

## **BANCO DE SABADELL, SOCIEDAD ANONIMA**

### **ANNOUNCEMENT OF THE ORDINARY GENERAL MEETING OF SHAREHOLDERS**

The Board of Directors of Banco de Sabadell, Sociedad Anónima, gives notice of an Ordinary General Meeting of Shareholders to be held at 18:00 on 19 April 2018, at Auditorio de la Diputación de Alicante, Paseo Campoamor, s/n, in the city of Alicante, at second call, since it will be foreseeably not be quorate at first call, which is also hereby scheduled for the same location and time, on 18 April 2018, with the following:

#### **AGENDA**

1. Examination and approval, where appropriate, of the financial statements (balance sheet, income statement, statement of changes in equity, cash flow statement and notes to financial statements) and the report of the directors of Banco de Sabadell, Sociedad Anónima, which includes the Annual Report on Corporate Governance, and those of its Consolidated Group; granting of discharge to the directors of Banco de Sabadell, Sociedad Anónima. All the foregoing with reference to the year ended 31 December 2017.
2. Examination and approval, if appropriate, of the proposal for the allocation of income and the distribution of a dividend of €0.07 per share out of income for the year ended 31 December 2017.
3. Appointment of directors.
  - 3.1 Re-appointment of Mr. Jaime Guardiola Romojaro as an executive director, based on a proposal by the Board of Directors.
  - 3.2 Re-appointment of Mr. David Martínez Guzmán as a proprietary director, based on a proposal by the Board of Directors.
  - 3.3 Re-appointment of Mr. José Manuel Martínez Martínez as an independent director, based on a proposal by the Appointments Committee.
  - 3.4 Ratification and appointment of Mr. Pedro Fontana García as an independent director, based on a proposal by the Appointments Committee.
  - 3.5 Ratification and appointment of Mr. George Donald Johnston as an independent director, based on a proposal by the Appointments Committee.
4. Delegation to the Board of Directors, within the limits provided by law, of the power to increase capital at one or more times, with the power to override pre-

emptive subscription rights where the increase or increases, together, do not exceed 20% of the capital stock.

5. Delegation to the Board of Directors of the power to issue securities which may be converted into and/or exchanged for shares, as well as preference shares, warrants and similar securities which entitle the holder, directly or indirectly, to subscribe for or acquire shares or which otherwise grant a share in corporate earnings; and the power to increase capital in the amount necessary and to override the pre-emptive subscription right where the increase or increases, together, do not exceed 20% of the capital stock.
6. Authorisation to Banco de Sabadell, Sociedad Anónima, to acquire own shares in the secondary market, directly or via Banco Sabadell group companies, in accordance with the provisions of articles 146, 509 and related articles of the Capital Companies Act, establishing the limits and requirements for such acquisitions, and with the express faculty to reduce capital to amortise own shares, delegating to the Board of Directors the necessary powers.
7. Approval of the amendment to articles 50 and 85 of the Articles of Association of Banco de Sabadell, Sociedad Anónima, to adapt them to current legislation and best practices in the area of corporate governance.
8. Approval of a supplementary long-term incentive plan linked to the appreciation by the shares of Banco de Sabadell, Sociedad Anónima, for executive directors, senior management and other executives of the Banco Sabadell group.
9. Approval of the maximum limit on variable remuneration for the members of the Group's identified staff.
10. Approval of the Director Remuneration Policy for the years 2018, 2019 and 2020, which sets out the maximum annual amount of remuneration that may be paid to directors for discharging their duties.
11. Vote, on a consultative basis, on the 2017 Annual Report on Director Remuneration, as provided in article 541 of the Capital Companies Act.
12. Re-appointment, in accordance with the provisions of article 264 of the Capital Companies Act, of the firm PricewaterhouseCoopers Auditores, Sociedad Limitada, as auditor of the financial statements of Banco de Sabadell, Sociedad Anónima, and of the consolidated financial statements of its Group for 2018.
13. Delegation of powers to formalise the foregoing resolutions.

## **Attendance and proxies**

As provided by article 38 of the Articles of Association, shareholders with at least 1,000 shares are entitled to attend the Meeting. Those who fail to meet that number may either pool their shares to meet this minimum requirement established in the Articles of Association or be represented by another shareholder with the same objective of attaining the required minimum.

Shareholders who wish to attend this Meeting must use the attendance/proxy card provided by the Board Secretary.

Shareholders may appoint a proxy by completing and signing the proxy section of the attendance/proxy card and handing it in at any Banco Sabadell group branch or at the General Meeting reception desk. Additionally, shareholders who use Banco Sabadell group's distance banking services (BS Online and BS Móvil) may register their proxy using that service, exclusively via the internet, using their personal login, as detailed on the attendance/proxy card.

Proxies which do not state the name of the designated representative are deemed to be granted to the Chairman of the Board of Directors. If there are no express instructions and the proxy is in a conflict of interest, representation is deemed to be granted to the Chairman of the General Meeting or, if the latter is in a conflict of interest, to the person he/she designates. In the case of items 3, 8, 9, 10 and 11 on the Agenda, proxies are deemed to be granted to the Secretary of the General Meeting.

At all events, it is an essential pre-requisite that the shares be registered in the shareholder's name in the central registry of uncertificated securities kept by IBERCLEAR (Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, Sociedad Anónima Unipersonal) five days prior to the scheduled date of the Meeting.

## **Right to information**

Pursuant to the provisions of the Capital Companies Act, the Articles of Association and the Regulation of the General Meeting of Shareholders of Banco de Sabadell, Sociedad Anónima, all shareholders are entitled, as from the date of this notice of the General Meeting, to examine the documents listed below at the registered offices located in Alicante, at Avenida Óscar Esplá 37, and to obtain copies of them from Banco de Sabadell, Sociedad Anónima, in hand or by mail, immediately and free of charge:

1. The motions submitted by the Board of Directors to the General Meeting for approval.
2. Financial statements (balance sheet, income statement, statement of changes in net equity, cash flow statement and notes to financial statements) and the report of the directors of Banco de Sabadell, Sociedad Anónima, and those of its consolidated group for the year ended 31 December 2017, and the corresponding auditors' report.
3. Annual Corporate Governance Report 2017.
4. The current Articles of Association of Banco de Sabadell, Sociedad Anónima.
5. List of the full names, ages, nationalities and addresses of the directors of Banco de Sabadell, Sociedad Anónima, and the date on which they were first appointed.
6. CV of the persons whose appointment or re-appointment as a director is proposed to the General Meeting of Shareholders.
7. Report by the Appointments Committee preceding the proposal by the Board of Directors to the General Meeting of Shareholders to re-appoint an executive director.
8. Report by the Appointments Committee preceding the proposal by the Board of Directors to the General Meeting of Shareholders to re-appoint a proprietary director.
9. Report by the Appointments Committee regarding its proposal to the Board of Directors, for submission to the General Meeting of Shareholders, for the re-appointment an independent director.
10. Reports by the Appointments Committee regarding its proposals to the Board of Directors for submission to the General Meeting of Shareholders, to ratify and appoint independent directors.
11. Report by the Board of Directors of Banco de Sabadell, Sociedad Anónima, on its proposal to the General Meeting to re-appoint an executive director.
12. Report by the Board of Directors of Banco de Sabadell, Sociedad Anónima, on its proposal to the General Meeting to re-appoint a proprietary director.

13. Reports by the Board of Directors of Banco de Sabadell, Sociedad Anónima, on the assessment of the competence, experience and merit of directors in connection with the proposals of the Appointments Committee to re-appoint, and ratify and appoint, independent directors.
14. Report by the Board of Directors of Banco de Sabadell, Sociedad Anónima, on the delegation to the Board of Directors of the power to increase capital at one or more times, with the power to override the pre-emptive subscription rights where the increase or increases, together, do not exceed 20% of capital stock.
15. Report by the Board of Directors of Banco de Sabadell, Sociedad Anónima, on delegation to the Board of Directors of the power to issue securities which may be converted into and/or exchanged for shares of Banco de Sabadell, Sociedad Anónima, as well as preferred securities, warrants and similar securities which entitle the holder, directly or indirectly, to subscribe for or acquire shares of Banco de Sabadell, Sociedad Anónima, or which otherwise grant a share in corporate earnings; and the power to increase capital in the amount necessary and to override the pre-emptive subscription right where the increase or increases, together, do not exceed 20% of the capital stock.
16. Report by the Board of Directors of Banco de Sabadell, Sociedad Anónima, in connection with the resolution authorising Banco de Sabadell, Sociedad Anónima to acquire own shares, directly or indirectly, and, where appropriate, reduce capital.
17. Report by the Board of Directors of Banco de Sabadell, Sociedad Anónima, in support of the proposal to amend the Articles of Association, including the full text of the amendments.
18. Report by the Board of Directors of Banco de Sabadell, Sociedad Anónima, in support of the proposal to approve a supplementary long-term incentive plan linked to the appreciation by the shares of Banco de Sabadell, Sociedad Anónima, for executive directors, senior management and other executives of the Banco Sabadell group.
19. Report by the Board of Directors of Banco de Sabadell, Sociedad Anónima, in support of the proposal to approve the maximum limit on the variable remuneration for the members of the identified staff, which includes the list of those members of the identified staff of Banco de Sabadell, Sociedad Anónima.

20. Report by the Remuneration Committee on the proposal to approve the director remuneration policy for the years 2018, 2019 and 2020.
21. Director Remuneration Policy for the years 2018, 2019 and 2020.
22. Presentation of the Annual Report on Director Remuneration 2017.
23. Annual Report on Director Remuneration 2017 in accordance with article 541 of the Capital Companies Act.
24. In compliance with article 511.3 of the Capital Companies Act, in relation to the issuance of perpetual securities contingently convertible into ordinary shares of Banco de Sabadell, Sociedad Anónima: (a) the Report by the Board of Directors of Banco de Sabadell, Sociedad Anónima, in connection with that issue of perpetual securities contingently convertible into shares, overriding the pre-emptive subscription right, that was resolved upon by the Board of Directors on 27 April 2017, and (b) the Report by an independent expert other than the company's auditor on the issuance of contingently convertible preferred securities in the cases referred to in articles 414, 417 and 511 of the consolidated text of the Capital Companies Act, dated 5 May 2017.
25. In compliance with article 511.3 of the Capital Companies Act, in relation to the issuance of perpetual securities contingently convertible into ordinary shares of Banco de Sabadell, Sociedad Anónima: (a) the Report by the Board of Directors of Banco de Sabadell, Sociedad Anónima, in connection with that issue of perpetual securities contingently convertible into shares, overriding the pre-emptive subscription right, that was resolved upon by the Board of Directors on 26 October 2017, and (b) the Report by an independent expert other than the company's auditor on the issuance of contingently convertible perpetual securities for the purposes of articles 414, 417 and 511 of the Capital Companies Act, dated 10 November 2017.

As from the publication of this notice and until the Meeting is held, shareholders may access the following documents on the website of Banco de Sabadell, Sociedad Anónima ([www.grupobancosabadell.com](http://www.grupobancosabadell.com)) in the section "Shareholder and investor information": the notice of the meeting, the total number of shares and voting rights, the documents listed above that are made available to shareholders, and the other documents and reports published on the website of Banco de Sabadell, Sociedad Anónima; the Articles of Association, the Regulation of the General Meeting of Shareholders, and the proxy rules.

For the same period of time, shareholders will have access to the Electronic Shareholders' Forum of Banco de Sabadell, Sociedad Anónima, which they may use in line with the terms and conditions set out in the Electronic Shareholders' Forum Regulation.

Until the fifth day prior to the General Meeting, shareholders may request clarifications of the items on the agenda and of the information submitted to the Spanish National Securities Commission since the last General Meeting and on the auditor's report; shareholders representing at least three per cent of capital may request the publication of a supplement to the notice of the General Meeting so as to add items to the agenda, and they may present reasoned reports on items that are already on the agenda or that ought to be on the agenda, in the five days following the publication of this notice. The procedures for the exercise of those shareholder rights are duly set out on the website of Banco de Sabadell, Sociedad Anónima.

Part or all of the General Meeting of Shareholders may be recorded and broadcast audiovisually and may be made available to the public on the corporate website of Banco de Sabadell, Sociedad Anónima ([www.grupobancsabadell.com](http://www.grupobancsabadell.com)). In order to protect shareholders' rights, the images of individual attendees will not be broadcast.

There will also be a mobile app for the General Meeting of Shareholders to establish an additional channel for informing shareholders, which will include the material public information from the notice of meeting and the business transacted at the General Meeting. There will also be a sign-language interpreter for deaf people who attend the General Meeting in person at Auditorio de la Diputación de Alicante.

### **Notarised Minutes**

In accordance with Article 203 of the Capital Companies Act and Article 15.2 of the Regulation of the General Meeting of Shareholders of Banco de Sabadell, Sociedad Anónima, the directors will engage a notary to minute the General Meeting.

### **Data protection**

The personal data contained in this document, that which the shareholders provide to Banco de Sabadell, Sociedad Anónima, to exercise their right to attend, grant proxy and vote at the General Meeting or that which is provided by the banks and brokerage houses at which such shareholders have deposited their shares, through IBERCLEAR, will be processed (and included in files for which

Banco de Sabadell, Sociedad Anónima, is responsible) for the purpose of managing and overseeing the shareholders' status and for giving notice of the General Meeting, holding it and publicising it, as well as to fulfil the obligations established by law. The data will be accessible to the notary who will attend the General Meeting and may be provided to third parties in exercise of the right to information established by law or made accessible to the public insofar as they appear on documentation available on the website ([www.grupobancosabadell.com](http://www.grupobancosabadell.com)) or are made public at the General Meeting. Persons may request to access, rectify, cancel and block their personal data in accordance with the provisions of Organic Act 15/1999, of 13 December, on Personal Data Protection, by writing to the head office of Banco de Sabadell, Sociedad Anónima at Avenida Óscar Esplá, 37, in Alicante.

Secretary of the Board of Directors  
Miquel Roca i Junyent

Alicante, 8 March 2018