full control over such undertakings.*
- h) Change of form, merger, demerger, and assignment en bloc of the assets and liabilities, and transfer of the domicile to another country.*
- i) Dissolution of the company and transactions whose outcome is equivalent to liquidation of the company.*
- j) Approval of final liquidation balance sheet.*
- k) Director remuneration policy*
- l) Any other matters established under the law or the Articles of Association.*

*Any powers not expressly attributed to the General Meeting by the law or the Articles of Association shall lie with the Board of Directors.*

**Article 68.** *Except where the law provides otherwise, amendments to the Articles of Association require the approval of the General Meeting subject to the following requirements:*

- a) The directors or shareholders, as the case may be, proposing the amendment must provide a written report justifying the proposed amendment.*
- b) The proposed amendments must be clearly set out in the notice of the General Meeting.*
- c) The notice calling the General Meeting must state that all shareholders are entitled to inspect the full text of the proposed amendment and accompanying explanations at the Company's registered office and to request that those documents be provided or sent to them free of charge.*
- d) Resolutions to amend the Articles must be adopted by the Shareholders' Meeting in accordance with Articles 41 or 44 hereof.*

## **2. Second motion under Agenda Item Five.**

Amend, subject to obtaining the authorisations required by law or regulation, articles 51, 54, 55, 56, 57, 58, 59, introduce a new article 60, amend and renumber the current articles 59 bis and 59 ter, introduce new articles 63 and 64, amend and renumber the current article 60, all relating to the working of the Board of Directors and its Delegated committees.

The purpose of the amendment is to adapt the wording of the Articles of Association to recent legal changes, particularly those introduced by Act 31/2014, of 3 December, amending the Capital Companies Act to enhance corporate governance, Act 10/2014, of 26 June, on ordering, supervision and solvency of credit institutions, and the Code of Corporate Governance for listed companies.

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

***Article 51.** The Board of Directors shall consist of a maximum of 15 and a minimum of 11 members, appointed by the General Meeting for a term of four years, with the possibility of re-appointment for periods of the same duration, who shall not be required to provide guarantees and who shall faithfully perform their duties and represent the Company in a diligent and businesslike way in good faith and in the company's best interests and shall keep confidential any data, reports or information of a confidential nature of which they become aware or to which they gain access in the course of discharging their duties, even after they have ceased to hold office.*

*Directors must avoid situations of conflict of interest in the terms defined in the Capital Companies Act, including those where the beneficiary of the prohibited acts or activities is a related party of the director.*

*Any vacancies arising on the Board of Directors shall be filled by the General Meeting unless the Board decides, in the interests of the Company, to act in accordance with the Capital Companies Act.*

*Shareholders acting collectively in the manner and in accordance with the requirements of article 243 of the Spanish Capital Companies Act shall be entitled to appoint the corresponding number of directors.*

*A director may be removed at any time by a resolution of the General Meeting.*

*The position of director is compatible with any other office or executive role in the Company and with the remuneration which, based on a proposal from the Remuneration Committee and a resolution by the Board of Directors, is deemed appropriate by the Company for the discharge of such other functions.*

*Directors carrying out executive functions may also, subject to a decision by the General Meeting as required by the Spanish Capital Companies Act, participate in incentive schemes approved for the Bank's executives in the form of shares, stock options, or remuneration linked to the share value.*

**Article 54.** *Directors may be executive or non-executive, and may also be proprietary, independent or other external; each director will be categorised on the basis of the definition contained in the applicable regulation at any given time.*

*A majority of the total number of directors must be external or non-executive. There should be a significant proportion of independent directors among the external or non-executive directors.*

**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. Where there is one or more Vice-Chairman who are independent directors, this position shall fall to them in numerical order.*

*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 standing in for the Chairman or Secretary shall not be required to show proof of his appointment to third parties.*

**Article 56.** *The following shareholders may not hold office as members of the Board of Directors:*

- a) *Minors.*
- b) *Persons disqualified by law or undischarged bankrupts or insolvents, those serving convictions involving disqualification from holding public office, and those convicted of serious breaches of the Spanish Corporations Act or Company regulations, or who are prevented from engaging in trade by reason of their office.*
- c) *Government officials whose duties are related to, or have a bearing on, the business of the Bank.*
- d) *Those in default with respect to any obligation to the Bank.*
- e) *Persons in any of the situations of incompatibility or limitation on holding office as provided by law.*

*Members of the Board of Directors who fall under any of the above prohibitions shall be removed from office immediately at the request of any shareholder and by a resolution of the Shareholders' Meeting.*

**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, meetings shall require that a majority of the members are present in person or represented by another member; resolutions shall be adopted by an absolute majority of votes, 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 58.** *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 is responsible under the law and the Articles of Association for the management and representation of the Company.*

*Subject to the Articles of Association and the resolutions adopted by the Shareholders' Meeting, the Board of Directors shall act on behalf of 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 these Articles of Association.*

*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.*

*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.*

*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) approving the Company's general strategies;*
- b) appointing and, as necessary, removing directors of the Company's subsidiaries;*
- c) identifying the Company's main risks and implementing and monitoring suitable internal control and reporting systems;*
- d) setting policy on the reporting and disclosure of information to shareholders, the markets and the general public;*
- e) setting policy on treasury stock in accordance with any guidelines laid down by the Shareholders' Meeting;*
- f) approving the Annual Corporate Governance Report*
- g) authorising transactions between the Company and directors or significant shareholders which may lead to conflicts of interest; and*
- h) generally deciding on business or financial transactions that are of particular importance for the Company.*

*The Board of Directors must provide itself with rules of procedure to elaborate upon and extend the provisions of the Articles of Association with regard to the composition and functions of the Board and, especially, to the establishment of Delegated Committees and the responsibilities of directors in the performance of their duties.*

*The Board of Directors shall, on the basis of a report from the Audit and Control Committee, draw up an annual report on the structure and practices of corporate governance within the Company.*

**Article 59.** *The Board of Directors may, subject to a favourable vote by two-thirds of its members, 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, jointly or individually, as "Delegated Committees".*

*The Board of Directors must constitute such other Delegated Committees as the company is legally obliged to establish, and at least the following:*

- Executive Committee*
- Audit and Control Committee*
- Appointments Committee*
- Remuneration Committee*
- Risk Committee*

**Article 60.** *The Executive Committee shall consist of a maximum of five 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 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 two 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, if any, 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.*

**Article 62.** *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. 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 functions of the Appointments Committee shall include at least:*

1. *Overseeing the qualitative composition of the Board of Directors, in accordance with the provisions of article 54 of the Articles of Association.*
2. *Evaluating to ensure that the members of the Board of Directors are suitable and have the requisite competency, knowledge and experience.*
3. *Making proposals to the Board of Directors as to the appointment of independent directors, for appointment by co-optation or by the General Meeting, and proposals for the re-appointment or removal of directors by the General Meeting of Shareholders.*
4. *Advising on the proposals for the appointment of other directors and on proposals for their re-appointment or removal.*
5. *Advising on proposals for the appointment and removal of senior executives and of the Designated Group.*
6. *Advising on the basic contractual conditions for executive directors and senior executives.*
7. *Examining and organizing the succession of the Chairman of the Board of Directors and of the Bank's chief executive and, as appropriate, making proposals to the Board so as to ensure that the succession takes place in an orderly and planned way.*
8. *Establishing a target for representation of the gender that is less represented on the Board of Directors and drawing up guidelines on how to achieve that target.*

**Article 63.** *The Remuneration 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. 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 Remuneration Committee shall have, at least, the following functions:*

1. *proposing, to the Board of Directors, the director remuneration policy*

2. *proposing, to the Board of Directors, the remuneration policy for general managers and others performing senior management functions who report directly to the Board of Directors, the Executive Committees or the Managing Directors, and the individual remuneration and other contractual conditions for executive directors, exercising oversight to ensure that they are complied with.*
3. *advising on the annual report on director remuneration*
4. *advising on remuneration programmes based on shares and/or options*
5. *periodically reviewing the general principles of remuneration and the remuneration programmes for all employees, and considering whether they conform to those principles;*
6. *ensuring that remuneration is transparent*

**Article 64.** *The Risk Committee shall comprise at most five directors, appointed by the Board of Directors, none of whom may be an executive director; they must have the appropriate knowledge, skill and experience to fully understand and oversee the Bank's risk strategy and risk appetite; at least two 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.*

*The Risk Committee shall have at least the following functions:*

1. *overseeing and ensuring proper acceptance, oversight and management of all risks of the bank and its consolidated group.*
2. *Reporting to the Board of Directors on the performance of its functions as assigned by law, these Articles of Association and the Regulation of the Board of Directors.*

**Article 65.** *Any derivative suit against the directors may be exercised in accordance with articles 236 to 241 bis of the Spanish Capital Companies Act.*

Third motion under Agenda Item Five.

To authorize the Board of Directors to consolidate the text of the Company's Articles of Association, renumbering the articles as needed and amending any cross-references that need to be amended as a result of the new numbering arising from the amendments to the Articles of Association contained in the foregoing motions in this item of the Agenda.

## AGENDA ITEM SIX: PROPOSED RESOLUTION

Amend articles 4, 5, 7, 8, 9, 10, 12, and 13 of the Regulation of the General Meeting of Shareholders.

The purpose of the amendment is to adapt the wording of the Regulation of the General Meeting of Shareholders to recent legal changes, particularly those introduced by Act 31/2014, of 3 December, amending the Capital Companies Act to enhance corporate governance, and the Code of Corporate Governance for listed companies dated February 2015, and to the changes arising as a result of amending the Articles of Association.

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

### 4. *Distribution*

*This Regulation and any amendments shall be made known to all shareholders through the annual Corporate Governance report drawn up by the Board of Directors and the other documentation made available to shareholders either on paper or electronically, and via the corporate website [www.grupobancosabadell.com](http://www.grupobancosabadell.com).*

### 5. *Competencies of the General Meeting*

*As the basic decision-making and oversight body in charge of the company's activities and of safeguarding the shareholders' rights, the General Meeting has all the competencies attributed to it by the law, the Articles of Association, particularly article 47, and this Regulation.*

*Exceptionally, the Board of Directors may, under the provisions of the first sub-section of article 42 of the Articles of Association, submit for approval by the General Meeting any business decisions that it considers to be of vital importance for the company's future and interests or as may be required by law.*

### 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 paid-in capital, subject to the other requirements and consequences set out in article 42 of 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.*

### 8. *Public notice of meeting*

- 1. Notice of Shareholders' Meetings shall be given by means of an announcement published in the Official Bulletin of the Mercantile Register [Boletín Oficial del Registro Mercantil] or in one of the daily newspapers with the largest circulation in Spain, on the Spanish National Securities Commission's website, and on the company's website, at least one month before the date on which the Meeting is scheduled, unless the law or the Articles of Association require greater advance notice.*

2. *The notice of meeting shall state the place, date and time of the meeting at first and second call, which must be separated by the minimum time period established in the Articles of Association and the applicable regulations; all the items on the agenda; the requirements for attending the General Meeting; the shareholders' right to information and the means for exercising that right; and the list of documents made available to them, and all other matters required by law.*
  3. *Shareholders representing at least three per cent of the share capital may ask for a supplement to the notice of the Shareholders' Meeting to be published, adding one or more items to the Agenda, in accordance with the legislation in force. The shareholders who wish to exercise that right must send certifiable notification to the company, to be received at the company's registered office within the five days following publication of the notice of meeting. The supplement must be published at least fifteen days prior to the scheduled meeting date.*
  4. *Without prejudice to the provisions of the Articles of Association, shareholders may have access via the company's website to the contents of the documents placed at their disposal, together with the literal wording of the motions which the Board of Directors submits for approval, including motions submitted by shareholders and any information relating to directors whose ratification, appointment or reappointment is proposed, in accordance with the applicable regulations.*
  5. *As from the publication of the notice, an Electronic Shareholders' Forum must be created on the company's website, which may be accessed subject to the appropriate safeguards, with a view to facilitating communication prior to the General Meeting of Shareholders.*
9. *Motions presented by shareholders*
1. *Shareholders representing at least three per cent (3%) of paid-in 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 hundred (100) euro of paid-in capital 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 one hundred (100) euro of paid-in capital in shares of any class or series that he possesses or represents.*
- 4. The right to attend and the corresponding right to vote may be exercised by the shareholder personally or by 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.  
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.*
- 5. 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.*
- 6. 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.*
- 7. 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.*
- 8. 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.*
- 9. 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.*

10. *The Board of Directors may provide electronic systems for granting proxy where it considers that the necessary guarantees of authenticity and legal certainty exist. Shareholders who grant proxy by electronic means may give voting instructions for each item on the Agenda by those same means.*
11. *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.*
12. *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.*
13. *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.*
14. *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.*

## 12. Quorum

1. *Before the meeting is called to order, a list of attendees shall be drawn up, indicating the capacity in which each one is attending and the number of shares which they own or represent at the Meeting. At the end of the list, the number of shares present or represented by proxy shall be calculated, as well as the amount of paid-in capital that those shares represent. The list of attendees shall be attached to the minutes as an appendix signed by the Secretary and countersigned by the Chairman.*
2. *To draw up the attendance list, the Board may use computer or other systems that enable the list to be drawn up more quickly while offering the utmost assurances with regard to security and authenticity. In these cases, a certificate of identification, signed by the Secretary and countersigned by the Chairman, shall be attached to the computer medium.*
3. *The General Meeting of Shareholders shall be quorate at first call if the shareholders present or represented own at least twenty-five per cent (25%) of the subscribed voting capital. The Meeting shall be quorate at second call regardless of the amount of the capital attending.*
4. *In order for an ordinary or extraordinary General Meeting of Shareholders to validly adopt a motion to issue bonds that are convertible or give entitlement to share in profits, increase or reduce capital, change the Company's form, perform a merger or demerger or assignment en bloc of the assets and liabilities or transfer the registered offices of the Company to another country, amend the Articles of Association, and in any of the other cases where the laws or the Articles of Association so require, it must be attended at first call by shareholders, present or by proxy, representing at least fifty per cent (50%) of the subscribed voting capital.  
At the second call, twenty-five per cent (25%) of such capital shall suffice.*
5. *Once the quora referred to in the preceding sections are attained, the Chairman shall call the meeting to order.  
In the event that the aforementioned quora are not attained, the appropriate procedure shall be to:
  - a) *Hold the meeting at second call, or*
  - b) *Issue a new notice of General Meeting, if the Board of Directors sees fit.**

## 13. Transaction of Business

1. *Once the Meeting has been called to order, the Chairman of the Board of Directors may address the meeting, describing the Bank's general performance and future plans, with an express reference to the general situation in which the group has been operating.*
2. *When the Chairman of the Board of Directors has concluded his speech, if any, the Chairman of the General Meeting shall, in the case of an ordinary General Meeting, recognise the director who will present the financial statements and other documents under the item on the agenda relating to the approval of the financial statements. Shareholders may pose questions to the Audit Committee on the matters within its competency.*
3. *The Secretary of the General Meeting shall read each motion that is put to the Meeting. The Meeting may waive the reading by the Secretary if the motion was made available to the shareholders sufficiently in advance and the reading of the entire motion is considered by the Meeting to be unnecessary.*
4. *Before the motions on the agenda are put to the vote, shareholders may take the floor to request supplementary information or any clarifications that they consider necessary in connection with the items on the agenda, or to propose motions. Any questions raised by shareholders in writing prior to the General Meeting must be answered during this period. Nevertheless, the directors shall not be obliged to respond to specific questions from shareholders where the information sought was already clearly and directly available to all shareholders on the company's website in a question-and-answer form. Shareholders wishing their remarks to be entered literally in the minutes of the Meeting must provide them in writing at this time to the Notary who is minuting the Meeting so that he may cross-check them when the shareholder speaks. The Board must supply all the information requested by the shareholders in writing or verbally except where it is unnecessary to safeguard the shareholder's rights or there are objective reasons to believe it may be used for purposes unrelated to the company or that its disclosure might be detrimental to the company or to related companies. This exception shall not apply when the request is supported by shareholders representing at least one quarter of the share capital.*
5. *The Meeting shall establish the order in which shareholders may speak. All shareholders shall be granted the same length of time in which to speak, which shall be set beforehand by the Chairman, who shall strive to ensure that it is the same for all. The Chairman has the power to:*
  - a) *grant a shareholder extra time to speak, if he considers it appropriate.*
  - b) *ask speakers to clarify or elaborate upon issues that they raised which were not understood or were not sufficiently explained by the speaker;*
  - c) *remind shareholders addressing the Meeting of the need to confine their remarks to matters pertaining to the Meeting.*
  - d) *warn shareholders addressing the Meeting that they may not abuse their right to speak.*
  - e) *warn speakers that they are running out of time, and derecognise shareholders who do not respect their time limits or perturb the transaction of business.*
6. *When the Chairman considers the round of shareholder remarks to have concluded, the motions will be voted upon, starting first by counting votes against, followed by abstentions; all other votes shall be deemed to be in favour. To count the votes, the Board*

*of Directors may use reliable computer systems, which may be examined by any shareholder who is entitled to vote.*

- 7. If the votes in favour are evidently sufficient to approve the motion, the Chairman shall declare it to have been passed; the exact outcome of the vote shall be set out in the minutes. Only motions set out in the minutes as having been passed shall be deemed to have been definitively passed.*
- 8. In no case shall the Chairman permit any further speeches once voting has commenced.*

## **AGENDA ITEM SEVEN: PROPOSED RESOLUTION**

The General Meeting of Shareholders takes cognizance of the fact that, at a meeting on 23 April 2015 last, the Bank's Board of Directors resolved to amend articles 5, 7, 8, 10, 11, 12, 13, 14, 15, 19, 22 and 23 of the Regulation of the Board of Directors and introduce a new article 14 bis conditional upon the approval of the amendments to the pertinent Articles of Association.

The purpose of the amendment is to adapt the wording of the Regulation of the Board of Directors to recent legal changes in the area of corporate governance, particularly Act 31/2014, of 3 December, amending the Capital Companies Act to enhance corporate governance, Act 10/2014, of 26 June, on ordering, supervision and solvency of credit institutions, and the Code of Corporate Governance for listed companies.

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 senior executives of the Company and the other entities in the consolidated Group;*
  - d) *appointing and, as necessary, removing directors of the Company's subsidiaries;*
  - e) *identification of the Company's and its consolidated Group's main risks and implement and monitor 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) *authorizing transactions between the company and its directors and significant shareholders that may pose a conflict of interest;*
  - 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 7. COMPOSITION**

1. *The Board of Directors shall comprise the number of directors established by the General Meeting of Shareholders within the limits set out in the company's Articles of Association.*
2. *On the basis of the Company's changing circumstances, the Board shall propose to the Shareholders' Meeting the number which is most appropriate for ensuring that the Board is duly representative and functions effectively.*

3. *When exercising its powers of proposal to the General Meeting and its powers of co-optation to fill vacancies, the Board of Directors shall strive to ensure that the provisions of the Articles of Association are complied with, in particular:*
  - a. *The persons proposed as directors meet all the necessary requirements for such an office and do not find themselves in any of the situations of incompatibility or prohibition established by the Articles of Association or current legislation.*
  - b. *External or non-executive directors must represent at least a majority of the total number of Board members; and*
  - c. *Among the external or non-executive directors, there should be a significant proportion of independent directors.*
4. *The Remuneration Committee shall ensure that, where directors work as executives within the Bank, their professional relationship with the Bank is regulated by a specific contract approved by the full Board.*
5. *Where permitted by the Articles of Association, directors who have stepped down for reason of age, as provided in the Articles of Association, or because they do not wish to seek re-appointment, may be proposed by the Board of Directors for appointment as Honorary Directors, which appointment must be approved by the General Meeting. Honorary Directors may, when invited, attend meetings of the Board and may speak but not vote.*

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

1. *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, which position shall fall to one of the Vice-Chairmen if they are independent, with the power to give notice of meetings of the Board of Directors, add items to the meeting agenda, coordinate and meet with the non-executive directors, voice 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 10. THE SECRETARY OF THE BOARD OF DIRECTORS**

- 1. 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 appointment and removal of the Secretary and Vice-Secretary of the Board must be decided by the full Board based on a report, in both cases, by the Appointments Committee.*
- 2. The Secretary and, in his absence, the Vice-Secretary, shall be responsible for taking minutes at General Meetings of Shareholders 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.*
- 3. The Secretary and Vice-Secretary shall assist the Chairman in his duties and ensure the good functioning of the Board and, in particular, provide the directors with the necessary advice and information, archive corporate documentation, duly enter the minutes of meetings into the minute book, and certify the Board's resolutions.*
- 4. The Secretary and Vice-Secretary shall supervise the formal and material legality of the Board's actions in all cases and ensure that its procedures and rules of governance are respected and regularly reviewed.*
- 5. In the event of the Secretary being absent or incapacitated or in the event of the position being vacant, his duties shall be undertaken by the Vice-Secretary and, absent the latter, by a director designated by the Board.*

#### **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.*

## *ARTICLE 12. THE EXECUTIVE COMMITTEE*

1. *The Executive Committee shall consist of a maximum of five 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 two 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. *Executive directors and directors who have formerly been executives may not be members of this Committee.*
3. *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.*
4. *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.*

5. *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.*
6. *The Audit and Control Committee has the responsibilities established by law, including:*
  - a) *Reporting to the General Meeting on all issues raised by shareholders that are within its remit.*
  - b) *Supervising the effectiveness of the company's internal control, internal audit, if any, 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) *All other functions assigned to it by law or by these Articles of Association and the regulations implementing them, and those deriving from the generally-applicable corporate governance standards.*
7. *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 the appointment and removal of senior executives;*
  - f) *appoint and dismiss executives within the Designated Group;*
  - g) *advise on the basic conditions of the contracts of executive directors and senior executives;*
  - h) *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;*
  - i) *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 14bis REMUNERATION COMMITTEE*

1. *The Remuneration 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 Remuneration Committee shall have the following basic duties:*

- a) *proposing, to the Board of Directors, the director remuneration policy*
  - b) *proposing, to the Board of Directors, the remuneration policy for General Managers and others performing senior management functions who report directly to the Board of Directors, the Executive Committees or the Managing Directors, and the individual remuneration and other contractual conditions for executive directors, exercising oversight to ensure that they are complied with*
  - c) *regularly reviewing remuneration policy*
  - d) *advising on remuneration programmes based on shares and/or options*
  - e) *periodically reviewing the general principles of remuneration and the remuneration programmes for all employees, and considering whether they conform to those principles;*
  - f) *ensuring that remuneration is transparent.*
  - g) *ensuring that any conflicts of interests are not detrimental to the independence of external advisors*
  - h) *verifying the information on remuneration contained in the various corporate documents, including the Report on Director Remuneration.*
3. *The Remuneration 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 event, the Committee shall meet once per year to prepare the information on directors' remuneration that the Board of Directors must approve and include in its annual public documentation.*
  4. *The Committee shall also determine the bonuses for the senior executives of the Bank and its subsidiaries at the proposal of the General Manager(s).*

#### **ARTICLE 15. RISK COMMITTEE**

1. *The Risks Committee shall comprise at most five directors, appointed by the Board of Directors, none of whom may be an executive director; they must have the appropriate knowledge, skill and experience to fully understand and oversee the Bank's risk strategy and risk appetite; at least two of them must be independent directors. In any event, the Chairman of the Risk Committee shall be designated from among its members who are independent directors.*
2. *The Risk Committee shall have the following functions:*
  - a) *supervising implementation of the Risk Appetite Framework;*
  - b) *determining and proposing to the full Board the annual limits on investment in the real estate market and the criteria and volumes applicable to the various types of investment;*
  - c) *reporting to the full Board regarding the performance of its functions under this article and other applicable legislation and provisions of the Articles of Association;*
  - d) *reporting each quarter to the full Board about the levels of risk assumed, investments made and their performance, and the potential repercussions on Group revenues of variations in interest rates and the degree to which they conform to the VAR levels approved by the Board of Directors;*

- e) *monitoring and detecting any excess over and above the approved tolerance thresholds, overseeing the activation of the contingency plans established for this purpose;*
  - f) *advising the Remuneration Committee as to whether the employee compensation programmes are coherent with the Bank's levels of risk, capital and liquidity.*
3. *The Risk Committee shall meet at least twice per month and whenever convened by its Chairman at his own initiative or at the request of any member of the Committee or of the Chairman of the Board of Directors.*
  4. *In the exercise of its functions, the Risk Committee may directly request the information it sees fit from both the director who is General Manager of Risk and the Director of Risk Control.*
  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.*

#### *ARTICLE 19. APPOINTMENT OF DIRECTORS*

1. *Directors are appointed by the General Meeting or the Board of Directors, in accordance with the provisions of the Capital Companies Act and the Articles of Association.*
2. *Directors must meet the requirements of the Articles of Association to qualify for the office and may not be in a situation of disqualification for the office in accordance with the law or of the prohibitions contained in the Articles of Association for directors.*
3. *Directors shall be appointed for a term of at most four years and they can be re-appointed one or more times for periods of the same maximum duration.*
4. *Directors appointed by co-optation shall hold office until the next General Meeting.*

#### *ARTICLE 22. DIRECTORS' REMUNERATION*

*Without prejudice to the provisions of article 86 of the Articles of Association, directors shall be entitled to the remuneration set by the Board of Directors in accordance with the provisions of the Articles of Association on the basis of recommendations by the Remuneration Committee.*

#### *ARTICLE 23. DIRECTORS' GENERAL OBLIGATIONS*

1. *In accordance with this Regulation, the director's function is to guide and oversee the management of the company with the objective of maximising its value in benefit of the shareholders.*
2. *In the course of carrying out his duties, the director must act diligently as an orderly businessman and loyal representative and, in particular, is obliged to:*
  - a) *Obtain information and prepare adequately for meetings of the Board and the delegated bodies to which he belongs;*

- b) *Attend the meetings of the bodies of which he is a member and participate actively in debates so that his opinion makes an effective contribution to decision-making.*
  - c) *Perform any specific task entrusted to him by the Board of Directors that falls reasonably within his commitments.*
  - d) *Investigate any irregularities in the management of the company of which he becomes aware, and monitor any risk situation.*
  - e) *Urge those persons capable of calling a meeting to convene an extraordinary Board meeting, where necessary, to discuss any items deemed relevant or to include such items in the agenda of the next meeting.*
3. *Directors must avoid situations of conflict of interest in the terms defined in the Capital Companies Act, including those where the beneficiary of the prohibited acts or activities is a related party of the director.*

## **AGENDA ITEM EIGHT: PROPOSED RESOLUTION**

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 Act 10/2014, of 26 June, on ordering, supervision and solvency of credit institutions, in the exceptional cases that may be authorised by the Appointments and Remuneration Committee, all in conformity with the resolution approved by the General Meeting of Shareholders on 27 March 2014 under item five of the agenda, sub-item three, authorising the Board of Directors to include such other members in Designated Group as may be required by the regulations or the regulators and to update its composition in the information made available to shareholders at the next General Meeting of Shareholders.

For information purposes, the new members of the Designated Group are as follows:

- Director of Corporate Banking
- Director of Planning and Commercial Systems
- Director of Technology and Centralised Administration
- Director of Asset Risk
- Director of Credit Risk
- Director of Customer Strategy and Investment Products
- Director of Sabadell Urquijo Banca Privada
- Director of Securities Trading and Custodian Services
- Director of Valuation and Hedge Management
- Director of Financial Planning
- Director of Trading
- Director of Treasury Distribution

## **AGENDA ITEM NINE: PROPOSED RESOLUTION.**

Revoking the delegation granted in resolution number seven adopted by the General Meeting on 27 March 2014 in the amount not used, grant the Board of Directors of Banco de Sabadell, S.A. 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 of powers includes authorisation to set all of the terms and conditions of any capital increase(s) resolved by virtue of this delegation in accordance with the limits envisioned in article 297.1.b of the Capital Companies Act, especially as regards determining any issue premium for the new shares, issuing 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, permanence 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 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 Securities Market Act 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 the Company 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 been completed, including the case of incomplete subscription, 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: PROPOSED RESOLUTION**

Revoking the delegation granted under resolution number eight of the General Meeting on 27 March 2014 in the amount not yet used, delegate in favour of the Board of Directors of Banco de Sabadell, S.A., in accordance with the provisions of article 319 of the Mercantile Register Regulation, for a period of three years as from the date of adoption of this resolution, the power to issue, on one or several occasions, non-convertible bonds, whether subordinated or otherwise, under this name (obligaciones no convertibles), preference shares, short-term bonds or other similar instruments, mortgage covered bonds and any other fixed-income securities allowed by law, in the amount of 60 billion euro (€60,000,000,000).

The Board is also hereby expressly authorized to implement a programme to issue, on one or several occasions, commercial paper, under this or any other name, for a period of three years as from the date of adoption of this resolution.

The Board may freely determine the terms and conditions of the securities, including but not limited to, the total amount of each issue or programme and the maturities, the yields, the regulations, whether domestic or foreign, under which the securities are to be issued, and other terms and conditions applicable to each issue or programme, being able to establish the redemption measures referred to in article 430 of the Capital Companies Act, to the extent that it is applicable; and, in general, and with no restrictions whatsoever, take all steps that may be necessary and grant such public or private documents as may be necessary or that the Board of Directors deems appropriate for execution of this resolution, including, where appropriate, appointment of the Commissioner and approval of the fundamental rules governing the legal relationship between the Bank and the Syndicate of holders of the securities issued.

The Board of Directors is also authorized to provide guarantees, in the Company's name, subject to the same maximum amount, for any issues of fixed-income securities (debentures, bonds, notes, covered bonds, commercial paper, and any others) as well as issues of preference shares of companies belonging to its group of companies.

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 fixed-income securities (debentures, bonds, notes, covered bonds, commercial paper, and any others) as well as preference shares issued under this delegation, 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.

Authorize the Board additionally 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 the issue, including, in particular, the maturities and yields of any securities issued under this delegation.

The Board is also hereby expressly authorised to delegate these powers, in accordance with the provisions of the Capital Companies Act.

It is noted that, in accordance with Additional Provision 2 of Act 10/2014, of 26 June, on ordering, supervision and solvency of credit institutions and Article 510 of the Capital Companies Act, the limitation regarding the issuance of bonds established in article 405.1 of the Capital Companies Act does not apply.

## **AGENDA ITEM ELEVEN: PROPOSED RESOLUTION**

Revoking the delegation granted under resolution number six of the General Meeting on 27 March 2014 in the amount not yet used, delegate to the Board of Directors of Banco de Sabadell, S.A., 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 Company and/or are exchangeable for existing shares of the Company, and warrants or analogous securities giving entitlement, directly or indirectly, to subscribe for or acquire shares of the Company, whether newly-issued or pre-existing, 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 Company, 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 Company 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 period 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 Company, 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 Company 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 Company.

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 Company 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 Company'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 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 Company 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 TWELVE: PROPOSED RESOLUTION**

Revoke the resolution adopted at the General Meeting on 27 March 2014 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. by any of the means admitted by law, including against profit for the year and/or unrestricted reserves, and in order that it may subsequently sell or cancel any shares thus acquired or, where appropriate, deliver them to employees or directors of the Company 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 de Sabadell, S.A. 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 required by 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 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 THIRTEEN: PROPOSED RESOLUTION**

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 auditor of the Company's and of the consolidated Group's financial statements for another one-year term.

## **AGENDA ITEM FOURTEEN: PROPOSED RESOLUTION**

Approve the [Annual Report on Director Remuneration](#) envisaged in article 541 of the Capital Companies Act and in Order ECC/461/2013, of 20 March, which sets out the director remuneration policy for the purposes of approval in accordance with the provisions of the transitional regime under article 529 novodecies of the Capital Companies Act.

## **AGENDA ITEM FIFTEEN: PROPOSED RESOLUTION**

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 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, Directorate-General 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.

Take, in name of the Bank, all legal steps that may be necessary for execution and successful implementation of the aforesaid resolutions.