



**We are progressing
as a sustainable
Institution**

Our commitments

As an Institution, we are making progress with the new challenge of sustainability, integrating social, environmental and good governance aspects in our management. The Bank has designed its governance model and organisational structure along these lines.

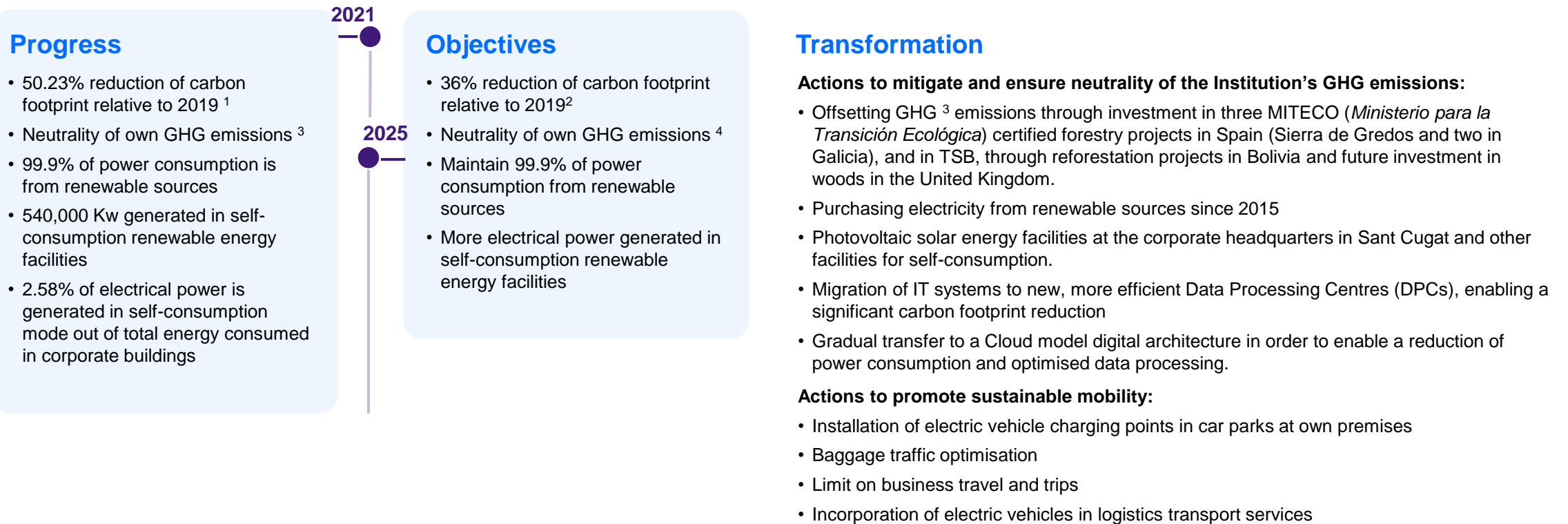
We are fostering responsible policies and practices among employees to promote the preservation of the environment and the development of a fairer, more respectful society.

1. **Be neutral in greenhouse gas (GHG) emissions as an Institution**
2. **Continue reducing our own consumption**
3. **Move forward with diversity in the Institution**
4. **Ensure the recruitment and development of talent, as a leading company with an employee value proposition**
5. **Align the governance framework to the new sustainability context**
6. **Maintain active communication with stakeholders**
7. **Continue to ensure responsible and transparent taxation**
8. **Have a supply chain with critical suppliers that have undertaken a formal commitment to sustainability**
9. **Participate in global initiatives and partnerships related to sustainability**



Commitment

01. Be neutral in greenhouse gas (GHG) emissions as an Institution



(1) Reduction relative to 2019 in Spain includes effects resulting from the impact of COVID-19

(2) In Spain

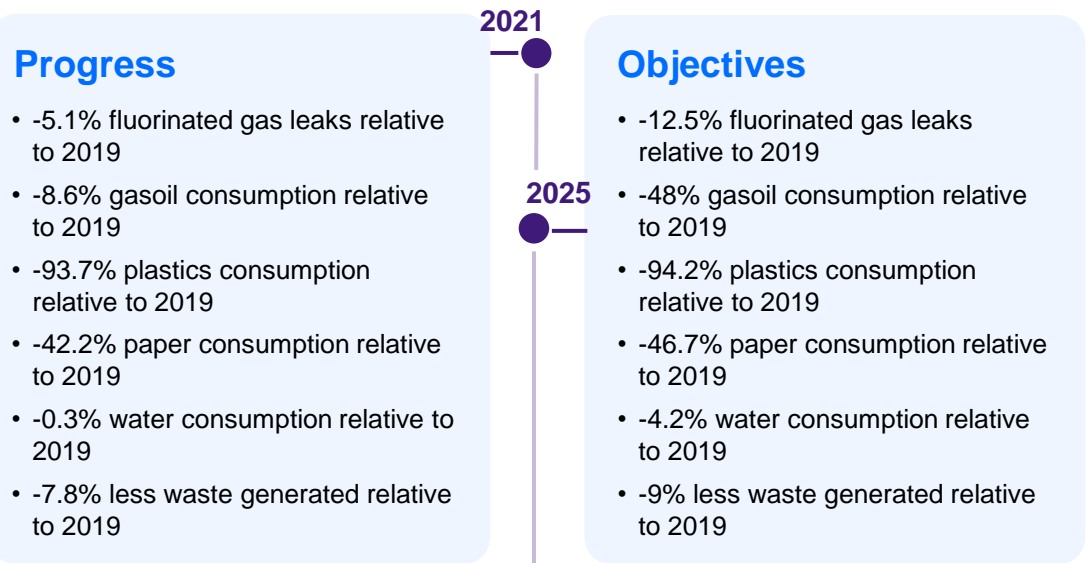
(3) Offset of the Bank's scope 1, 2 and 3 GHG emissions related to business travel in Spain, and those of TSB

(4) Neutrality of own GHG emissions in all geographies



Commitment

02. Continue reducing our own consumption



Progress

- -5.1% fluorinated gas leaks relative to 2019
- -8.6% gasoil consumption relative to 2019
- -93.7% plastics consumption relative to 2019
- -42.2% paper consumption relative to 2019
- -0.3% water consumption relative to 2019
- -7.8% less waste generated relative to 2019

Objectives

- -12.5% fluorinated gas leaks relative to 2019
- -48% gasoil consumption relative to 2019
- -94.2% plastics consumption relative to 2019
- -46.7% paper consumption relative to 2019
- -4.2% water consumption relative to 2019
- -9% less waste generated relative to 2019

Transformation

Actions to improve energy efficiency and reduce power consumption:

- Periodic review of facilities to detect potential fluorinated gas leaks
- Replacement of gasoil as fuel for mobile branches with non-polluting energy sources
- Replace lighting with LED technology in the branches
- Programme to renew air conditioning equipment with more energy-efficient equipment
- Incorporation of motion sensors in lighting systems

Actions to reduce water consumption and improve water quality:

- Cultivation of indigenous plant species and optimisation of irrigation system in gardens ¹
- Use of rainwater for irrigation¹
- Installation of photocells on taps and dual-flush systems on toilets ¹
- Installation of a waste water treatment plant ¹

Actions to reduce consumption of materials:

- Reduced use of plastics
- Zero Paper Project through digitisation of processes
- Reuse of technological equipment
- Creation of a centralised waste collection centre to encourage recycling and reuse
- Installation of a composting plant¹

Certifications:

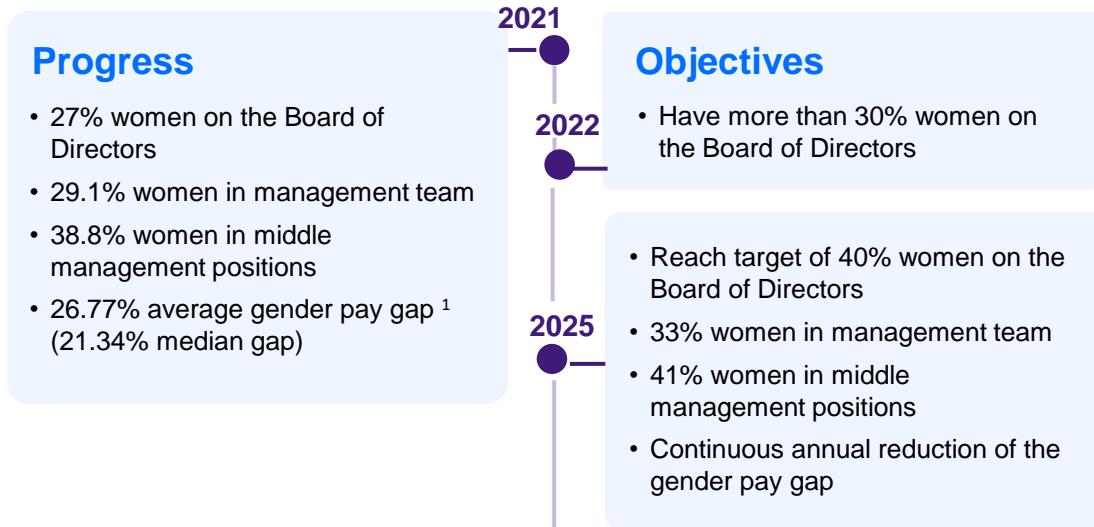
- ISO 14001 certification of the environmental management system at the corporate headquarters
- Green Certification awarded by the Green Building Council España ²

(1) Banco Sabadell Corporate Centre at Sant Cugat del Vallès
(2) Branch 4199 Barcelona Hub



Commitment

03. Move forward with diversity in the Institution



Transformation

Actions to promote diversity in the Institution and in the Board of Directors:

- Ensure and monitor, through the Appointments and Corporate Governance Committee, compliance with the required qualitative composition of the Board of Directors, assessing the balance in terms of diversity and promoting the presence of the under-represented gender
- 3rd Plan for Effective Equality between Women and Men ² (2022-2025)
- Designation of an Equality Representative to monitor and implement the actions of the Plan
- Selection procedures without discriminatory gender bias
- Monitoring of the promotion of women and of diversity in the workforce
- Promotion of the participation of women in professional development and leadership programmes
- Equality training (Equality and Diversity Plan) and establishment of an internal dissemination portal
- Incentivise external recruitment partners to implement diverse assessment of new recruits
- Monitoring of the impact of any wage action on the evolution of the gender pay gap

Promotion

Actions to support diversity in society:

- Support for groups established in the Institution that promote diversity: Sabadell Women Inspiration Group (SWING), created by women in management roles in the Bank, SWING&Co and other groups in the Territorial Divisions of the branch network
- Sponsorship of gender-related initiatives in different communication media

Commitments with external partnerships:

- Equality in the Workplace Seal of Distinction (Ministry of Equality)
- CEOs4Diversity (Adecco Foundation)
- More women, better companies (Ministry of Equality)

(1) The pay gap calculation compares total remuneration received by men against total remuneration received by women. It is calculated as the percentage arrived at by taking the difference between average and median remuneration received by men and average and median remuneration received by women and then dividing this by the average and median remuneration received by men. Data at Group level.

(2) 3rd Plan for Effective Equality between Women and Men signed by 100% of workers' legal representatives



Commitment

04. Ensure the recruitment and development of talent, as a leading company with an employee value proposition



Progress

- 84% overall satisfaction with training
- 98% of employees have received training during the year
- Ranked in Top 25 by MercoTalento
- Equality in the Workplace Seal of Distinction

2021

Objectives

- Maintain overall level of satisfaction with training above 80%
- Keep employee training completion rate above 95%
- Ranked in Top 20 by MercoTalento
- Equality in the Workplace Seal of Distinction

2025

Transformation

Annual staff training plan:

Mandatory:

- Code of Conduct, Anti-Money Laundering, Knowledge of ownership structure, Due diligence in employees' professional practices, Equality Plan, Environmental Management System, Sustainability, Eligibility Guide (identification of transactions meeting ESG criteria)

Other:

- Data Protection, Cybersecurity, Training pathway for sustainable finance certification

Enhancement of the Bank's employer brand

- Update of candidate/employee value proposition
- Partnerships with key stakeholders in the talent market
- Presence scheme, implemented organically (in educational ecosystem, publications, people-oriented HR and business-related forums) and through ambassadors (employees)

SmartWork Project for staff:

- Implementation of new technological tools and assistance with their use
- Ongoing adaptation of Covid-19 protocols with health protection criteria
- Satisfaction and wellbeing surveys
- Flexitime arrangements and implementation of blended work model

Digital disconnection policies

- Messages only sent out of hours (at night or on weekends or bank holidays) when wholly justified

Promotion

Training resources in the campus (voluntary access):

- Management, Language, Business, Financial, Regulatory and Digital Schools; Digital Tech and Digital+ Certifications and training for in-house trainers



Commitment

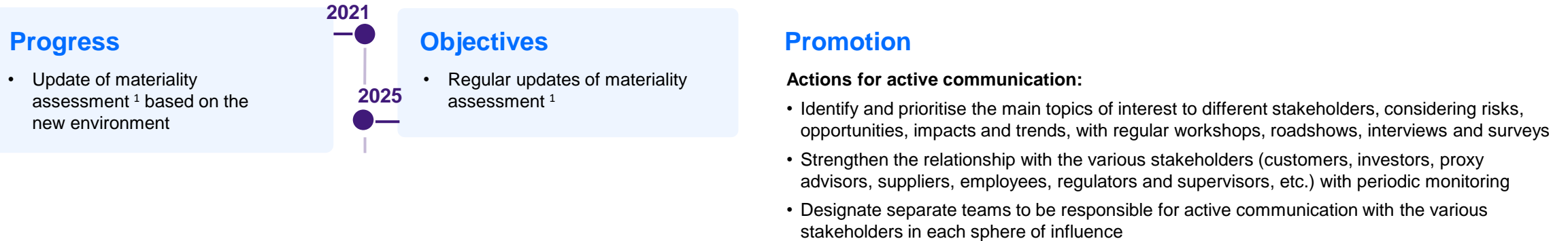
05. Align governance framework with new context of sustainability





Commitment

06. Maintain active communication with stakeholders



(1) The materiality assessment identifies and prioritises material aspects in terms of ESG, for the Group and its stakeholders. Material aspects are those that can reasonably be considered important when considering the Institution's economic, environmental and social impact, or those that influence decision-making among stakeholders.



Commitment

07. Continue to ensure responsible and transparent taxation

Progress

- Tax Strategy approved by the Board of Directors, published on corporate website and under ongoing review
- Adherence to Code of Good Tax Practices
- Membership of Large Corporates Forum
- Submission of Annual Report on Tax Transparency to AEAT ¹
- Submission of semi-annual report on tax management to Board Audit and Control Committee
- Institution rated as 'Transparent' and ranked second in the ranking of the Haz Foundation ²

2021

Objectives

- Maintain the highest possible standards in relation to good governance and transparency, in keeping with the development of best practice in the market

2025

Transformation

Actions to promote responsible and transparent taxation:

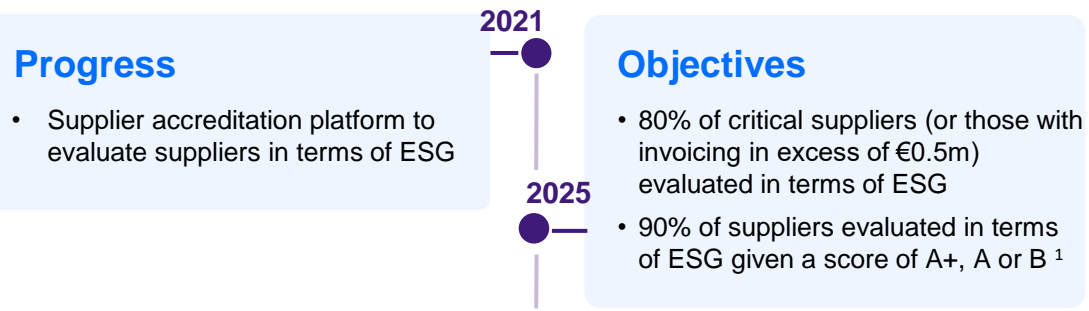
- Ongoing adaptation to best practices and domestic and international standards on responsible and transparent taxation
- Enhanced relationship of collaboration and cooperation with tax authorities and increased participation in environments of cooperative relationships with tax administrations
- Keep the material tax disclosures contained in the various documents accessible on the corporate website (Tax Strategy, Annual Financial Statements, Board Audit and Control Committee Report, Tax Liability and Good Taxation Practices documentation, etc.) up to date.

(1) Agencia Estatal de Administración Tributaria (Spain's State Tax Agency)

(2) Report on transparency of tax responsibility of companies in the IBEX-35 (*Informe de transparencia de la responsabilidad fiscal de las empresas del IBEX-35*), Haz Foundation, 2020

Commitment

08. Have a supply chain with critical suppliers that have undertaken a formal commitment to sustainability



Transformation

Selection and evaluation of suppliers with ESG criteria:

- Accreditation questionnaire with ESG criteria
- Incorporation of ESG criteria in tender processes, according to the criticality and/or impact of the service to be commissioned

Promotion

Raise awareness about sustainability among suppliers:

- Selective audits and audit sampling of ESG compliance
- Disclosure and implementation of new Code of Conduct

90%

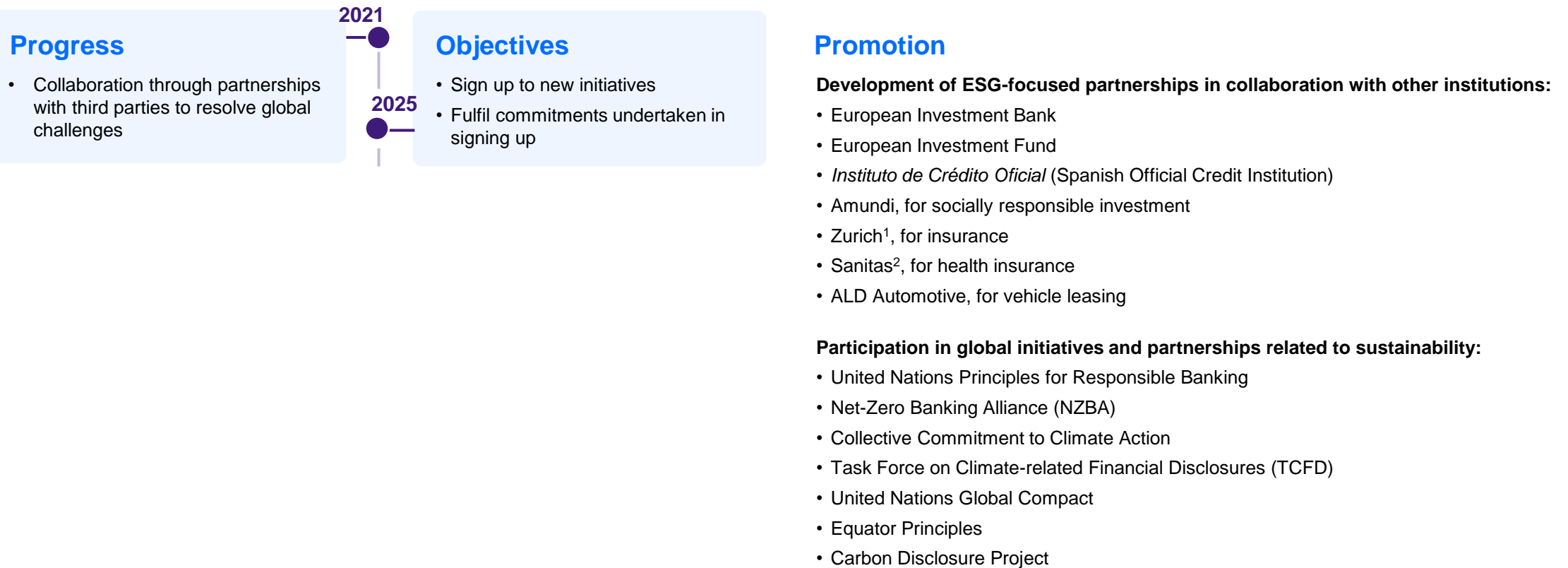
of suppliers assessed in terms of ESG are classed in assessment categories A+, A y B ¹

(1) ESG score out of 100: A+ (Excellent with a score of 96-100), A (High with a score of 75-95), B (Medium-High with a score of 50-74), C (Medium-Low with a score of 25-49) and D (Low with a score of 0-24)



Commitment

09. Participate in global initiatives and partnerships related to sustainability



(1) Sabadell Zurich is the internal brand that encompasses three joint ventures (BanSabadell Seguros Generales, BanSabadell Pensiones and BanSabadell Vida) participated jointly by Zurich and Banc Sabadell whose activity is focused on the management and sale of insurance products.

(2) Banco Sabadell is the distributor of the product Salud Sabadell-Sanitas, arranged as coinsurance between the joint venture with Zurich, BanSabadell Seguros Generales and Sanitas

**And you?
Will you join our
Commitment to
Sustainability?**

B Sabadell