

REPORT PRESENTED BY THE APPOINTMENTS COMMITTEE IN CONNECTION WITH ITS PROPOSAL TO THE BOARD OF DIRECTORS, FOR REFERRAL TO THE GENERAL MEETING OF SHAREHOLDERS, TO RE-APPOINT AN INDEPENDENT DIRECTOR, AS REFERRED TO IN MOTION TWO UNDER ITEM FOUR ON THE AGENDA OF THE GENERAL MEETING OF SHAREHOLDERS OF BANCO DE SABADELL, SOCIEDAD ANÓNIMA SCHEDULED FOR 28 MARCH 2019, AT SECOND CALL.

The Appointments and Remuneration Committee has resolved to propose to the General Meeting of Shareholders, in accordance with the provisions of article 61 of the Articles of Association, the re-appointment of Mr. José Javier Echenique Landiribar as a member of the Board of Directors in the category of independent director for a four-year term in accordance with the provisions of article 50 of the Articles of Association.

In accordance with section 4 of article 529 decies of the Capital Companies Act, the Appointments Committee is the body empowered to present proposals for the re-appointment of independent directors.

In order to draw up this report, in compliance with its duty to oversee the qualitative composition of the Board of Directors and in application of the Director Selection Policy of Banco de Sabadell, Sociedad Anónima, the Appointments Committee analysed the needs of Banco de Sabadell, Sociedad Anónima and the current composition of the Board of Directors to ensure an appropriate balance and diversity between the various director categories and profiles, assessing the degree to which candidate fulfils the requirements as to suitability, competency, experience, merits and dedication for performing the functions of an independent director and Deputy-Chairman of Banco de Sabadell, Sociedad Anónima.

For these purposes, the Board of Directors is currently comprised of fifteen directors, five of whom are executive directors and ten are non-executive directors (nine of them independent). The proportion of independent directors is commensurate with the size of the Board of Directors and of the institution itself, all in line with the recommendations of the Corporate Governance Code.

In connection with the diversity of profiles, the committee considered that the Board of Directors combines an appropriate diversity of professional skills, experience, origins and genders, with extensive experience in banking (retail, corporate & investment banking), finance, insurance, risk and auditing, in the regulatory and legal, academic, and resources fields, as well as human resources, consulting, business and the international arena.

The Board of Directors is considered to have an appropriate balance and diversity of knowledge, experience and skills among its members, and the latter are considered to

have sufficient availability and a high degree of commitment to their function in the institution. This gives the Board of Directors great capacity to debate and enriches the plurality of viewpoints when discussing matters under its remit, and ensures the Board of Directors has the effective capacity to perform its functions with the necessary dedication and independence.

The Appointments Committee also carried out an analysis of the suitability requirements to perform the functions of independent director and Deputy-Chairman appropriately and, in particular, Mr. José Javier Echenique Landiribar's performance, training, career track record, suitability and category of director in the terms set out below.

In the case of Mr. José Javier Echenique Landiribar, the Committee took account particularly of his performance as an independent director since his appointment in 2010 and as Deputy-Chairman of the Board of Directors and a member of the Executive Committee since 2013.

Mr. José Javier Echenique Landiribar holds a degree in Economics and Actuarial Science from the University of the Basque Country, and was formerly director and General Manager of Allianz-Ercos, General Manager of BBVA Group and Chairman of Banco Guipuzcoano. He has also held directorships at many companies in the energy and construction industries and the media. He is currently a proprietary director of listed company ACS, Actividades de la Construcción y Servicios, S.A. and of its subsidiary ACS, Servicios, Comunicaciones y Energía, S.L., an independent director of listed company Ence, Energía y Celulosa, S.A., and an independent director of listed company Telefónica, S.A. and of its subsidiaries Telefónica Móviles México, S.A. de C.V. and Telefónica Audiovisual Digital, S.L. He is also a member of the Board of Trustees of Fundación Novia Salcedo.

Mr. José Javier Echenique Landiribar has economic and actuarial expertise and extensive experience of business, banking (retail and corporate) and insurance acquired through holding high-level executive positions, as well as experience as an independent director of other large Spanish companies, which confirms his capabilities, experience and merits to be re-appointed as director. His career and his performance as an independent director, and his dedication during his term, have been rated positively by this Appointments Committee, and it is considered that he will continue to add value to the current Board of Directors of Banco de Sabadell, Sociedad Anónima. As a result, he meets the conditions required to continue as an independent member of the Board of Directors.

By re-appointing Mr. José Javier Echenique Landiribar, the Board of Directors maintains an appropriate balance and adequate diversity of knowledge, experience and abilities among the members of the Board of Directors, contributing to sustaining the collective suitability of the Board of Directors.

As a result of the fitness and suitability review in connection with Mr. José Javier Echenique Landiribar performed by this Appointments Committee, it is considered that he continues to meet the requirements as to commercial and professional repute, knowledge and experience in order to hold office as a director and as Deputy-Chairman, and that he is able to contribute significantly from those positions to good corporate governance at Banco de Sabadell, Sociedad Anónima; accordingly, this Committee ratifies the suitability assessment of Mr. José Javier Echenique Landiribar that it approved in the past, whose conclusions are still valid, since all the requirements established in articles 24 et seq. of Act 10/2014, of 26 June, on the regulation, supervision and solvency of credit institutions, and articles 29 et seq. of Royal Decree 84/2015, of 13 February, implementing that Act, as well as the joint guidelines of the European Banking Authority and the European Securities Markets Authority on the assessment of the suitability of members of the management body and key function holders (EBA/GL/2017/12) of 26 September 2017, are met.

Additionally, in accordance with the provisions of article 146 of the Mercantile Registry Regulation, the re-appointment of Mr. José Javier Echenique Landiribar as a member of the Board of Directors in the category of independent director entails that he will retain his current office as Deputy-Chairman of the Board of Directors.

In accordance with the requirements established in section 4 of article 529 duodecies of the Capital Companies Act and article 53 of the Articles of Association of Banco de Sabadell, Sociedad Anónima, Mr. José Javier Echenique Landiribar meets all the conditions to be classified as an independent director.