



Annexes to 2014 CSR information



Stakeholder engagement

In 2003, we commenced a process of reflection, with the participation of employees and managers from all over Spain with a range of functions and responsibilities, resulting in the identification of the company's mission, vision and significant stakeholder groups and the values that should shape the Bank's corporate culture in connection with each one. Since then, stakeholders have been explicitly included in the documents and policies related to Banco Sabadell's development and operation.

Banco Sabadell interacts constantly with employees, customers, consumers, suppliers, institutions and organizations in Spain and elsewhere in pursuit of shared value creation and has a number of communication channels and social innovation platforms to help it identify their needs and concerns.

Main mechanisms for identifying priority issues for stakeholders:

Relevant issues for society

- Results of the main rating agencies
- Benchmarking of industry CSR reports
- Fora and events
- Mailbox for general information, CSR, the environment, etc.

Clients and consumers

- Positioning and reputation studies
- Oficina directa
- Opinions in social media
- Opinion polls among new customers
- Satisfaction surveys
- Suggestion platforms (feedback.bancsabadell.com)
- Platforms to support people affected by foreclosures
- Focus group
- Customer care service
- Consumer association

Employees

- Employee service office
- Employee satisfaction surveys
- Psycho-social surveys
- Suggestion platforms

Shareholders and investors

- Investor questionnaires
- Road shows
- Electronic Shareholders' Forum

Suppliers

- Satisfaction surveys
- Develop projects within the framework of strategic alliances

Drafting the CSR report

Since 2003, the bank has published Corporate Social Responsibility information each year with the annual report, highlighting key events in the year, compliance with commitments and targets for the following year. The CSR information is drafted in accordance with the Global Reporting Initiative Sustainability Reporting Guidelines (GRI G3.1) and the Financial Services Sector Supplement, with an application level of A+.

In 2014, the CSR information was included in the Annual Report and was verified by PricewaterhouseCoopers Auditores, SL, in accordance with the International Standard on Assurance Engagements (ISAE 3000), with limited assurance.

Please send all queries, suggestions, comments and requests for information related to corporate social responsibility to rsc@bancsabadell.com.

Scope of the information

The content of the Corporate Social Responsibility information corresponds to the period from 1 January to 31 December 2014; data from 2013 and 2012 is included for comparison. The CSR information is part of the Annual Report, is published with the Report of the Directors and the Corporate Governance Report, and is available on the corporate website.

Changes in the scope of information

In 2014, there were no material transactions with an impact on the consolidated figures.

Process for defining CSR report content

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

Sustainability context

We take account of the sustainability context and try to present our contribution to improving social, environmental and economic conditions, both locally and globally.

Principle of completeness

In line with the principle of completeness, efforts were made to ensure that the scope, coverage and timing of the information are optimal in order to reflect the social, environmental and economic impacts of the organisation's activity in 2014. The information presented refers to the financial activity of the entire Banco Sabadell Group. In exceptional cases where the scope is different, this is indicated explicitly.

Principles for defining report quality

In addition to the principles described above, the principles for defining CSR information quality were considered in order to achieve maximum transparency.

Balance

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

Comparability

To enable comparative analysis of the data, the calculation methods and industry indicator scopes were kept unchanged. Where changes were made, the historical data was recalculated, or the reasons for not doing so are disclosed.

Accuracy

Efforts were made to provide sufficient detail and accuracy in CSR information to enable stakeholders to assess the organisation's performance. Where necessary, the content of the report was complemented with additional documents that are available on the bank's blog and website.

Timeliness

The Annual Report containing the CSR information is published annually, providing data as of 31 December.

Clarity

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

External audit

The CSR information in Banco Sabadell's 2014 Annual Report was verified by an independent external entity and drafted in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines version 3.1 (G3.1). The review was performed in accordance with ISAE 3000 (Assurance Engagements Other than Audits or Reviews of Historical Financial Information (Limited Assurance Engagements) and the Action Guide for reviewing Corporate Responsibility Reports published by Instituto de Censores Jurados de Cuentas de España. The independent review report is available on the group's website.

The GRI confirmed that the report was drawn up in accordance with the Sustainability Reporting Guidelines (G3.1) and the 2008 financial services sector supplement, with an "A" application level.

Reliability

Review and audit

In the course of drafting and reviewing the CSR information, the supporting documentation and internal controls were reviewed to ensure its veracity. The group's key financial figures presented in the report are audited as part of the audit of the consolidated financial statements by PricewaterhouseCoopers Auditores, whose report is presented together with a declaration of responsibility by the directors of Banco Sabadell in the Annual Report. The corporate governance data is published in the Corporate Governance Report approved by the Board of Directors and published by the Spanish National Securities Market Commission (CNMV). All activities and processes performed by Banco Sabadell in Spain were audited in 2014 by Bureau Veritas Certification and the declaration of conformity with the ISO 9001:2008 standard was renewed.

Banco Sabadell's workplace safety system was audited in accordance with the legal requirements in 2014. The organisation's environmental performance at its six certified headquarters was audited in 2014 by Bureau Veritas Certification and declared to conform to the requirements of the ISO 14001:2004 standard. The data on the Group's environmental performance in Spain that is disclosed in the CSR information is drawn from the annual review of the environmental management system by the Environment Committee. The data on investment in society by the Banco Sabadell and Banco Herrero Foundations is drawn from the respective financial statements audited by PricewaterhouseCoopers Auditores and presented on the group website.

[AR Annual Report 2014](#)
[CGR Corporate Governance Report 2014](#)
[ARR Annual Report on directors' remuneration 2014](#)
[AA: Annexes to the CSR information](#)

Additional information to the GRI table

STANDARD DISCLOSURES PART I: Profile	Reference	Direct response	Verification
1. Strategy and analysis			
1.1	Statement from the most senior decision-maker of the organization.	AR 9-11	✓
1.2	Description of key impacts, risks, and opportunities.	AR 9-11	✓
2. Organisation profile			
2.1	Name of the organisation	AR 316-317	✓
2.2	Primary brands, products, and/or services.	AR 316-317	✓
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.	AR 316-317	✓
2.4	Location of organisation's headquarters.	AR 142	✓
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	AR 316-317, 370	✓
2.6	Nature of ownership and legal form.	AR 142; CGR 2	✓
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	AR 316-317, 370	✓
2.8	Scale of the reporting organisation.	AR 124, 316-317, 370	✓
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	AR 9-11, 167-180	✓
2.10	Awards received in the reporting period.	AR 125	✓
3. Report parameters			
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	AA 3-4	✓
3.2	Date of most recent previous report (if any).	AA 3-4	✓
3.3	Reporting cycle (annual, biennial, etc.).	AA 3-4	✓
3.4	Contact point for questions regarding the report or its contents.	AA 3-4	✓
3.5	Process for defining report content.	AA 3-4	✓

3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	AA 3-4	✓
3.7	State any specific limitations on the scope or boundary of the report (see Principle of Completeness for a description of the scope).	AA 3-4	✓
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations.	AA 3-4	✓
3.9	Data measurement techniques and the basis of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report.	AA 3-4	✓
3.10	Explanation of the effect of any restatements of information provided in earlier reports, and the reasons for such restatement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	AA 3-4	✓
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	AA 3-4	✓
3.12	Table identifying the location of the Standard Disclosures in the report.	AA 3-4	✓
3.13	Policy and current practice with regard to seeking external assurance for the report.	AA 3-4	✓
4. Governance, commitments and engagement			
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	CGR 7-11, 14, 23-24	✓
4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organisation's management and the reasons for this arrangement).	CGR 16-17	✓
4.3	For organisations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	CGR 7-8, 11	✓

4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Direct response	Shareholders have access to an Electronic Shareholders Forum established for the purpose of facilitating communication between shareholders from the time notice is given of a Shareholders' Meeting until the Meeting is held. Employees have the mailbox for the Corporate Ethics Committee, whose members are appointed by the Board of Directors.	✓
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance).	ARR 11-16; AA 21		✓
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	CGR 19-20		✓
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	CGR 11, 15-16		✓
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	AR 15, 123, 125		✓
4.9	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	CGR 14, 24-26		✓
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	CGR 16		✓
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	CGR 28-30		✓
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	AR 123, 125		✓
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations which the organization supports.	AR 123, 125		✓
4.14	List of stakeholder groups engaged by the organisation.	AA 3-4		✓

4.15	Basis for identification and selection of stakeholders with whom to engage.	AA 3-4	✓
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	AA 3-4	✓
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	AA 3-4 AR 25-26; 123	✓

DMA PS Disclosures on management approach

Aspect	Product portfolio	AA 22-23	
FS1	Policies with specific environmental and social components applied to business lines.	AR 339-340	✓
FS2	Procedures for assessing and screening environmental and social risks in business lines.	AR 339-340 AA 22-23	✓
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions.	AR 339-340 AA 22-23	✓
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	AR 124-125, 341	✓
FS5	Interactions with clients/companies/ investees/business partners regarding environmental and social risks and opportunities.	AR 124-125, 339-340	✓

STANDARD DISCLOSURES PART III: Performance indicators

Impact of products and services AR 81; AA 22

Product portfolio			
FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/ large) and by sector.	AR 334-338	✓
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line, broken down by purpose.	AR 81; AA 22	✓
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line, broken down by purpose.	AR 81; AA 22	✓

Audits AA 4

FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	AA 4	✓
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Corporate activism		AR 81, 339-340; AA 22-23	
FS10	Percentage or number of companies held in the institution's portfolio with which the reporting organisation has interacted on environmental or social issues.	AR 81, 339-340; AA 22-23	✓
FS11	Percentage of assets subject to positive and negative environmental or social screening.	AR 81, 339-340; AA 22-23	✓
FS12	Voting polic(ies) applied to environmental or social issues for shares over which the reporting organisation holds the right to vote shares or advises on voting.	AR 81, 339-340; AA 22-23	Banco Sabadell does not have formal voting policies with regard to social or environmental matters. However, it has an ethics committee whose members set the SRI policy ✓
Economic section			
Economic performance		AR 124; AA 9	
EC1 _{COMM}	Economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	AR 124	The table of direct economic value generated contains an error that could not be corrected before the annual report was published. The correct figures for 2014 are: Direct economic value distributed: 1,583,621 (thousand euro) Economic value retained: 3,453,823 (thousand euro) The error is due to the fact that the amount of investment in community programmes was not included in the grand total ✓
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	Direct response	Banco Sabadell is a signatory of the Carbon Disclosure Project and publishes extensive information each year about the risks and opportunities posed by climate change, its inventory of emissions and its reduction targets. ✓
EC3	Coverage of the organisation's defined benefit plan obligations.	AR 343-344	✓
EC4	Significant financial assistance received from government.	Direct response	No significant financial aid, only tax credits. ✓
Market presence		AA 9	
EC5	Range of ratios of standard entry-level salary, broken down by gender, compared to local minimum wage at significant locations of operation.	Direct response	The entry-level salary for the lowest administrative position is 22,657.38 euro, whereas the minimum annual wage in Spain is 9,034.20 euro. ✓

EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	AR 124	The bank hires local suppliers at the locations where it operates	✓
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	Direct response	95.1% of the workforce in other countries is employed locally	✓
Indirect economic impacts		AR 124-125		
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	AR 124-125, 339-340 AA 17		✓
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	AR 124		✓
Environmental dimension				
Environmental performance indicators				
Materials		AA 19		
EN1	Material used by weight or volume.	AR 340; AA 18		✓
EN2	Percentage of materials used that are recycled input materials.	AA 19		✓
Energy		AA 18-19		
EN3	Direct energy consumption by primary energy source.	AR 340; AA 18-19		✓
EN4	Indirect energy consumption by primary source.	AR 340; AA 18-19		✓
EN5	Energy saved due to conservation and efficiency improvements.	AR 340		✓
EN6	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives.	AR 339-341		✓
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	AR 339-341		✓
Water		AA 10		
EN8	Total water withdrawal by source.	Direct response	All the water consumed by the group comes from the public mains.	✓
EN9	Water sources significantly affected by withdrawal of water.	Direct response	All the water consumed by the group comes from the public mains.	✓
EN10	Percentage and total volume of water recycled and reused.	Direct response	Data not available. The new CBS building has a cistern for collecting rainwater and greywater for watering plants.	✓

Biodiversity		AA 11		
EN11	Description of land adjacent to or within protected natural areas and areas of high biodiversity value outside protected areas. Indicate the location and size of land owned, leased or managed in protected areas and areas of high biodiversity value outside protected areas.	Direct response	Banco Sabadell does not own, lease or manage any land in protected areas or areas with a high biodiversity value.	✓
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Direct response	Banco Sabadell's activities do not have a material impact on diversity or protected areas.	✓
EN13	Habitats protected or restored.	Direct response	Not applicable	✓
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	Direct response	Banco Sabadell's activities do not have a material impact on diversity or protected areas.	✓
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	Direct response	Banco Sabadell's activities do not have a material impact on diversity or protected areas.	✓
Emissions, effluents and waste		AA 18-19		
EN16 _{COMM}	Total direct and indirect greenhouse gas emissions, by weight.	AA 18		✓
EN17	Other relevant indirect greenhouse gas emissions, by weight.	Direct response	Banco Sabadell does not have significant emissions of NOx or SOx.	✓
EN18	Initiatives to reduce greenhouse gas emissions, and reductions achieved.	AR 339-341		✓
EN19	Emissions of ozone-depleting substances, by weight.	AA 18	Banco Sabadell does not have significant emissions of ozone-depleting substances, by weight.	✓
EN20	NO, SO, and other significant air emissions, by type and weight.	Direct response	Banco Sabadell does not have significant emissions of NOx or SOx.	✓
EN21	Total water discharge, by quality and destination.	Direct response	All branches are connected to the public sewer network	✓
EN22 _{COMM}	Total weight of waste, by type and disposal method.	AR 340-341; AA 20		✓
EN23	Total number and volume of significant accidental spills.	Direct response	No significant accidental spillage was registered during the year.	✓
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of waste processed internationally.	Direct response	The group does not transport, import, export or process materials classified as hazardous under the Basel Convention.	✓
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.	Direct response	Not applicable	✓

Products and services		AR 339-341	
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	AR 339-341	✓
EN27	Percentage of products sold and their packaging materials that are reclaimed, by category.	Direct response	Not applicable. The bank offers financial products and services; accordingly, there is no possibility for recovery at the end of their useful lives. ✓
Compliance		AA 12	
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Direct response	No significant fines or penalties were imposed on Banco Sabadell in 2014. ✓
Transport		AA 19	
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce.	AA 19	✓
General		AA 12	
EN30	Total environmental protection expenditures and investments by type.	Direct response	Data not available. Environmental expenditure and investments are distributed among a number of departments. ✓
Social: Labour practices and decent work			
Employment		AR 341-344	
LA1	Total workforce, by employment type, employment contract, region and gender.	AR 341-342; AA 20	The bank mainly hires staff on a full-time basis. Employee benefits include the possibility of a shorter working day and flexitime. ✓
LA2	Total number and average rate of new employee hires and turnover, by age group, gender, and region.	AR 341-342; AA 20-21	✓
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.	AR 343-344, 346	✓
LA15	Return to work and retention rates after parental leave, by gender.	Direct response	100% of employees who take maternity or paternity leave are able to return to work, except in the case of sabbatical or voluntary leave, for which return levels are not recorded. ✓
Labour/management relations		AR 345	
LA4	Percentage of employees covered by collective bargaining agreements.	Direct response	100% of group employees are covered by collective bargaining agreements. ✓

LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	AR 345		✓
Occupational health and safety		AR 341-345		
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes.	Direct response	100% of employees in Spain are represented. The bank has 14 Health and Safety Committees for workplaces with more than 50 people, and safety officers for other locations	✓
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender.	AR 341; AA 21		✓
LA8	Education, training, counselling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases.	AR 344		✓
LA9	Health and safety topics covered in formal agreements with trade unions.	AR 344, 346		✓
Training and education		AR 344-345		
LA10	Average hours of training per year per employee, by gender, and by employee category.	AR 344-345; AA 21		✓
LA11	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	AR 344-345		✓
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	Direct response	92.40% of employees receive an annual performance review	✓
Diversity and equal opportunity		CGR 11		
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	CGR 11		✓
Equal remuneration for men and women		AA 21		
LA14	Ratio of basic salary and remuneration of women to men by employee category.	AA 21		✓
Social: Human rights				
Investment and procurement practices		AA 13, 22-23		
HR1 _{COMM}	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	AA 22-23		✓
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights, and actions taken.	Direct response	All the bank's suppliers must sign a Supplier Code of Conduct, which contains clauses on respect for human rights	✓

Non-discrimination		AA 14	
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Direct response	All employees are informed of the code of conduct ✓
HR4	Total number of incidents of discrimination, and corrective actions taken.	Direct response	No discrimination incidents were registered in 2014 ✓
Freedom of association and collective bargaining		AA 14	
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	Direct response	The Supplier Code of Conduct contains clauses on respecting freedom of association. The code is attached to contracts with suppliers. ✓
Child labour		AA 14	
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour.	Direct response	The Supplier Code of Conduct contains clauses prohibiting the use of child labour. The code is attached to contracts with suppliers. ✓
Forced and compulsory labour		AA 14	
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour.	Direct response	The Supplier Code of Conduct contains clauses prohibiting the use of forced and compulsory labour. The code is attached to contracts with suppliers. ✓
Security practices		AA 14	
HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations.	Direct response	The code of conduct for suppliers is attached to contracts with suppliers and outsourcees. ✓
Indigenous rights		AA 14	
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Direct response	There were no incidents of violation of indigenous rights in the reporting year ✓
Assessment		AA 22-23	
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	AA 22-23	✓
Remedial measures		AA 14	
HR11	Number of grievances related to human rights filed and resolved through formal grievance mechanisms.	Direct response	There were no incidents of violation of human rights in the reporting year ✓

Social:Society			
Local communities		AR 123-125; AA 22-23	
S01 (FSSS)	Nature, scope, and effectiveness of any programmes and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	AR 123-125, 339-340; AA 22-23	✓
S01 (G3.1)	Percentage of operations with implemented local community engagement, impact assessments, and development programmes.	AR 123-125, 352-353; AA 22-23	✓
FS13	Access points in low-populated or economically disadvantaged areas.	AR 30, 39	
FS14	Initiatives to improve access to financial services for disadvantaged people.	AR 123-124	✓
S09	Operations with significant potential or actual negative impacts on local communities.	AA 22-23	✓
S010	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	AA 22-23	✓
Corruption		AA 15	
S02	Percentage and total number of business units analysed for risks related to corruption.	AR 112	✓
S03	Percentage of employees trained in the organisation's anti-corruption policies and procedures.	Direct response	98% of group employees have completed the obligatory course on preventing money laundering and blocking terrorist finance. ✓
S04	Actions taken in response to incidents of corruption.	Direct response	There were no corruption incidents during the reporting year. ✓
Public policy		AA 15	
S05	Public policy positions and participation in public policy development and lobbying.	Direct response	The bank does not participate in setting public policy or engage in lobbying. ✓
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions, by country.	Direct response	The group does not make payments of any type to political parties ✓
Anti-competitive behaviour		AA 15	
S07	Total number of legal actions for anti-competitive behaviour, anti-trust and monopoly practices, and their outcomes.	Direct response	There were no monopolistic or anti-competitive practices in the reporting year. ✓
Compliance		AA15	
S08	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	AA 15 Direct response	The bank was fined on ten occasions for a total amount of 181,300 euro. The fines were for breaches of the data protection legislation. ✓

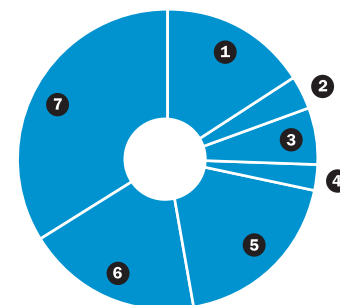
Social: Product responsibility				
Patient health and safety		AR 112, 123-124		
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	AR 112, 123-124		✓
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Direct response	There were no incidents in the reporting year.	✓
Product and service labelling		AR 123-124		
PR3	Type of product and service information required by current procedures and regulations, and percentage of products and services subject to such disclosure requirements.	AR 112, 123-124		✓
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	Direct response	The bank was fined on seven occasions for a total amount of 10,601 euro.	✓
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	AR 38		✓
FS15	Policies for the fair design and sale of financial products and services.	AR 123-124		✓
FS16	Initiatives to enhance financial literacy, by type of beneficiary.	AR 123-124		✓
Communications		AR 125		
PR6	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	AR 125		✓
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Direct response	There were no incidents in the reporting year.	✓
Customer privacy		AR 47		
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	AR 47		✓
Compliance		AA 16		
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Direct response	The bank was fined once for a total amount of 6,000 euro.	✓

Economic dimension

T1- Investment in community programmes

The group accounts for and reports its social action in line with a number of international standards (LBG, SAM, etc.). In 2014, the value of the social and cultural action of Banco Sabadell and its foundations increased to 5.5 million euro (4.3 million euro in 2013).

Type of investment	2014
Monetary (Value of monetary contribution)	85%
Time (Value of employees' time contributed)	15%
Reason for investment	2014
Social investing Strategic long-term commitment to working with the community	66%
Sporadic contributions Sporadic support for a wide range of social causes in response to the needs of, and requests from, charitable and social organizations	12%
Initiatives aligned with the business Initiatives of social interest focused on directly enhancing the company's business	22%



Areas of action

1	Training and education	16.0%
2	Medical research and healthcare	3.5%
3	Social integration	6.3%
4	Cooperation and solidarity	2.6%
5	Other (expenses)	18.9%
6	Economic development	19.0%
7	Culture	33.6%

*The group accounts for and reports its spending on community actions in line with a number of international standards (LBG, SAM, etc.).

Environmental dimension

Financing	unit	2014
Investment allocated to financing projects	million euro	141
Attributable installed capacity in finance projects	MWh	161
Breakdown of installed capacity (finance projects)		
Wind		86%
Solar		14%
Investment		2014
Installed capacity in portfolio of investees	MWh	813
Capacity attributable to the group	MWh	127
Breakdown of the capacity attributable to the group		
Wind		90.3%
Photovoltaic		9.7%

T2- Renewable energy - finance and investment

The environmental indicators reported below refer to the group's activities in Spain; data for the month of December is mainly estimated. Per-employee ratios are based on the total number of employees in Spain at the end of each year.

Tons of CO ₂	2014	2013	2012	2011	2010	2009
Scope 1: fuel and fleet	552	560	378	379	432	354
Scope 2: electricity consumption	12,890	2,189	381	1,207	1,646	21,288
Scope 3: Business trips	3,143	2,772	3,124	2,988	2,421	2,054
Total	16,585	5,521	3,882	4,574	4,498	23,695
Total per employee	1.0	0.3	0.4	0.5	0.5	2.6

T3- Inventory of emissions

Inventory of emissions in accordance with "The GHG Protocol. A Corporate Accounting and Reporting Standard. revised edition", using the operational control and centralised roll-up methods.

Tons of CO ₂	2014	2013	2012
Scope 1: fuel and fleet			
Gasoil consumption	20	21	16
Propane gas consumption	4	4	5
Natural gas consumption	331	383	156
Company vehicle fleet	196	152	201
Scope 2: electricity consumption			
Electricity delivered by Nexus Renovables	0	961	0
Electricity delivered by Iberdrola Generación	11,605	1,097	316
Electricity delivered by others	1,285	131	65
Scope 3: business trips			
Plane trips	1,499	1,278	1,596
Train trips	110	123	72
Vehicle trips (except company vehicles)	1,535	1,371	1,456

Detailed inventory of emissions

The data refers to business trips, not to commutes. Includes trips by plane, train, private vehicles and the group fleet. The data refer to business trips, not to commutes. Includes trips by plane, train, private vehicles and the group fleet.

		2014	2013	2012
Gas-oil consumption	GJ	263	297	216
Propane gas consumption	GJ	61	60	72
Natural gas consumption	GJ	5,913	6,808	6,498
Electricity consumption	GJ	369,671	363,603	229,504
Total energy consumption in Spain	GJ	375,909	370,768	236,290
Total energy consumption in Spain, per employee	GJ	22.7	21.6	24.5
Total energy consumption in Spain, per employee	MWh	6.3	6.0	6.8

T4- Energy consumption

Source of acquired electricity

Energy source	2014	
	GJ	%
Renewables	266,472	72.1%
High-efficiency cogeneration	10,128	2.7%
Cogeneration	14,623	4.0%
Natural gas-fired combined cycle	16,383	4.4%
Coal-fired	22,808	6.2%
Oil/gas-fired	5,565	1.5%
Nuclear	31,892	8.6%
Other	1,798	0.5%
Total	369,671	100%

In 2014, Banco Sabadell acquired 70.63% of its electricity from IBERDROLA GENERACION, S.A.U., 25.89% from NEXUS RENOVABLES, S.L. and the other 3.48% from other generic generators. This breakdown is based on the "Report on electricity guarantees of origin and labelling for 2013" published by Spain's National Energy Commission.

T5- Paper consumption

	unit	2014	2013	2012
Use of recycled paper	%	12%	14%	19%
Use of recycled paper at corporate headquarters	%	81%	89%	84%
Paper forms eliminated using touch-screen tablets	million forms	29	22	20
Paper consumption in Spain	tonnes	1,039	939	566
Paper consumption in Spain, per employee	kg/e	62.6	54.7	58.6

Data refers to group-wide consumption of A4 sized paper in Spain. For commercial reasons, recycled paper is not used for documentation delivered to customers.

T6- Water consumption

	unit	2014	2013	2012
Estimated water volume	thousand m ³	636	567	328
Total water consumption	thousand euro	1,100	856	495
Water consumption in Spain, per employee	euro/e	66	50	51

Estimates of water consumption were based on the cost of water in Spain (2010; National Institute of Statistics).

T7- Transport

	unit	2014	2013	2012
Short plane trips (km)	thousand km	4,480	2,346	7,662
Long plane trips (km)	thousand km	7,195	8,260	4,506
Train trips (km)	thousand km	4,367	4,890	3,383
Employee vehicle trips (km)	thousand km	11,477	10,253	7,289
BS vehicle fleet (operating lease) trips (km)	thousand km	1,446	1,077	807
BS vehicle fleet (company-owned) trips (km)	thousand km	24	213	213
Total trips (km)	million km	29	27	24
Total km per employee	km	1.7	1.6	2.5

The data refers to business trips, not to commutes. Includes trips by plane, train, private vehicles and the group fleet.

	unit	2014	2013	2012
Paper and cardboard waste in Spain	tn	883	594	673
Toner waste in Spain	tn	15	17	14
Technological waste	tn	124	16	3
Total waste	tn	1,023	628	689
Total waste per employee	tn	61.7	36.6	71.4

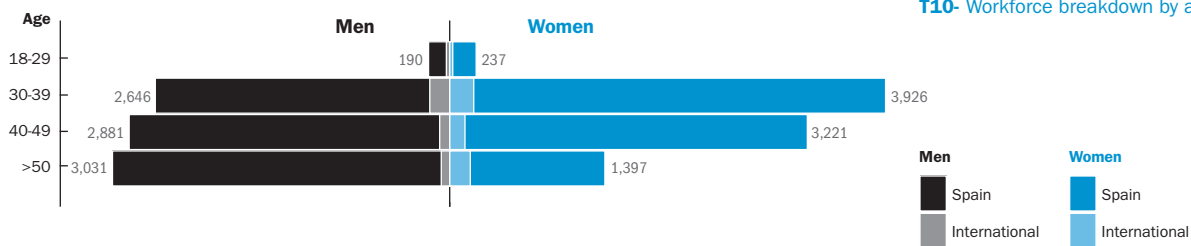
T8- Waste

Used paper is treated as confidential documentation for shredding and 100% is recycled through authorized waste managers.

Social dimension

Type of contract	2014		2013	
	Men	Women	Men	Women
Indefinite	8,726	8,759	9,009	8,856
Temporary	22	22	71	141
Total	17,529		18,077	

T9- Type of contract



T10- Workforce breakdown by age and sex

The workforce in Spain comprises **8,373** men and **8,220** women. The workforce outside Spain comprises **375** men and **561** women. The total number of employees is 17,529.

New hires

Workforce	Spain		International		TOTAL	
	Men	Women	Men	Women	Men	Women
18-29	14	21	0	2	14	23
30-39	103	112	4	7	107	119
40-49	78	67	1	1	79	68
>50	236	90	1	2	237	92
Subtotal	431	290	6	12	437	302
Total	721		18		739	

T11- Total number and rate of new employee hires and turnover by age group, gender and region

Average turnover

2014						
Workforce	Spain		International		TOTAL	
	Men	Women	Men	Women	Men	Women
Age						
18-29	56	36	8	7	64	43
30-39	59	53	12	18	71	71
40-49	14	26	11	9	25	35
>50	0	2	0	0	0	2
Subtotal	129	117	31	34	160	151
Total	246		65		311	

Absenteeism	2014	2013
Periodic prevalence index	4.17%	3.69 %
Seriousness index	2.17%	2.11%

T12- Absenteeism index

Figures calculated for the workforce in Spain

Hours of training by category	Men	Women	Total
Clerical staff	18.20	19.94	19.31
Technical staff	33.04	34.10	33.55
Management	21.07	24.21	21.59
Total	30.86	31.28	31.07

T13- Hours of training per category

At 2014 year-end, the categories were changed to Clerical staff, Technical staff and Management. This change pursues coherence in all the bank's reporting.
Figures calculated for the workforce in Spain

Remuneration	2014		2013	
	Permanent	Total	Permanent	Total
Clerical staff	Men	31,890.71	33,406.00	31,007.03
	Women	29,513.07	29,563.82	
Technical staff	Men	51,858.31	51,793.66	46,970.55
	Women	41,502.44	41,576.53	
Management	Men	166,001.61	152,513.29	146,949.57
	Women	125,501.40	115,830.42	

T14- Remuneration

At 2014 year-end, the categories were changed to Clerical staff, Technical staff and Management. This change pursues coherence in all the bank's reporting.

Indicators specific to the financial sector

T15- Socially Responsible Investing

Banco Sabadell markets three socially responsible investing products:

- A mutual fund, Sabadell Inversión Ética y Solidaria, FI
- An investment company, Urquijo Cooperación SICAV
- A pension plan, Plan de Pensiones Ético y Solidario

The socially responsible investment products exclude investments in companies whose activities are harmful to human rights, social justice or the environment, and are weighted in favour of companies in the FTSE4Good sustainability index.

These products are also solidarious since they donate part of their management fee to humanitarian development projects.

	Sabadell Inversión Ética y Solidaria FI	Sabadell Urquijo Cooperación SICAV	Plan de Pensiones Ético y Solidario
Characteristics of the investment	Ethical and solidarious	Ethical and solidarious	Ethical and solidarious
Supervision of securities selection criteria	Ethics committee	Ethics committee	Ethics committee
Assets (euro)	37,474,140	4,361,000	16,354,405
Number of investors/shareholders	432	136	1,256
Fee donated to NGO	0.35% of assets	50% of the management fee	0.50% of the management fee
Fee assigned in 2014 (euro)	54,830.74	35,577.18	62,642.33
NGOs that benefited in 2014	Cáritas Española	Costa del Sol Food Bank Educo Proacis Fundación Hogar Santa Lucía Asociación para la vida independiente de Barcelona	Intermón Oxfam

For a financial institution, it is a priority to identify, prevent and mitigate the risks associated with its business. In addition to financial risks, Banco Sabadell takes account of social and environmental risks in its structured finance deals and corporate loans. To this end, Banco Sabadell adopted the Equator Principles in September 2011. Based on the policies, standards and guidelines of the International Finance Corporation (IFC), the Equator Principles are a set of standards developed to ensure that social and environmental matters receive full attention when funding large projects. Since then, the Bank has applied the Equator Principles in all new structured finance deals amounting to 10 million dollars or more. Projects are classified as A, B or C in accordance with the IFC standard; all category A and B projects include a social and environmental evaluation reviewed by an independent expert.

In 2014, it signed eight projects that include the Equator Principles, five of which involved renewable energy .

In accordance with the latest version of the Equator Principles (EP III), in 2014 the requirement to carry out environmental and social impact assessments was extended to decisions on corporate loans. However, to date the Bank has received no applications for corporate or bridge loans that qualify for application of the Equator Principles.

T16- The Equator Principles

2014		Region				Designated/ not designated		Independent review	
Category	Sector	America	Europe	Africa/ Middle/ East	Asia/ Pacific	Yes	No	Yes	No
A	Oil and gas	-	-	-	-	-	-	-	-
	Mining	-	-	-	-	-	-	-	-
	Energy	-	-	-	-	-	-	-	-
	Renewable energies	-	-	-	-	-	-	-	-
	Infrastructure	-	-	-	-	-	-	-	-
B	Oil and gas	2	-	-	-	1	1	2	-
	Mining	-	-	-	-	-	-	-	-
	Energy	-	-	-	-	-	-	-	-
	Renewable energies	5	-	-	-	5	-	5	-
	Infrastructure	1	-	-	-	-	1	1	-
S	Oil and gas	-	-	-	-	-	-	-	-
	Mining	-	-	-	-	-	-	-	-
	Energy	-	-	-	-	-	-	-	-
	Renewable energies	-	-	-	-	-	-	-	-
	Infrastructure	-	-	-	-	-	-	-	-

Category C: minimal or non-existent social and environmental impact
 Category B: low, localised and reversible socioeconomic impact
 Category A: significant, diverse socioeconomic impacts

Complementarily, the entire branch network has access to support documents to help analysts assess the environmental risk associated with an industry or business activity. All risks, including environmental risks, are set out in the risk assessment and are considered when a decision on a loan application is taken.



A free translation from the original in Spanish. In the event of a discrepancy, the Spanish language version prevails.

INDEPENDENT ASSURANCE REPORT ON THE 2014 CSR INFORMATION

To the Management of Banco de Sabadell, S.A.:

We have reviewed the Corporate Social Responsibility (CSR) information referred in the 'GRI G3.1 Indicators' table of the document 'Annexes to the CSR 2014 information' of Banco de Sabadell, S.A. and its group of companies (jointly referred to in this report as Banco Sabadell) for the financial year ending 31 December 2014, prepared in accordance with the criteria established in the Guidelines for the Preparation of Sustainability Reports of the Global Reporting Initiative (GRI) version 3.1 (hereinafter referred to as G3.1 GRI Guidelines) and its corresponding Financial Services Sector Supplement.

Responsibility of Banco Sabadell's Management

Banco Sabadell's Management is responsible for the preparation, contents and presentation of the CSR information referred in the 'GRI G3.1 Indicators' table of the document 'Annexes to the CSR 2014 information' in accordance with the G3.1 GRI Guidelines and its corresponding Financial Services Sector Supplement.

Management is also responsible for establishing, implementing, adapting and maintaining the internal management and control systems from which information is obtained.

Our responsibility

Our responsibility is to issue an independent review report to give a limited assurance conclusion based on the procedures applied in our review in accordance with the ISAE 3000 Standard 'Assurance Engagements Other than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and with the Guidelines on reviews of Corporate Responsibility Reports issued by the Spanish Institute of Certified Public Accountants.

Procedures carried out

To issue this report, we have applied analytical procedures and tests, which are generally described below:

- Meetings with Banco Sabadell staff from various departments involved in preparing the 2014 CSR information, to ascertain the procedures for collecting and validating the information on the indicators presented in the 2014 'GRI G3.1 Indicators' table and to obtain the information required for the external review.
- Analysis of the adaptation of the indicators of the 2014 'GRI G3.1 Indicators' table to the G3.1 GRI Guidelines on the preparation of reports and its corresponding Financial Services Sector Supplement.

*PricewaterhouseCoopers Auditores, S.L., Avinguda Diagonal, 640, 08017 Barcelona, España
Tel.: +34 932 532 700 / +34 902 021 111, Fax: +34 934 059 032, www.pwc.es*

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- Verification, through sample-based testing reviews, of the quantitative and qualitative information for the 2014 financial year of the indicators proposed in the G3.1 GRI Guidelines and its corresponding Financial Services Sector Supplement, and included in the 2014 'GRI G3.1 Indicators' table. We have also verified that the information has been adequately compiled from the data provided by Banco Sabadell's sources of information.

The scope of a limited review is substantially less than that of a reasonable assurance review and, consequently, such reviews provide less assurance. In no event may this report be understood to be an audit report.

Independence and Quality Control

We have complied with the Code of Ethics issued by the International Ethics Standards Board for Accountants (IESBA), which includes the requirement of independence and other requirements based on the main principles of integrity, objectivity, professional competence and due care, confidentiality and professional conduct.

PwC applies the International Standard on Quality Control 1 (ISQC 1) and consequently our firm has a global quality control system which includes documented policies and procedures on the compliance of ethical requirements, professional standards and applicable statutory requirements.

Conclusion

On the basis of the results of our review, nothing has come to our attention that causes us to believe that the CSR information referred in the 'GRI G3.1 Indicators' table of the document 'Annexes to the CSR 2014 information' of Banco Sabadell contains significant errors or has not been prepared, in all significant aspects, in accordance with the G3.1 GRI Guidelines and its corresponding Financial Services Sector Supplement.

PricewaterhouseCoopers Auditores S.L.

A handwritten signature in blue ink, appearing to read 'Mª Luz Castilla', with a long horizontal line extending from the end of the signature.

Mª Luz Castilla

26 August 2015