

**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 RATIFY AND APPOINT A 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 Board of Directors, having voted on this resolution in the absence of Mr. George Donald Johnston, issues this report in support of the proposal to ratify and appoint Mr. George Donald Johnston 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 ratification and appointment, all in compliance with paragraph 5 of Article 529 decies of the Capital Companies Act.

To issue this report, the Board of Directors considered the information and documentation held by Banco de Sabadell, Sociedad Anónima with regard to Mr. George Donald Johnston and the favourable report issued by the Appointments Committee in support of its proposal to ratify and appoint Mr. George Donald Johnston as an independent director, in accordance with the provisions of the Capital Companies Act and in exercising its powers in accordance with article 61 of the Articles of Association and article 14 of the Regulation of the Board of Directors.

The Board of Directors ratifies the conclusions drawn by the Appointments Committee in its report in support of the proposal to ratify and appoint Mr. George Donald Johnston and, after analysing his personal and academic background and professional track record, considers that Mr. George Donald Johnston has extensive knowledge of the financial sector in general and of banking in particular, at both domestic and international level, which constitute appropriate experience and knowledge and confirm his competency, experience and merits to be ratified and appointed as a director.

The Board of Directors also considered the ratification by the Appointments Committee of the suitability assessment it performed prior to making the proposal for his appointment by co-optation, 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 his track record and his fulfilment of all of the necessary

requirements enabling him to be evaluated and assessed, including notably his professional capabilities and suitability for the post which he holds, this Board of Directors believes that he has the competency, experience and merits required to hold the position of independent director.