

REPORT PRESENTED BY THE BOARD OF DIRECTORS IN CONNECTION WITH THE PROPOSAL BY THE APPOINTMENTS COMMITTEE TO THE BOARD OF DIRECTORS, FOR REFERRAL TO THE GENERAL MEETING OF SHAREHOLDERS, TO RE-APPOINT A DIRECTOR, AS REFERRED TO IN MOTION THREE UNDER ITEM THREE OF THE AGENDA OF THE GENERAL MEETING OF SHAREHOLDERS OF BANCO DE SABADELL, SOCIEDAD ANÓNIMA SCHEDULED FOR 30 MARCH 2017, AT SECOND CALL.

The Board of Directors, having voted on this resolution in the absence of Ms María Teresa Garcia-Milà Lloveras, issues this report in support of the proposal to re-appoint Ms María Teresa Garcia-Milà Lloveras as an Independent Director presented by the Appointments Committee to the Board of Directors for referral to the General Meeting of Shareholders, for the purposes of assessing the competency, experience and merits of that director proposed for re-appointment, all in compliance with paragraph 5 of Article 529 decies of the consolidated text of the Capital Companies Act, approved by Legislative Royal Decree 1/2010, of 2 July (the "Capital Companies Act"), as amended by Act 31/2014, of 3 December, amending the Capital Companies Act to improve corporate governance.

To issue this report, the Board of Directors considered the information and documentation held by Banco de Sabadell, Sociedad Anónima with regard to Ms María Teresa Garcia-Milà Lloveras and the favourable report issued by the Appointments Committee in support of its proposal to re-appoint Ms María Teresa Garcia-Milà Lloveras as an independent director, in accordance with the provisions of the Capital Companies Act and in discharging its duties in accordance with article 61 of the Articles of Association and article 14 of the Regulation of the Board of Directors.

It was also taken into consideration that the Appointments Committee, in proposing the re-appointment of Ms María Teresa Garcia-Milà Lloveras, viewed as positive her track-record as a director of Banco de Sabadell, Sociedad Anónima since 2007, in the category of independent director, and as Lead Independent Director on the Board of Directors since April 2016, and that the Appointments Committee itself considers her to be a suitable person to continue acting as an independent director of Banco de Sabadell, Sociedad Anónima.

The Board of Directors ratifies the comments made by the Appointments Committee in its report in support of the proposal to re-appoint Ms María Teresa Garcia-Milà Lloveras and, having analysed her background, academic training and professional track record, considers that Ms María Teresa Garcia-Milà Lloveras has extensive knowledge of economics and finance and academic experience in the field of economics at the highest level that supports her competency, experience and merits to be re-appointed as a director.

The Board of Directors also considered the ratification by the Appointments Committee of the suitability assessment it performed of that director in the past, whose conclusions are still valid at this time, since all the requirements established in Act 10/2014, of 26 June, on ordering, supervision and solvency of credit institutions, and in Royal Decree 84/2015, of 13 February, implementing that Act, are met.

Therefore, in connection with paragraph 5 of article 529 decies of the Capital Companies Act, given her track record and her fulfilment of all of the necessary requirements enabling her to be evaluated and assessed, including notably her professional capabilities and suitability for the post which she holds and her excellent work to date for Banco de Sabadell Sociedad Anónima, this Board of Directors believes that she has the competency, experience and merits required to hold the position of director.