

## **AGENDA ITEM ONE: MOTION**

Approve the Annual Accounts–Balance Sheet, Income Statement, Statement of Changes in Equity, Cash Flow Statements, and Notes to the Annual Accounts—as well as the Directors' Report of Banco de Sabadell, Sociedad Anónima, which includes the Annual Corporate Governance Report, and of its consolidated group, all corresponding to the financial year ended 31 December 2020; grant discharge to the directors of Banco de Sabadell, Sociedad Anónima for the financial year that commenced on 1 January 2020 and ended on 31 December 2020; and approve the proposal for the allocation of income that was adopted by the Board of Directors on 29 January 2021, consisting of distributing income as follows:

|  |                     |
|--|---------------------|
| To voluntary reserves                            | 93,564,722.83 euros |
| To legal reserve                                 | 0.00 euros          |
| To reserves for investment in the Canary Islands | 215,828.46 Euros    |

## **AGENDA ITEM TWO: MOTION**

Approve the Non-Financial Disclosures Report of Banco de Sabadell, Sociedad Anónima, for the year 2020, which was drawn up by the Board of Directors in accordance with the Commercial Code and the consolidated text of the Capital Companies Law approved by Royal Legislative Decree 1/2010, of 2 July, as amended by Law 11/2018, of 28 December, on non-financial disclosures and diversity.

## **AGENDA ITEM THREE: MOTIONS**

### **1.- First motion under agenda item Three.**

At the proposal of the Board of Directors, and following a favourable report by the Appointments Committee, ratify the appointment, by co-optation approved by the Board of Directors, of Mr. César González-Bueno Mayer Wittgenstein, with tax ID no. 00690991W, with the status of executive director, and, in accordance with the provisions of article 50 of the Articles of Association, approve his appointment as a member of the Board of Directors for a term of four years from this date, with the status of executive director.

**2.- Second motion under agenda item Three.**

At the proposal of the Appointments Committee, ratify the appointment, by co-optation approved by the Board of Directors, of Ms. Alicia Reyes Revuelta, with tax ID no. 22987704D, with the status of independent director, and, in accordance with the provisions of article 50 of the Articles of Association, approve her appointment as a member of the Board of Directors for a term of four years from this date, with the status of independent director.

### **3.- Third motion under Agenda item Three.**

At the proposal of the Appointments Committee and in accordance with the provisions of Article 50 of the Articles of Association, re-appoint Mr. Anthony Frank Elliott Ball, a British national, with passport no. 544171368, as a member of the Board of Directors for a term of four years, with the status of independent director.

#### **4.- Fourth motion under Agenda item Three**

At the proposal of the Appointments Committee and in accordance with the provisions of Article 50 of the Articles of Association, re-appoint Mr. Manuel Valls Morató, with tax ID no. 46315516W, as a member of the Board of Directors for a term of four years, with the status of independent director.

## AGENDA ITEM FOUR: MOTIONS

### 1- First motion under Agenda Item Four.

To amend articles 38 and 47 of the Articles of Association upon obtaining any authorisations required by law or by regulation, , relating to the General Meeting of Shareholders.

The new wording of the articles to be amended is as follows:

***“Article 38. Shareholders may attend the Shareholders' Meeting in person or appoint a proxy.***

*Holders of a general power of attorney for the shareholder in the form of a public instrument with the power to administer all of the shareholder's assets in Spanish territory are also entitled to represent the shareholder.*

*To grant proxy, the shareholder need only indicate, at the foot or on the back of the attendance card, the name of the proxy and sign their name, provided that the signature has been legalised or is recognised by the Bank. Otherwise, the signature must be accompanied by a second signature that fulfils these requirements.*

*The proxy appointment must contain, or have attached to it, the agenda for the Meeting and the request for voting instructions with indications of how the proxy is to vote in the event of precise instructions not being provided.*

*Minors must be represented by their guardians, and corporations or companies by their legal representatives, in which case the identity of such person must be specified so that an attendance card can be issued in their name, and they may appoint a proxy as provided in the first paragraph.*

*Proxies shall be granted and valid for a specific Shareholders' Meeting and may be revoked in any event. Attendance in person by the principal at the Meeting shall have the effect of revoking any proxies.*

*To attend and vote at a Shareholders' Meeting, shareholders must show evidence of holding or acting for the holders of one thousand (1000) shares. Shareholders holding less than that minimum number of shares may group together to attain the minimum and grant proxy to any one of them or to another person, even if not a shareholder, who may attend, as provided in this article.*

*The shareholder or their representative may grant proxy to attend and vote at General Meetings by postal, electronic or telematic means or by any other means of distance communication in the terms established in the General Meeting of Shareholders Regulation.*

*Remote attendance at the General Meeting by telematic means and remote voting by any means, including where attendance and voting is exclusively by these means if the law allows, shall require, without prejudice to the application of the provisions of the Regulation of the General*

*Meeting of Shareholders, an express decision by the Board of Directors to provide the necessary systems and procedures to be able to attend remotely and vote remotely, which decision must be expressly disclosed in the notice of the General Meeting of Shareholders in question.*

**Article 47.** *The General Meeting of Shareholders is chaired by the Chairman of the Board of Directors. In the event of incapacity or absence, the Meeting shall be chaired by a Deputy Chairman, in order, if any, or, otherwise, by a director designated by the Board of Directors.*

*The functions of the Chairman of the General Meeting of Shareholders are, in any case, to declare the meeting to be quorate, direct the debates, address any doubts that may arise, end the debates when he considers the matter to have been debated sufficiently, announce the results of the votes and, in general, all the powers that are necessary for the optimal organisation and transaction of the General Meeting of Shareholders, to have a casting vote in the event of a tie, and to ensure fulfilment of the resolutions adopted by the General Meeting of Shareholders.*

*The Secretary of the Board of Directors or, in the event of incapacity or absence, the Deputy Secretary, shall act as secretary of the General Meeting of Shareholders, with responsibility for drawing up the minutes and for issuing any certificates that may be required, which shall be countersigned by the Chairman.”*



## **2- Second motion under Agenda Item Four.**

To amend the current article 54 and insert new articles 55, 56, 57 and 58 of the Articles of Association, subject to obtaining the necessary legal or regulatory authorisations, to describe the functions of the Chairman, Chief Executive Officer, Lead Independent Director and Secretary in separate articles.

The new wording of the article to be amended is as follows:

*“**Article 54.** The Board shall appoint one of its members as Chairman. The Board shall also select one or more Deputy Chairmen; if there is more than one, they shall be numbered sequentially. The distribution of their responsibilities may be changed when the Board sees fit.*

*The Board shall also appoint a Secretary and may appoint a Deputy Secretary, neither of whom need be a director. A Secretary who is not a director shall not have the right to vote.”*

The wording of the articles to be introduced is as follows:

*“**Article 55.** The Chairman of the Board of Directors shall perform his duties as a non-executive director.*

*The Chairman is the highest representative of the Bank and has the rights and obligations inherent to that position, including the power to sign on behalf of the company. In discharging his duties, the Chairman of the Board of Directors is the person with primary responsibility for the effectiveness of the Board of Directors and, as such, shall represent the Bank in any event, and sign on behalf of the company; he shall convene and chair meetings of the Board of Directors, setting the agenda, directing the debates and deliberations within the Board of Directors and shall be responsible for ensuring compliance with the decisions adopted by the Board of Directors.*

*If the Chairman is unable to discharge his duties for any reason, they shall be performed by the Deputy Chairman, or the first Deputy Chairman if there is more than one, or, if the first Deputy Chairman is unable to act, by the next Deputy Chairman in numerical order. Any director standing in for the Chairman shall not be required to show proof of the designation to third parties.*

***Article 56.** The Board shall appoint a Chief Executive Officer from among its members.*

*The Chief Executive Officer shall be the person with primary responsibility for managing and directing the Institution's business, and he shall be the Bank's representative in the absence of the Chairman, with the obligation to report periodically to the Board of Directors and whenever duly asked to do so.*

*The Board of Directors shall delegate to the Chief Executive Officer all the powers that it sees fit from among those that may be legally delegated.*

**Article 57.** *The Board of Directors may designate a Lead Director from among the independent directors; that person shall be empowered to give notice of meetings of the Board of Directors, add items to the meeting agenda, coordinate and meet with the non-executive directors, reflect the opinion of the external directors, and direct any regular assessment of the Chairman of the Board of Directors, maintain contacts with investors and shareholders, and participate in the processes of succession for the Chairman in the terms set out in the Succession Plan approved by the Board of Directors.*

**Article 58.** *The Secretary shall be responsible for taking minutes at General Meetings of Shareholders and at meetings of the Board of Directors and for signing them with the Chairman; for keeping the minutes books and for issuing, with the countersignature of the Chairman or his replacement, any certificates that may be required, whether in relation to such minutes or to any other documents or matters concerning the Company; and to ensure that the corporate governance rules are complied with.*

*In the event of the Secretary being absent or incapacitated or in the event of the office being vacant, their duties shall be undertaken by the Deputy Secretary or, if none has been appointed, by a director designated by the Board.*

*Any director standing in for the Secretary shall not be required to show proof of the designation to third parties.”*

### 3- Third motion under Agenda Item Four.

To amend articles 58, 59, 60 and 61 (renumbered as 62, 64, 65 and 66, respectively) and insert a new article 63 of the Articles of Association, subject to obtaining the necessary legal or regulatory authorisations, relating to the Committees of the Board of Directors.

The new wording of the articles to be amended and of the article to be introduced is as follows:

*“Article 62. The Board of Directors must constitute all the Board Committees that the company is legally obliged to establish, and at least the following:*

- Strategy and Sustainability Committee*
- Credit Delegated Committee*
- Audit and Control Committee*
- Appointments and Corporate Governance Committee*
- Remuneration Committee*
- Risk Committee*

*“Article 63. The Strategy and Sustainability Committee shall comprise five non-executive directors, a majority of whom must be independent. The Committee shall be chaired by the Chairman of the Board of Directors. The Secretary of the Board of Directors shall be its Secretary or, as appropriate, the person who acts as Deputy Secretary of the same.*

*In matters of strategy, the Chief Executive Officer may speak and vote at meetings, to which end the Committee shall be deemed to have six members.*

*In the area of strategy, the Committee shall have the following responsibilities:*

- 1. Evaluating strategies for growth, development, diversification or transformation of the Company's business and making proposals to the Board of Directors in this connection.*
- 2. Informing and advising the Board of Directors on the Company's long-term strategy, identifying new opportunities for value creation and submitting corporate strategy proposals to the Board of Directors in relation to new investment or divestment opportunities, financial transactions with a material accounting impact and significant technology changes.*
- 3. Studying and proposing recommendations or improvements to the strategic plans and their updates that are submitted to the Board of Directors from time to time.*
- 4. Issuing and submitting to the Board of Directors, on an annual basis, a report containing the proposals, evaluations, studies and work carried out by the Committee in relation to the foregoing matters.*

*In the area of sustainability, the Committee shall have the following responsibilities:*

1. *Reviewing the Company's sustainability and environmental policies, and advising the Board of Directors on possible amendments and regular updates of the sustainability strategy.*
2. *Reviewing the definition and amendment of diversity and integration, human rights, equal opportunity and work-life balance policies and evaluating their degree of fulfilment on a regular basis.*
3. *Reviewing the Bank's social action strategy and its sponsorship and patronage plans.*
4. *Reviewing and reporting on the Non-Financial Disclosures Report before the Audit and Control Committee reviews and reports on it and it is subsequently authorised by the Board of Directors.*
5. *Receiving information in connection with reports, written communiqués or communications from external supervisory bodies within the scope of this Committee's competencies.*

**Article 64.** *The Credit Delegated Committee shall consist of at most five directors, a majority of whom must be independent, all designated by the Board of Directors with the favourable vote of two-thirds of its members. The Board shall appoint one of the Committee members as its Chairman.*

*The Secretary of the Board of Directors shall be its Secretary or, as appropriate, the person who acts as Deputy Secretary of the same.*

*The Credit Delegated Committee shall analyse and, where appropriate, decide on credit transactions in accordance with the cases and limits established by express delegation from the Board of Directors.*

**Article 65.** *The Audit and Control Committee shall comprise at most five directors, appointed by the Board of Directors, none of whom may be an executive director; at least a majority of them must be independent directors, and at least one of them must be appointed on the basis of their knowledge and experience of accounting and/or auditing. The Board of Directors shall appoint the committee's Chairman from among the members who are independent directors, with the favourable vote of two-thirds of its members. The Secretary of the Board of Directors shall be its Secretary or, as appropriate, the person who acts as Deputy Secretary of the same.*

*The Chairman may hold office for at most four years, and may only be re-elected after a one-year interval.*

*The Audit and Control Committee must meet at least once every three months, and whenever convened by the Chairman at his own initiative or at the request of any Committee member, or at the request of the Chairman of the Board of Directors or of the external auditors.*

*The Audit and Control Committee may require the attendance at its meetings of such executives, including directors, as it sees fit, to which end it shall notify the General Manager(s) to schedule their attendance.*

*The Audit and Control Committee has the responsibilities established by the applicable regulations, including:*

- 1. Reporting to the General Meeting on all issues raised by shareholders that are within its remit.*
- 2. Supervising the effectiveness of the Company's internal control, internal audit and risk management systems, including those relating to tax risk, as well as discussing with the auditors or audit firms any significant weaknesses in the internal control system detected in the course of the audit.*
- 3. Supervising the production and presentation of regulated financial and non-financial disclosures and making recommendations or proposals to the Board of Directors with the aim of safeguarding its integrity.*
- 4. Proposing to the Board of Directors, for submission to the General Meeting of Shareholders, the appointment or re-appointment of the external auditor, establishing the engagement conditions, the scope of the professional mandate, and revocation or non-renewal, if appropriate; reviewing compliance with the audit contract, and obtaining regular reports from them about the audit plan and its execution, as well as striving to ensure their independence in the performance of their functions and to ensure that the opinion on the financial statements and the main content of the auditors' report are drafted clearly and accurately.*
- 5. Advising the Board of Directors beforehand on the financial information and directors' report, which must include the mandatory non-financial disclosures that the Company must publish, as well as the quarterly and half-yearly financial statements and the prospectuses that must be submitted to the regulatory or supervisory bodies, exercising vigilance to ensure compliance with the requirements of the law and the proper application of generally accepted accounting principles, and advising on proposals to amend those principles.*
- 6. Establishing the appropriate relations with external auditors to receive information about any issues that might jeopardise their independence, to be reviewed by the Committee, and any other information or communiqué related to the process of performing the audit functions and in the audit rules.*
- 7. Supervising the internal audit units, their independence and budget, reviewing their action plans and resources in order to ensure that they are adequate for the Company's needs; proposing, where appropriate, the appointment and replacement of the person in charge; and verifying that senior management takes into account the conclusions and recommendations of their reports.*
- 8. Advising on any issues referred to the Committee by the Board of Directors that are within its remit.*
- 9. All other functions attributed to it by the applicable regulations or these Articles of Association and the regulations implementing them.*

*The Audit and Control Committee shall draft an annual report on its activities, which shall be included in the Directors' Report referred to in article 86 of these Articles of Association.*

**Article 66.** *The Appointments and Corporate Governance Committee shall comprise at most five directors, appointed by the Board of Directors, none of whom may be an executive director;*

*at least two of them must be independent directors. The Board of Directors shall appoint the committee's Chairman from among the members who are independent directors, with the favourable vote of two-thirds of its members. The Secretary of the Board of Directors shall be its Secretary or, as appropriate, the person who acts as Deputy Secretary of the same.*

*In the area of appointments, the Committee shall have the following responsibilities:*

- 1. Overseeing the qualitative composition of the Board of Directors, in accordance with the provisions of article 53 of these Articles of Association.*
- 2. Evaluating the fitness and suitability, knowledge and experience of the members of the Board of Directors.*
- 3. Making proposals to the Board of Directors as to the appointment of independent directors, for appointment by co-optation or by the General Meeting, and proposals for the re-appointment or removal of such directors by the General Meeting of Shareholders.*
- 4. Advising on proposals for the appointment of other directors and on proposals for their re-appointment or removal.*
- 5. Advising on proposals for the appointment and removal of senior executives and other members of the Identified Staff.*
- 6. Advising on the basic contractual conditions for executive directors and senior executives.*
- 7. Examining and organising the succession of the Chairman of the Board of Directors and of the Bank's chief executive and, as appropriate, making proposals to the Board so as to ensure that the succession takes place in an orderly and planned way.*
- 8. Establishing a target for representation of the gender that is less represented on the Board of Directors and drawing up guidelines on how to achieve that target.*

*In the area of corporate governance, the Committee shall have the following responsibilities:*

- 1. Advising the Board of Directors on the Company's internal corporate policies and regulations, except in matters that are the responsibility of other Committees.*
- 2. Supervising compliance with the Company's corporate governance rules, excluding those corresponding to areas that are the responsibility of other Committees.*
- 3. Advising the Board of Directors on the Annual Corporate Governance Report for its approval and publication each year, except for matters that are the responsibility of other Committees.*
- 4. Supervising, within the scope of its responsibilities, the Company's communications with shareholders and investors, proxy advisors and other stakeholders, and informing the Board of Directors in this connection.*
- 5. Any other actions that may be necessary to ensure good governance of all the Company's activities.*

*The Board may ask the Committee to prepare reports on matters within its sphere of action.”*

#### **4- Fourth motion under Agenda item Four.**

To amend articles 56 (renumbered as 60), 74 and 87 (renumbered as 79 and 92, respectively) of the Articles of Association, subject to obtaining the authorisations required by law or regulation, to make improvements arising from the applicable regulations.

The new wording of the articles to be amended is as follows:

*“**Article 60.** The Board of Directors shall meet once per month and as and when the Chairman shall see fit, or whenever a Director requests a meeting. Attendance in person shall be required at its meetings, including attendance by electronic or telematic means, in which case the meeting shall be deemed to be held at the registered office, and proxy may be granted to another director.*

*Resolutions shall be adopted by an absolute majority of the directors in attendance, whether in person or by proxy, with the Chairman having a casting vote in the event of a tie.*

*Non-executive directors may grant proxy only to another non-executive director.*

*Resolutions of the Board shall be recorded in a Minute Book, which shall be signed by the Chairman and the Secretary; the Secretary shall be responsible for taking the minutes and for issuing any certificates required, which shall be countersigned by the Chairman.*

***Article 79.** Without prejudice to the provisions of article 10 hereof, in the event of an increase in capital by the issuance of new shares, whether ordinary or preference, within such time as shall be allowed by the Board for this purpose, as provided in the Law, from the date of publication of the announcement of the offering of the new issue for subscription in the Official Bulletin of the Mercantile Register, existing shareholders and holders of any convertible bonds may exercise the right to subscribe for a number of shares in proportion to the par value of the shares which they hold or of the shares to which the holders of convertible bonds would be entitled if they were to exercise their conversion rights at that time.*

*Instead of publishing an announcement, the Board may send a written notice to each shareholder and usufruct holder entered in the share register, in which case the period for subscription shall run from the date on which the notice was sent.*

*Pre-emptive subscription rights shall be transferable on the same terms as the shares from which they derive. In the event of a capital increase drawn on reserves, the same rule shall be applicable to the rights to free allocation of the new shares.*

***Article 92.** The Shareholders' Meeting may approve a distribution, partly or entirely in kind, of dividends, charged either against the profits for the year or unrestricted reserves, or of any share premium reserve, provided that the assets or securities to be distributed are uniform and sufficiently liquid or are readily realizable; this shall be presumed always to be the case for securities that are listed or are to be listed on a regulated market. The distribution of dividends in a form other than cash or own equity instruments must fulfil the conditions set out in the applicable regulations and must, in any case, be first authorised by the competent authority.*

*Interim dividends distributed in accordance with article 95 of these Articles of Association may be paid partly or entirely in kind provided that the goods or securities to be distributed fulfil the conditions indicated above.*

*The rule set out in the preceding paragraph shall also apply to the refunds of contributions in the event of a capital reduction.”*



**5- Fifth motion under Agenda item Four.**

To authorise the Board of Directors to consolidate the text of the Articles of Association of Banco de Sabadell, S.A., renumbering the articles as needed and amending any cross-references in the articles due to the introduction of the new articles.

## **AGENDA ITEM FIVE: MOTION**

Amend articles 3, 10, 11 and 13 and insert a new article 15 of the Regulations of the General Shareholders' Meeting to adjust their wording to the proposed new text of the Articles of Association. Authorise the Board of Directors to consolidate the text of the Regulation of the General Meeting of Shareholders, renumber such articles as may be necessary and amend any cross references contained in the Regulation.

The new wording of the articles to be amended is as follows:

### ***“3. AMENDMENT***

*1. This Regulation may only be amended by the General Meeting of Shareholders itself, based on a proposal from the Board of Directors, following consultation with the Appointments and Corporate Governance Committee, or from the shareholders, who may make proposals within the deadlines and subject to the requirements set out in the second-last paragraph of article 40 of the Articles of Association. If the proposals for amendment of this Regulation made by shareholders under the aforementioned article are deemed to be incongruent with the agenda of the General Meeting of Shareholders for which they are presented, they must be included in the agenda of the next General Meeting held by the company. This shall not in any way impair the shareholders' rights under article 41 of the Articles of Association.*

*2. Approval of an amendment to this Regulation shall be subject to the same requirements as established in the Articles of Association for amendment of the latter.*

### ***10. Attendance and proxy rights***

*1. Holders of shares representing at least one thousand (1,000) shares that are registered in the Company's Register of Shareholders at least five days in advance of the date scheduled for the General Meeting at first call shall be entitled to attend the Meeting. Shareholders holding less than that minimum number of shares may group together to attain the minimum number and grant proxy to any one of them, or to another shareholder or another person that is entitled to attend the General Meeting in accordance with the provisions of the Articles of Association and this Regulation.*

*2. To gain admittance to the General Meeting, shareholders entitled to attend must apply to the Secretary, not later than five days before the Meeting date at first call, for the pertinent admission or attendance card, which shall be issued personally in their name. Without prejudice to requests by shareholders, in order to facilitate shareholder participation in the General Meeting, the Board of Directors may send all registered shareholders the aforementioned attendance card, which shall entitle them to attend in the terms provided in the Articles of Association and in this Regulation.*

*3. The attendance card shall state the number of votes corresponding to the holder, at a rate of one vote per thousand (1,000) shares.*

4. *The right to attend and the corresponding right to vote may be exercised by the shareholder personally or by proxy.*

*Holders of a general power of attorney for the shareholder in the form of a public instrument with the power to administer all of the shareholder's assets in Spanish territory are also entitled to represent the shareholder.*

*Minors must be represented by their legal guardians or representatives, and corporations or companies by their legal representatives, in which case the identity of such person must be specified.*

5. *The delegation of the right to attend and vote must be indicated at the bottom or on the back of the attendance card, which must be contained in or be attached to the Agenda. Proxies must be signed by the shareholder, provided that the shareholder's signature is authenticated or is recognized by the Bank. The shareholder may give express instructions regarding his vote for each item on the Agenda. In the absence of express instructions, the proxy shall be entitled to vote as they see fit, except in the event of a conflict of interest.*

6. *If a shareholder sends the company an attendance card with a duly completed proxy form but without identifying the proxy, the proxy will be exercised by the Chairman of the Board of Directors.*

7. *Before his appointment, the proxy must inform the shareholder in detail whether there is a conflict of interests. If a conflict arises after the appointment of the proxy and the shareholder principal has not been warned of its possible existence, he must be informed of it immediately. In both cases, absent specific voting instructions for each item on which the proxy must vote on behalf of the shareholder, the proxy must abstain.*

8. *Where the proxy has a conflict of interests, unless the shareholder indicates otherwise it shall be assumed that the shareholder has also designated as representatives, jointly and severally, in the following order, the Chairman of the General Meeting and, if he has a conflict of interests, the person designated by the Chairman or, otherwise, the Secretary of the General Meeting of Shareholders.*

9. *Without prejudice to the provisions of article 187 of the Capital Companies Act, if a proxy is granted in accordance with the terms of the preceding section either to the Board of Directors or its Chairman, without express voting instructions, the shareholder shall be deemed to have decided to vote in favour of all the motions proposed by the Board of Directors.*

10. *The Board of Directors may provide electronic systems for granting proxy where it considers that the necessary guarantees of authenticity and legal certainty exist.*

11. *Proxies or delegations shall be granted for a specific General Meeting and shall only be valid for that meeting; they may be revoked in any event. Attendance in person by the principal at the Meeting shall have the effect of revoking any proxies.*

*12. The Company's executives and advisors and any other persons that the Chairman of the General Meeting sees fit may attend General Meetings and speak but not vote.*

*13. The members of the Board of Directors and the Secretary or Deputy Secretary are obliged to attend the General Meeting.*

*14. The Company's external auditors must attend ordinary General Meetings and any others where the Board of Directors considers that their presence is necessary because of the motions on the agenda.*

### ***11. Chairman and Secretary of the General Meeting of Shareholders***

*1. The General Meeting of Shareholders is chaired by the Chairman of the Board of Directors. In the event of incapacity or absence, the Meeting shall be chaired by a Deputy Chairman, in order, if any, or, otherwise, by a director designated by the Board of Directors.*

*2. The functions of the Chairman of the General Meeting of Shareholders are, in any case, to declare the meeting to be quorate, direct the debates, address any doubts that may arise, end the debates when he considers the matter to have been debated sufficiently, announce the results of the votes and, in general, all the powers that are necessary for the optimal organisation and transaction of the General Meeting of Shareholders, to have a casting vote in the event of a tie, and to ensure fulfilment of the resolutions adopted by the General Meeting of Shareholders.*

*3. The Secretary of the Board of Directors or, in the event of incapacity or absence, the Deputy Secretary, shall act as secretary of the General Meeting of Shareholders, with responsibility for drawing up the minutes and for issuing any certificates that may be required, which shall be countersigned by the Chairman.*

*4. The Chairman and Secretary of the Shareholders' Meeting may take the floor at any time during the meeting to explain or to elaborate upon the motions on the Agenda or respond to questions in this connection raised by those in attendance.*

*5. The Chairman may delegate in any member of the Board of Directors the duty of responding to shareholders' questions or elaborating on the information provided to the meeting where they relate to the competencies assumed by that director in the Board of Directors or its committees.*

### ***13. Transaction of Business***

*1. Once the Meeting has been called to order, the Chairman of the Board of Directors may address the meeting, describing the Bank's general performance and future plans, with an express reference to the general situation in which the group has been operating.*

*2. Once the Chairman has concluded his remarks, he will give the floor, in Ordinary Meetings, to the director or other person he sees fit. In any event, the annual accounts and other documents covered by the Agenda item that refers to the approval of the annual accounts must be presented.*

*Shareholders may pose questions to the Audit Committee on the matters within its competency.*

3. *The Secretary of the General Meeting shall read each motion that is put to the Meeting. The Meeting may waive the reading by the Secretary if the motion was made available to the shareholders sufficiently in advance and the reading of the entire motion is considered by the Meeting to be unnecessary.*

4. *Before the motions on the agenda are put to the vote, shareholders may take the floor to request supplementary information or any clarifications that they consider necessary in connection with the items on the agenda, or to propose motions. Any questions raised by shareholders in writing prior to the General Meeting must be answered during this period. Nevertheless, the directors shall not be obliged to respond to specific questions from shareholders where the information sought was already clearly and directly available to all shareholders on the Company's website in a question-and-answer form.*

*Shareholders wishing their remarks to be entered literally in the minutes of the Meeting must provide them in writing at this time to the Notary who is minuting the Meeting so that he may cross-check them when the shareholder speaks.*

*The Board must supply all the information requested by the shareholders in writing or verbally except where it is unnecessary to safeguard the shareholder's rights or there are objective reasons to believe it may be used for purposes unrelated to the company or that its disclosure might be detrimental to the company or to related companies. This exception shall not apply when the request is supported by shareholders representing at least one-quarter of the share capital.*

5. *The Chairman shall establish the order in which shareholders may speak.*

*All shareholders shall be granted the same length of time in which to speak, which shall be set beforehand by the Chairman, who shall strive to ensure that it is the same for all.*

*The Chairman has the power to:*

- a) grant a shareholder extra time to speak, if he considers it appropriate.*
- b) ask speakers to clarify or elaborate upon issues that they raised which were not understood or were not sufficiently explained by the speaker.*
- c) remind shareholders addressing the Meeting of the need to confine their remarks to matters pertaining to the Meeting.*
- d) warn shareholders addressing the Meeting that they may not abuse their right to speak.*
- e) warn speakers that they are running out of time, and derecognise shareholders who do not respect their time limits or perturb the transaction of business.*

6. *When the Chairman considers the round of shareholder remarks to have concluded, the motions shall be voted upon, starting first by counting votes against, followed by abstentions; all other votes shall be deemed to be in favour. To count the votes, the Board of Directors may use reliable computer systems, which may be examined by any shareholder who is entitled to vote.*

*7. If the votes in favour are evidently sufficient to approve the motion, the Chairman shall declare it to have been passed; the exact outcome of the vote shall be set out in the minutes. Only motions set out in the minutes as having been passed shall be deemed to have been definitively passed.*

*8. In no case shall the Chairman permit any further speeches once voting has commenced.”*

The wording of the new article 15 to be inserted is as follows:

***“Article 15. Attendance at the General Meeting of Shareholders by telematic means***

*Remote attendance at the General Meeting by telematic means, including attendance exclusively in this way where the law allows, shall require an express resolution by the Board of Directors to authorise the use of such systems and the procedure required to attend by distance means, and this resolution must be disclosed expressly in the notice of the General Meeting of Shareholders, indicating the identification requirements, time and form, and the right to information and to participate.”*

## **AGENDA ITEM SIX: MOTION**

The General Meeting of Shareholders takes cognizance of the fact that, at a meeting on 18 February 2021, the Board of Directors of Banco de Sabadell, Sociedad Anónima resolved, subject to approval of the pertinent amendments to the Articles of Association, to amend articles 3, 5, 8, and 10, 11, 12, 13, 14, 17 and 25 (renumbered as 12, 13, 15, 16, 17, 21 and 29, respectively) of the Regulation of the Board of Directors and to insert new articles 9, 10 and 14.

The aforementioned articles are hereby reworded as follows:

### ***ARTICLE 3. AMENDMENT***

- 1. This Regulation may only be amended by the Board of Directors itself based on a reasoned proposal in writing by the Chairman, three directors, or the Appointments and Corporate Governance Committee.*
- 2. The Appointments and Corporate Governance Committee must be consulted on any proposals for amendment.*
- 3. The text of the proposal and any report by the Appointments and Corporate Governance Committee must be attached to the notice of the Board meeting that must decide on the proposal.*
- 4. In order to be validly adopted, amendments to the Regulation must be approved by a two-thirds majority of the directors present at the meeting.*

### ***ARTICLE 5. GENERAL SUPERVISION FUNCTION***

- 1. With the exception of matters falling within the remit of the Shareholders' Meeting, the Board of Directors is the highest decision-making body in the Company and its consolidated group and is responsible under the law and the Articles of Association for the management and representation of the Company.*
- 2. Subject to the Articles of Association and the resolutions adopted by the Shareholders' Meeting, the Board of Directors represents the Company and the Company shall be bound by its decisions. The Board of Directors shall be responsible for taking such action as may be considered necessary in pursuit of the Company's object as described in the Articles of Association. The Board of Directors, following consultation with the Appointments and Corporate Governance Committee, shall assess the performance of the Board itself and the discharge of their duties by the Chairman of the Board and the Chief Executive Officer. Also, following a report by the Board's Committees, it shall evaluate the performance of the latter.*

3. *Without prejudice to the foregoing, the Board of Directors acts mainly as an instrument of supervision and control, and delegates the management of ordinary business matters of the Company to the executive organs and management team.*
4. *Powers may not be delegated where they are required by law or the Articles of Association to be exercised directly by the Board of Directors or are necessary for the responsible performance of the general function of supervision.*
5. *Specifically, to ensure better and more efficient performance of its general supervisory duties, the Board undertakes to discharge the responsibilities provided by law, including:*
  - a) *those deriving from the generally-applicable corporate governance standards.*
  - b) *approving the Company's general strategies;*
  - c) *appointing and, as necessary, removing the company's senior executives;*
  - d) *appointing and, as necessary, removing directors of subsidiaries;*
  - e) *identifying the main risks of the Company and its consolidated Group and implementing and monitoring the appropriate internal control and reporting systems;*
  - f) *setting policy on the reporting and disclosure of information to shareholders, the markets and the general public;*
  - g) *setting policy on treasury stock in accordance with any guidelines laid down by the Shareholders' Meeting;*
  - h) *authorising transactions between the company and its directors and significant shareholders that may pose a conflict of interest;*
  - i) *generally deciding on business or financial transactions that are of particular importance for the Company; and*
  - j) *those specifically envisaged in this Regulation.*
6. *The delegation or assignment of the power to represent the Bank to one or more directors, whether individually or collectively, binds them to inform the Board of any actions they take in the exercise of such powers which go beyond ordinary administration.*
7. *The Board of Directors shall have the power and the function to determine and establish the limits and conditions governing risk and lending transactions arranged by each of the subsidiaries, and the fees and general conditions to which such transactions must conform, without prejudice to the functions of the subsidiaries' Board of Directors.*
8. *In performing its functions of representing Banco Sabadell, the Board of Directors shall designate the Chairmen of the Boards of the operating subsidiaries.*

*The appointee must obligatorily inform the Board of Directors about business performance at the respective subsidiary.*



## **ARTICLE 8. CHAIRMAN OF THE BOARD OF DIRECTORS**

- 1. The Chairman of the Board of Directors shall perform his duties as a non-executive director.*
- 2. The Chairman is the highest representative of the Bank and has the rights and obligations inherent to that position, including the power to sign on behalf of the company. In discharging his duties, the Chairman of the Board of Directors is the person with primary responsibility for the effectiveness of the Board of Directors and, as such, shall represent the Bank in any event, and sign on behalf of the company; he shall convene and chair meetings of the Board of Directors, setting the agenda, directing the debates and deliberations within the Board of Directors, and shall be responsible for ensuring compliance with the decisions adopted by the Board of Directors.*
- 3. If the Chairman is unable to discharge his duties for any reason, they shall be performed by the Deputy Chairman, or the first Deputy Chairman if there is more than one, or, if the first Deputy Chairman is unable to act, by the next Deputy Chairman in numerical order. Any director standing in for the Chairman shall not be required to show proof of the designation to third parties.*

## **ARTICLE 9. CHIEF EXECUTIVE OFFICER**

*The Board shall appoint a Chief Executive Officer from among its members.*

*The Chief Executive Officer shall be the person with primary responsibility for managing and directing the Institution's business, and he shall be the Bank's representative in the absence of the Chairman, with the obligation to report periodically to the Board of Directors and whenever duly asked to do so.*

*The Board of Directors shall delegate to the Chief Executive Officer all the powers that it sees fit from among those that may be legally delegated.*

## **ARTICLE 10. LEAD DIRECTOR**

*The Board of Directors may designate a Lead Director from among the independent directors; that person shall be empowered to give notice of meetings of the Board of Directors, add items to the meeting agenda, coordinate and meet with the non-executive directors, reflect the opinion of the external directors, and direct any regular assessment of the Chairman of the Board of Directors, maintain contacts with investors and shareholders, and participate in the succession process for the Chairman in the terms set out in the Succession Plan approved by the Board of Directors.*

## **ARTICLE 12. SECRETARY OF THE BOARD OF DIRECTORS**

- 1. The Board shall also appoint a Secretary and may appoint a Deputy Secretary, neither of whom need be a director. A Secretary who is not a director shall not have the right to vote. The appointment and removal of the Secretary and Deputy Secretary of the Board must be decided*

*by the full Board based, in both cases, on a report by the Appointments and Corporate Governance Committee.*

- 2. The Secretary and, in their absence, the Deputy Secretary shall be responsible for taking minutes at Shareholders' Meetings and at meetings of the Board of Directors and for signing them with the Chairman; and for keeping the minutes books and issuing, with the countersignature of the Chairman or his replacement, any certificates that may be required, whether in relation to such minutes or to any other documents or matters concerning the Company.*
- 3. The Secretary and Deputy Secretary shall assist the Chairman in his duties and ensure the good functioning of the Board and, in particular, provide the directors with the necessary advice and information, archive corporate documentation, duly enter the minutes of meetings into the minutes book, and certify the Board's resolutions.*
- 4. The Secretary and Deputy Secretary shall supervise the formal and material legality of the Board's actions in all cases and ensure that its procedures and rules of governance are respected and regularly reviewed, while striving to ensure compliance with the corporate governance rules.*
- 5. In the event of the Secretary being absent or incapacitated or in the event of the position being vacant, his duties shall be undertaken by the Deputy Secretary and, absent the latter, by a director designated by the Board. Any director standing in for the Secretary shall not be required to show proof of the designation to third parties.*

### **ARTICLE 13. BODIES OF THE BOARD OF DIRECTORS**

- 1. The Board of Directors must establish the Board Committees that the Company is required to establish by law, and at least the following:
  - Strategy and Sustainability Committee*
  - Credit Delegated Committee*
  - Audit and Control Committee*
  - Appointments and Corporate Governance Committee*
  - Remuneration Committee*
  - Risk Committee**
- 2. The Board Committees shall meet upon notice being given by their Chairman. Absent specific provisions in the Articles of Association and in this Regulation, the rules of functioning established by this Regulation in relation to the Board shall apply, provided that they are compatible with the specific committee's nature and purpose.*
- 3. Without prejudice to the specific provisions of this Regulation with regard to each committee of the Board, the committees shall comprise two or more directors, as decided by the Board of Directors, and shall be chaired by the director designated by the Board of Directors from among the Committee's members or, in his absence, by the director designated by the Committee itself from among its members. The Secretary of each of the Board Committees shall be appointed by*

*the Board of Directors and need not be a director. In any event, minutes shall be countersigned and ratified by the Secretary or Deputy Secretary of the Board, who shall issue such certificates as may be pertinent.*

- 4. Each Board Committee may require the attendance at its meetings of such executives as it sees fit, to which end it shall notify the General Manager(s) to schedule their attendance.*
- 5. Without prejudice to the specific provisions of this Regulation with regard to each Board Committee, the Chairman of each Committee shall determine the order or frequency of meetings and give notice of same.*
- 6. Any Director may request that the Board be informed of any matter that is within the remit of any of the Board Committees.*
- 7. The Committees of the Bank's Board of Directors may also exercise those same functions for those subsidiaries or dependent companies which, under the legislation applicable at any given time, are also required to have such bodies.*

#### **ARTICLE 14. STRATEGY AND SUSTAINABILITY COMMITTEE**

*The Strategy and Sustainability Committee shall comprise five non-executive directors, a majority of whom must be independent. The Committee shall be chaired by the Chairman of the Board of Directors. The Secretary of the Board of Directors shall be its Secretary or, as appropriate, the person who acts as Deputy Secretary of the same.*

*In matters of strategy, the Chief Executive Officer may speak and vote at meetings, to which end the Committee shall be deemed to have six members.*

*In the area of strategy, the Committee shall have the following responsibilities:*

- 1. Evaluating strategies for growth, development, diversification or transformation of the Company's business and making proposals to the Board of Directors in this connection.*
- 2. Informing and advising the Board of Directors on the Company's long-term strategy, identifying new opportunities for value creation and submitting corporate strategy proposals to the Board of Directors in relation to new investment or divestment opportunities, financial transactions with a material accounting impact and significant technology changes.*
- 3. Studying and proposing recommendations or improvements to the strategic plans and their updates that are submitted to the Board of Directors from time to time.*
- 4. Issuing and submitting to the Board of Directors, on an annual basis, a report containing the proposals, evaluations, studies and work carried out by the Committee in relation to the foregoing matters.*

*In the area of sustainability, the Committee shall have the following responsibilities:*

- 1. Reviewing the Company's sustainability and environmental policies, and advising the Board of Directors on possible amendments and regular updates of the sustainability strategy.*
- 2. Reviewing the definition and amendment of diversity and integration, human rights, equal opportunity and work-life balance policies and evaluating their degree of fulfilment on a regular basis.*
- 3. Reviewing the Bank's social action strategy and its sponsorship and patronage plans.*
- 4. Reviewing and reporting on the Non-Financial Disclosures Report before the Audit and Control Committee reviews and reports on it and it is subsequently authorised by the Board of Directors.*
- 5. Receiving information in connection with reports, written communiqués or communications from external supervisory bodies within the scope of this Committee's competencies.*

#### **ARTICLE 15. CREDIT DELEGATED COMMITTEE**

- 1. The Credit Delegated Committee shall consist of at most five directors, a majority of whom must be independent directors, all designated by the Board of Directors with the favourable vote of two-thirds of its members. The Board shall appoint one of the Committee members as its Chairman. The Secretary of the Board of Directors shall be its Secretary or, as appropriate, the person who acts as Deputy Secretary of the same.*
- 2. The Credit Delegated Committee shall analyse and, where appropriate, decide on credit transactions in accordance with the cases and limits established by express delegation from the Board of Directors.*
- 3. It shall meet whenever convened by its Chairman, and its meetings may be attended by any person, whether related to the Company or otherwise, who is invited to attend, by a decision of the Committee itself or the Chairman of same, for the purposes to be determined on the basis of the purpose of the matter in question.*
- 4. The Committee shall be quorate if at least one-half of its members are in attendance in person or by proxy; it shall adopt all resolutions by majority of those in attendance, in person or by proxy; the Chairman shall have a casting vote in the event of a tie. Members of the Committee may grant proxy to another member, but no member may hold more than two proxies.*
- 5. The resolutions of the Commission shall be entered in a minutes book, and the minutes shall be signed by the Chairman and the Secretary or, where applicable, by those who acted as such at the meeting in question, by virtue of the provisions of this Regulation.*

## **ARTICLE 16. AUDIT AND CONTROL COMMITTEE**

1. *The Audit and Control Committee shall comprise at most five directors, appointed by the Board of Directors, none of whom may be an executive director; at least a majority of them must be independent directors, and at least one of them must be appointed on the basis of their knowledge and experience of accounting and/or auditing and, overall, and it shall be ensured that, as a whole, the members have the necessary knowledge not only in accounting and auditing, but also in finance, internal control, information technology, risk management and the banking business. The Board shall appoint one of the Committee members who is an independent director as its Chairman. The Chairman may hold office for at most four years, and may only be re-elected after a one-year interval. The Secretary of the Board of Directors shall be its Secretary or, as appropriate, the person who acts as Deputy Secretary of the same.*
2. *The Audit and Control Committee must meet at least once every three months, and whenever convened by the Chairman at his own initiative or at the request of any Committee member, or at the request of the Chairman of the Board of Directors or of the external auditors.*
3. *Meetings of the Audit and Control Committee shall be minuted by the Secretary designated by the Board of Directors. The business transacted at Committee meetings shall be reported to the Board of Directors at the next meeting by means of a reading of the minutes of each meeting.*
4. *The Audit and Control Committee may require the attendance at its meetings of such executives, including directors, as it sees fit, to which end it shall notify the General Manager(s) to schedule their attendance.*
5. *The Audit and Control Committee has the responsibilities established by the applicable regulations, including:*
  - a) *Reporting to the General Meeting on all issues raised by shareholders that are within its remit, particularly about the outcome of the audit, and describing how the audit contributed to the integrity of financial reporting and the function that the Committee played in this process.*
  - b) *Supervising the effectiveness of the Company's internal control, internal audit and risk management systems, including those relating to tax risk, as well as discussing with the auditors or audit firms any significant weaknesses in the internal control system detected in the course of the audit, all without impairing their independence. To that end, presenting any recommendations or proposals to the Board of Directors and the corresponding period for follow-up.*
  - c) *Supervising the production and presentation of regulated financial and non-financial disclosures and making recommendations or proposals to the Board of Directors with the aim of safeguarding its integrity.*
  - d) *Proposing to the Board of Directors, for submission to the General Meeting of Shareholders, the appointment or re-appointment of the external auditor, establishing the*

*engagement conditions, the scope of the professional mandate, and revocation or non-renewal, if appropriate; reviewing compliance with the audit contract, and obtaining regular reports from them about the audit plan and its execution, as well as striving to ensure their independence in the performance of their functions and to ensure that the opinion on the financial statements and the main content of the auditors' report are drafted clearly and accurately.*

- e) Advising the Board of Directors beforehand on the financial information and directors' report, which must include the mandatory non-financial disclosures that the Company must publish, as well as the quarterly and half-yearly financial statements and the prospectuses that must be submitted to the regulatory or supervisory bodies, exercising vigilance to ensure compliance with the requirements of the law and the proper application of generally accepted accounting principles, and advising on proposals to amend those principles.*
  - f) Establishing the appropriate relations with the external auditors in order to receive information on matters that might jeopardise their independence, the declaration at least once per year of their independence vis-à-vis the Company or entities related to it, directly or indirectly, and detailed and itemised information on additional services rendered of any kind and the corresponding fees received from those entities by the external auditor, or by persons or entities related to it in accordance with the provisions of the regulations governing auditing, for examination by the Committee, and any other information or communications related to the process of auditing and with auditing standards, as well as, where appropriate, authorising non-audit services not classified as prohibited, in accordance with the regulations governing auditing.*
  - g) Issuing each year, prior to the issuance of the audit report, a report expressing an opinion on whether the independence of the auditors or audit firms has been compromised, with a reasoned assessment of the provision of each and every one of the additional services referred to in the preceding item, considered individually and as a whole, other than the statutory audit and in relation to the independence regime or to the regulations governing auditing.*
  - h) Supervising the internal audit units, their independence and budget, reviewing their action plans and resources in order to ensure that they are adequate for the Company's needs; proposing, where appropriate, the appointment and replacement of the person in charge; and verifying that senior management takes into account the conclusions and recommendations of their reports.*
  - i) Advising on any matters within the framework of its competencies that are referred to it by the Board of Directors, in particular with regard to the creation or acquisition of stakes in special purpose vehicles or entities domiciled in countries or territories that are designated tax havens and transactions with related parties.*
  - j) Any other matters for which the Committee is responsible by law or under the Articles of Association or any of their implementing regulations, those arising from generally applicable corporate governance standards, and those arising from corporate governance rules and codes that are applicable to the Company.*
6. *The Audit and Control Committee shall draft an annual report on its activities, which must be included in the Directors' Report referred to in article 86 of the Articles of Association.*

## **ARTICLE 17. APPOINTMENTS AND CORPORATE GOVERNANCE COMMITTEE**

- 1. The Appointments and Corporate Governance Committee shall comprise at most five directors, appointed by the Board of Directors, none of whom may be an executive director; at least two of them must be independent directors. In any event, the Chairman of the Committee shall be appointed from among its members who are independent directors. The Secretary of the Board of Directors shall be its Secretary or, as appropriate, the person who acts as Deputy Secretary of the same.*

*Nevertheless, at the request of the Committee's Chairman, General Managers, even if directors, may attend meetings when issues of the Bank's senior management are being discussed, except where they refer directly to them or to the Chairman of the Board of Directors.*

*In the area of appointments, the Committee shall have the following responsibilities:*

- a) Making proposals to the Board of Directors as to the appointment of independent directors, for co-optation or for referral to the General Meeting, and as to the re-appointment or removal of such directors;*
- b) Advising on proposals to appoint other directors by co-optation or for referral to the General Meeting, and on proposals to re-appoint or remove them;*
- c) Ensuring that the qualitative composition of the Board of Directors complies with the provisions of article 53 of the Articles of Association;*
- d) Checking the fitness, suitability, knowledge and experience of the Board of Directors;*
- e) Advising on proposals for the appointment and removal of senior executives and members of the Identified Staff;*
- f) Advising on the basic conditions of the contracts of executive directors and senior executives;*
- g) Examining and organising succession plans for the Chairman of the Board of Directors and the Bank's chief executive and, as appropriate, making proposals to the Board;*
- h) Establishing a target for representation of the gender that is less represented on the Board of Directors and drawing up guidelines on how to achieve that target.*

*In the area of corporate governance, the Committee shall have the following responsibilities:*

- a) Advising the Board of Directors on the Company's internal corporate policies and regulations, except in matters that are the responsibility of other Committees;*
- b) Supervising compliance with the Company's corporate governance rules, excluding those corresponding to areas that are the responsibility of other Committees;*
- c) Advising the Board of Directors on the Annual Corporate Governance Report for its approval and publication each year, except for matters that are the responsibility of other Committees;*
- d) Supervising, within the scope of its responsibilities, the Company's communications with shareholders and investors, proxy advisors and other stakeholders, and informing the Board of Directors in this connection;*

- e) *Proposing amendments to this Regulation and advising on proposals to amend it and on proposals to amend the Regulation of the General Meeting of Shareholders of Banco Sabadell;*
- f) *Any other actions that may be necessary to ensure good governance of all the Company's activities.*

*The Board may ask the Committee to prepare reports on matters within its remit.*

- 2. *The Appointments and Corporate Governance Committee shall meet whenever the Board or its Chairman requests that it issue a report or adopt a proposal, and whenever it is advisable in order to properly discharge its duties. In any case, it must meet once per year to provide advice in advance on the Board's performance evaluation.*

## **ARTICLE 21. BOARD OF DIRECTORS MEETINGS**

- 1. *The Board of Directors shall meet once per month and as and when the Chairman shall see fit, or whenever a director requests a meeting; meetings may be held by electronic or telematic means, in which case they shall be deemed to be held at the registered office. The notice of meeting shall always contain the Agenda, which must set out, among other points, the issues relating to reports from subsidiaries and Board Committees as well as any proposals and suggestions made by the Chairman and the other members of the Board and the General Manager(s) of the Bank, which must be presented at least five working days in advance of the date of the Board meeting; such proposals must be accompanied by the pertinent material for distribution to the directors. The Board itself shall approve the minutes and set the date of the next meeting.*
- 2. *The Chairman may convene extraordinary meetings and set their agenda in the notice. He must also convene extraordinary meetings at the request of the Lead Independent Director or, as the case may be, the Deputy Chairman, and of any director in accordance with the provisions of the Articles of Association. If the Chairman fails to give notice of a meeting within five business days, the Lead Independent Director or the Deputy Chairman may give notice of the meeting.*
- 3. *Notice of meetings of the Board may be given by electronic or telematic means where the Chairman considers that this is warranted by the circumstances.*
- 4. *Both ordinary and extraordinary meetings may transact business that is not on the agenda, provided that the decision to do so is adopted unanimously.*

## **ARTICLE 29. OBLIGATION NOT TO COMPETE**

- 1. *Directors may not render professional services in Spanish companies whose object is wholly or partly similar to that of the company. This prohibition does not refer to any positions they may hold in Group companies.*
- 2. *Before accepting a management position at another company or entity, directors must notify the Appointments and Corporate Governance Committee.*



## **AGENDA ITEM SEVEN: MOTION**

Approve the maximum limit applicable to the variable remuneration for the members of the Group's Identified Staff at an amount equivalent to two years' salary, i.e. 200% of the annual fixed remuneration assigned to each one of them, in accordance with the provisions of article 34.1.g) of Law 10/2014, of 26 June, on the regulation, supervision and solvency of credit institutions, and authorise the Board of Directors to designate such other persons as members of the Group's Identified Staff as may be required by the regulations or the regulators and, in that event, to update the list in the information made available to shareholders at the next General Meeting of Shareholders.

There are 124 members of the Group's Identified Staff to which the aforementioned maximum limit on variable remuneration applies, having regard to their profiles and responsibilities and the need to retain the professionals whose work has a material impact on the Institution's risk (risk takers), as set out in the list made available to shareholders at the time notice was given of the General Meeting of Shareholders.

## **AGENDA ITEM EIGHT: MOTION.**

Following a reasoned report by the Remuneration Committee that was made available to shareholders on the occasion of the notice of the General Meeting of Shareholders, the Board of Directors considers it appropriate to submit, for approval by the General Meeting of Shareholders, the Director Remuneration Policy for the years 2021, 2022 and 2023, which replaces in all its terms the current Director Remuneration Policy of Banco de Sabadell, Sociedad Anónima (Banco Sabadell, the Bank or the Institution), which was approved by the General Meeting of Shareholders on 28 March 2019.

This amendment is proposed before the expiry of the current Policy in order to adapt it to major changes in the corporate governance scheme established in the Articles of Association that are also submitted for approval at the General Meeting of Shareholders.

The Director Remuneration Policy establishes the remuneration system for directors based on a distinction between remuneration for their duties as members of the Board of Directors and remuneration for performing executive functions.

The directors' remuneration for their status as members of the Board of Directors establishes, on a general basis, a fixed remuneration and attendance fees for up to 11 meetings of the Board of Directors. It establishes additional remuneration for the Deputy Chairman and for the Lead Independent Director and, in accordance with the amendments to the Articles of Association submitted to the General Meeting of Shareholders, additional remuneration for the Chairman for his functions as Chairman of the Institution, Chairman of the Board of Directors and Chairman of the General Meeting of Shareholders, as well as his functions as highest representative of the Bank and all other functions attributed to him by law, the Articles or the Board of Directors itself. The remuneration policy for the Board of Directors Committees is also adapted to the new scheme established in the Articles of Association.

The remuneration for the performance of executive functions, complies with the provisions of the Articles of Association and is consistent with the contracts signed with the executive directors and with standard market practice at comparable companies, it is compatible with appropriate, healthy and effective management of the institution's risks and, in particular, it conforms to the regulatory parameters regarding prudential regulation and capital that are applicable to Banco Sabadell. That remuneration complies with the requirements of European directives and regulations and current legislation, particularly the provisions of the Capital Companies Law, the specific legislation applicable to credit institutions, specifically, Law 10/2014 of 26 June 2014 on the regulation, supervision and solvency of credit institutions, the EBA Guidelines (EBA/GL/2015/22), of 27 June 2016, on sound remuneration policies, and the Principles for Sound Compensation Practices published by the Financial Stability Board (FSB) on 2 April 2009, and Directive 2013/36/EU and is in line with the principles and items that were considered to be appropriate based on standard practice among listed companies and the characteristics of remuneration in financial institutions. The Policy reflects the changes in connection with the Institution's executive directors.

The Policy considers sustainability as a core factor in remuneration within the Group. The components of remuneration contribute to fostering action in environmental, social and good governance (ESG) matters in order to make the business strategy sustainable and socially responsible.

Accordingly, it is proposed to:

Approve, in accordance with the provisions of article 529 novodecies of the Capital Companies Law, the Director Remuneration Policy of Banco Sabadell for the years 2021, 2022 and 2023, the text of which was made available to shareholders when notice was given of the General Meeting of Shareholders, which sets out the maximum amount of annual remuneration that is payable to directors for their functions as such. That Policy replaces, in all its terms, the current Director Remuneration Policy of Banco Sabadell that was approved by the General Meeting of Shareholders on 28 March 2019.

Additionally, empower the Board of Directors to interpret, elaborate upon, formalise and execute this resolution to the fullest extent required by law; adopting such resolutions and signing such public or private documents as may be necessary or advisable to give it full effect, with the power to adapt the Director Remuneration Policy of Banco Sabadell, when they deem it necessary and at the proposal of the Remuneration Committee, to the circumstances that may arise, the rules established in the applicable legislation, the recommendations or best practices in this connection and the specific requirements of the supervisors, provided that this does not entail a substantial change of its terms and conditions such as to require it to be submitted again to the General Meeting of Shareholders in accordance with the applicable legislation; and, in particular, to:

- a) Implement and establish the specific conditions of the remuneration system for executive directors in all matters not provided for in the Director Remuneration Policy of Banco Sabadell, including in particular, but not limited to, the appointment and removal of directors, establishing their variable remuneration and its terms, establishing any cases of early settlement, and declaring that any conditions upon which such settlement is contingent have been fulfilled.
- b) Adapt the contents and conditions of the Banco Sabadell Director Remuneration Policy to any corporate transactions or exceptional circumstances that arise during its term, referring both to Banco Sabadell, and the companies in its group, as well as to the indicators selected to determine the variable remuneration, in order for it to subsist in the same terms and conditions.
- c) Adapt the content of the Banco Sabadell Director Remuneration Policy to any requirements, comments or requests by the competent supervisory authorities and, in particular, make adjustments to the deferral percentages and periods for annual variable remuneration that is applicable to executive directors of Banco Sabadell, and to the lock-up period for the shares or the rules for calculating them.

- d) Interpret the rules for the system of settlement and payment of the short-term variable remuneration and the long-term remuneration applicable to executive directors of Banco de Sabadell.
- e) In general, perform such actions and sign such documents as may be necessary or advisable to render the Director Remuneration Policy of Banco de Sabadell valid and to implement, elaborate upon and execute it.

## **AGENDA ITEM NINE: MOTION**

Expressly authorise the Chairman of the Board of Directors of Banco de Sabadell, Sociedad Anónima, Mr. Josep Olliu Creus, the Director Secretary General of Banco de Sabadell, Sociedad Anónima, Ms. María José García Beato, and the Secretary of the Board of Banco de Sabadell, Sociedad Anónima, Mr. Miquel Roca i Junyent, or the persons who replace them in their respective posts of Chairman, Director Secretary General and Secretary, so that any of them, without distinction, may, on behalf of Banco de Sabadell, Sociedad Anónima:

- a) Take such steps as may be necessary to obtain the necessary authorisations or registrations with the European Central Bank, the Bank of Spain, the Ministry of Economy and Business and their dependent bodies, and the Spanish National Securities Market Commission, and any other body. Appear before a notary for the purpose of executing the adopted resolutions in a public instrument, and take all steps that may be advisable or necessary to achieve complete execution and registration thereof, as and when appropriate, in the corresponding public registries and, in particular, in the Mercantile Registry of the Province; this authorisation includes the power to correct, clarify, interpret, specify or supplement, where appropriate, the adopted resolutions in any public instruments or documents that may be executed for implementation thereof and, in particular, any defects, omissions or errors, of form or content, that may impede registration of the resolutions adopted and of their consequences in the Mercantile Registry of the Province, and to incorporate, on their own authority, any modifications that may be necessary to this effect or that may be indicated verbally or in writing by the Mercantile Registrar or required by the competent authorities, with no need for further consultation with the General Meeting of Shareholders.
- b) Perform, on behalf of Banco de Sabadell, Sociedad Anónima, such legal acts as may be necessary to execute the foregoing resolutions and implement them.

## **AGENDA ITEM TEN: MOTION**

The Board of Directors has drawn up and published the Annual Report on Director Remuneration with the content in accordance with Order ECC/461/2013, of 20 March, and in the terms set out in the Spanish Capital Companies Law and Circular 4/2013, of 12 June, as amended by Circular 1 /2020, of 6 October, of the Spanish National Securities Market Commission (CNMV). That Annual Report on Director Remuneration was drawn up in a free design format as permitted by Circular 4/2013 and is accompanied by the mandatory statistical appendix, which conforms in format, content and structure to the requirements of that Circular.

As provided in article 541 of the Capital Companies Law, the 2020 Annual Report on Director Remuneration is submitted to the General Meeting of Shareholders for a consultative vote based on a proposal by the Board of Directors.

*The English version is a translation of the original in Spanish and is provided for information purposes only. In case of discrepancy, the original version in Spanish shall prevail.*