

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 RATIFY AND APPOINT AN INDEPENDENT DIRECTOR, AS REFERRED TO IN MOTION FIVE UNDER ITEM THREE ON THE AGENDA OF THE GENERAL MEETING OF SHAREHOLDERS OF BANCO DE SABADELL, SOCIEDAD ANÓNIMA SCHEDULED FOR 19 APRIL 2018, AT SECOND CALL.

The Appointments Committee has resolved to propose that the Board of Directors refer to the General Meeting of Shareholders, in accordance with article 61 of the Articles of Association and article 14 of the Regulation of the Board of Directors, a proposal to ratify the appointment made by the Board of Directors, by the procedure of co-optation, of Mr. George Donald Johnston as an independent director and to approve his appointment as a member of the Board of Directors for a term of four years, in accordance with article 50 of the Articles of Association.

Mr. George Donald Johnston was appointed as a director by co-optation by the Board of Directors on 25 May 2017 and he took up that position at the Board of Directors meeting on 5 October 2017 once the European Central Bank had expressed no objection to this appointment as an independent director. His appointment is registered with the Bank of Spain's Register of Officers.

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 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 between the various director categories, assessing the degree to which candidates fulfil the requirements as to suitability, competency, experience, merits and dedication for performing the functions of an independent director.

The Board of Directors is currently comprised of fifteen directors, three of whom are executive directors and twelve are non-executive directors, of whom ten are independent. Therefore, the proportion of independent directors is commensurate with the size of the Board of Directors and of the bank itself, all in line with the recommendations of the Corporate Governance Code.

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. In the case of Mr. George Donald Johnston, the Committee took account particularly of his professional background.

Mr. George Donald Johnston obtained an MA in International Economics and Latin American Studies at John Hopkins University School of Advanced International Studies in Washington DC. Mr. Johnston has had a long career of more than thirty-eight years in which he has held a range of positions of responsibility, mostly in the field of investment banking, advising on mergers and acquisitions, as well as providing strategic advice to large corporations at an international level in sectors such as finance, especially banking and insurance, energy, real estate and telecommunications.

Mr. George Donald Johnston has extensive experience and knowledge of the financial sector in general and of banking in particular, at both domestic and international level. He has also acquired horizontal knowledge of other sectors such as real estate, steel and the media. That represents a suitable combination of knowledge and skills to render him appropriate as a member of the Board of Directors of Banco de Sabadell, Sociedad Anónima, and it adds value to the Board, so that, through his continuation in office, the Board of Directors maintains an appropriate equilibrium and diversity of knowledge, experience and skills among its members, thereby contributing to sustaining the collective suitability of the Board of Directors.

Since he fulfils 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. George Donald Johnston meets all the conditions to be classified as an independent director.

Based on the review of the suitability and fitness of Mr. George Donald Johnston conducted 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 that he is in a position to provide good corporate governance to Banco de Sabadell, Sociedad Anónima; accordingly, this Committee ratifies the suitability assessment of Mr. George Donald Johnston that it approved prior to his appointment by co-optation, whose conclusions are still valid, 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.

Accordingly, and having regard to the current needs of the Board of Directors of Banco de Sabadell, Sociedad Anónima; to the structure, size and qualitative composition of the Board of Directors; and to the objectives and criteria of

professional competency, diversity and commercial repute established in the Director Selection Policy of Banco de Sabadell, Sociedad Anónima, Mr. George Donald Johnston meets the requirements and has the necessary competency, experience and merits to hold the position of director; consequently, this Appointments Committee considers that the proposal to ratify and appoint Mr. George Donald Johnston as an independent director of Banco de Sabadell, Sociedad Anónima is justified.