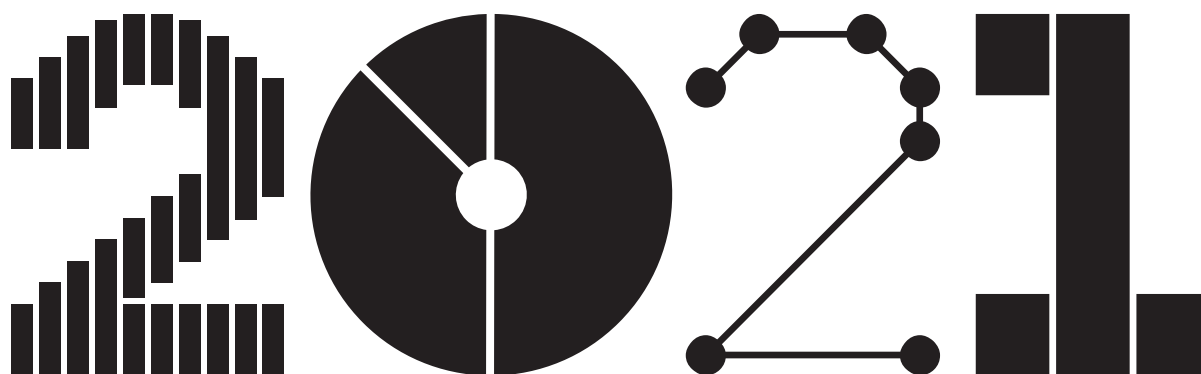


Banco Sabadell Annual Report on Directors' Remuneration



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This is the Annual Report on Directors' Remuneration of Banco de Sabadell, S.A. (hereinafter, Banco Sabadell, the Bank or the Entity).

Banco Sabadell's Annual Report on Directors' Remuneration (hereinafter, IARC or the Report) is drawn up with the information on the Bank at the end of 2021, in compliance with the provisions of article 541 of the Capital Companies Law and Notice 4/2013 of 12 June of the CNMV (Spanish National Securities Market Commission).

This Report, together with the statistical annex contained in Section 7, has been disclosed as "other relevant information" at the CNMV (Spanish National Securities Market Commission) and shall be submitted for a consultative vote on a separate item of the agenda at the Bank's forthcoming Ordinary General Meeting of Shareholders to be held in 2022. Similarly, this Report is available in the "Corporate Governance and Remuneration Policy" section of the Banco Sabadell Group's corporate website (www.grupobancosabadell.com).

This report essentially consists of two sections:

- Firstly, a summary of our Directors Remuneration Policy applicable to 2022 approved at the Company's General Meeting of Shareholders held on 26 March 2021, which shall remain in force until 31 December 2023.
- Secondly, a description of how the Directors Remuneration Policy has been applied throughout 2021.

We provide below details of the context of the current Remuneration Policy, which includes Banco Sabadell's results in 2021 and how through the decisions taken by the Remuneration Committee, said policy has been applied.

Informative Supplement to the Directors' Remuneration Policy

The Board of Directors, on 17 February 2022, following a report by the Remuneration Committee made available to shareholders at the time notice was given of the General Meeting of Shareholders, has considered appropriate to submit for approval by the General Meeting of Shareholders an informative supplement to the Directors' Remuneration Policy for the years 2021, 2022 and 2023 which develops and expands the information available on current Directors' Remuneration Policy of Banco Sabadell, S. A., approved by the General Meeting of Shareholders on 26 March 2021.

Subsequent to the approval of the current Directors' Remuneration Policy, Law 5/2021 of 12 April was enacted, amending the revised text of the Capital Companies Law, approved by Royal Legislative Decree 1/2010 of 2 July, and other financial regulations, with regard to the promotion of long-term shareholder involvement in listed companies, which entered into force in general on 3 May 2021,

without prejudice to specific provisions for certain specific precepts. Amendments were introduced in relation to the requirements and mandatory content of the Directors' remuneration policy.

Although the current Directors' Remuneration Policy approved in March 2021 already took into account the Draft Bill that led to the aforementioned Law 5/2021, which was at that time at the end of its parliamentary processing, and substantially addresses all the requirements and content applicable to the remuneration policies of directors of listed companies as set out in the new article 529 novodecies of the Capital Companies Law. The Board of Directors of Banco Sabadell, approved at its meeting of 17 February 2022, following a favourable report from the Remuneration Committee, this proposal for the Director's Remuneration Policy, in order to develop and expand the information available on three specific aspects introduced by the new regulations subsequent to their approval, which will improve the overall quality of its contents.

In particular, the proposed informative supplement develops and expands (i) how the remuneration and employment conditions of the employees of the Bank have been taken into account when setting the Remuneration Policy; (ii) how share-based remuneration contributes to the Bank's business strategy and the Bank's long-term interests and sustainability; and (iii) the decision-making process followed for the determination, review and application of the Directors' Remuneration Policy.

The informative supplement of these three specific aspects do not affect the content of the current Directors' Remuneration Policy for the financial years 2021, 2022 and 2023 approved by the General Meeting of Shareholders on 26 March 2021. No elaboration of a new Policy or amendment is therefore required.

Remuneration accrued by the Directors in 2021

The remuneration accrued in 2021 by the Executive Directors and Non-Executive Directors comprises the same elements as those described in the current Remuneration Policy in force in 2022. In this respect, it should be noted that the remuneration system for the Directors of Banco Sabadell distinguishes between the remuneration of the Directors for their functions as members of the Board of Directors and the remuneration for the performance of executive functions, as regulated by the Articles of Association.

The amounts corresponding to 2021 of everyone who was a member of the Board of Directors during that year have been taken into account for this report. Some of the amounts correspond to extraordinary events which happened during 2021 concerning the Executive Directors that make the bases non comparable to 2020 and present significant differences. These events are the vesting of economic rights of long-term savings plans whose contributions have been made during the previous years and the

severance pay amounts for the Executive Directors, in the terms set out in section 3. If these events did not happen and only the amounts arising from the regular activity were considered, the amount of the remuneration accrued in companies of the group in 2021 would amount to 7,179 thousand euro instead of the 44,604 thousand euro contained in table c.i) of section "7. Statistical annex".

In the same way, in 2020, as a responsibility measure against the crisis brought by COVID-19, the Chairman and the Executive Directors voluntarily waived their variable annual remuneration for 2020. If this had not happened, the amount of the remuneration accrued in companies of the group in 2020 would amount to 7,644 thousand euro.

Ordinary remunerations comparative 2021 vs 2020 (thousand euro)

	2021	2020
Summary of the Directors' ordinary remunerations (thousand euro)	7,179	7,644
Extraordinary events in each year		
Vesting of entitlements for pensions (*) and severance pay for directors	37,425	
Directors' waiver of the variable remuneration payment for 2020		865
Total amounts published in the statistical annex, including extraordinary events	44,604	6,779

(*) Of which 32,134 thousand euro correspond to contributions made before 2021.

The comparable ordinary remunerations in 2021 decreased 465 thousand euro (-6,1%) in contrast to the remunerations in 2020.

- The remuneration system of the Directors as members of the Board of Directors, which is broken down into fixed remuneration for membership of the Board of Directors and attendance fees for ordinary meetings, specifies the additional remuneration received by the Chairman for the performance of his functions in his non-executive capacity.
- With regard to the remuneration system of the Directors for their executive functions, in 2021, the Directors received fixed remuneration, short-term variable remuneration, long-term remuneration, social welfare plans and discretionary pension benefits in accordance with the scheme set out in the Directors Remuneration Policy.

With regard to the short-term variable remuneration, each Executive Director is allocated a target amount and certain objectives, which include metrics related to risk control and management, solvency and capital and strategic objectives with weightings allocated to each indicator and a scale of achievement. In 2021 the Chief Executive Officer had 100% of his objectives linked to the Group's objectives. In the case of the CRO Director, taking into account the control functions that he performs, this percentage was reduced to 20%, with the remaining 80% related to the performance of his duties and responsibilities.

On 26 January 2022 the Board of Directors determined the degree of achievement of the following Group objectives in accordance with the weightings established at the beginning of the year:

Metric	Definition	Weighting	% Achievement
ROE (Return on Equity)	Banco Sabadell's ROE (excluding corporate operations) forecast in the 2021 budget	20%	125.61
Net banking revenues	Banco Sabadell's consolidated net interest income plus net fees and commissions forecast in the 2021 budget	17.5%	125.92
Group expenses	Budget for the sum of consolidated personnel and general expenses and those derived from real estate activities not included in the first two (personnel and general)	17.5%	126.63
Cost of Risk	Budget for loan-loss provisions and other financial assets / Gross customer loans + Non-performing properties, ex portfolio sales	25%	100.05
NPS (synthesis of Group)	A synthetic indicator of customers' appraisal of the Entity, distinguishing between business units (Commercial Banking, Private Banking, Corporate Banking EMEA and TSB), weighted by the strategic focus of each segment	10%	105.21
Sustainability (Synthetic Group)	A synthetic indicator comprising environmental, social, diversity and gender equality indicators	10%	125.60
TOTAL			117.41%

Upon the basis of these results, in accordance with the 2021 Policy, the amount of the per annum variable remuneration for each Executive Director has been determined, subject to the deferred liquidation and share-based payment system applicable to their status as Executive Directors, in a manner consistent with effective risk management.

The long-term remuneration is also subject to the achievement of annual objectives, insofar as the amount allocated in the long term is determined upon the basis of a percentage of the fixed remuneration and the achievement of individual annual objectives in the first year of the generation of the incentive. The achievement achieved in respect of the multi-year objectives is applied to this allocated amount at the end of the period and the final amount to be received is determined. The allocated amount considering the achievement of the annual objectives may be reduced but never increase by the result of multi-year metrics.

The Remuneration Policy, approved by the General Meeting of Shareholders on March 28, 2019, was applied to the members of the Board of Directors who performed their executive functions until March 26, 2021. In this respect, in addition to the current Chief Executive Officer and the CRO Director, the following persons performed executive functions as members of the Board of Directors in 2021:

- The Chairman, Mr Josep Olliu Creus performed executive functions until 26 March 2021.
- The Director Ms María José García Beato performed executive functions until 31 March 2021.
- Mr Jaime Guardiola Romojaro resigned as CEO on 18 March 2021.

1. Principles of Banco Sabadell's Remuneration Policy

Banco Sabadell's Remuneration Policy is geared towards creating long-term value by means of an alignment of the interests of its shareholders and employees in coherence with the strategic risk and business goals and the Bank's values while adopting a prudent risk management approach and preventing conflicts of interest.

The principles of the Banco Sabadell Group Remuneration Policy, which are fully applicable to the Executive Directors, are as follows:

1. Fostering medium-to-long term business and social sustainability, as well as alignment with the Group values

Likewise, the Remuneration Policy of the Banco Sabadell Group, as a whole, includes information on the coherence of these policies with the integration of sustainability risks. In particular, with regard to sustainability, the following aspects shall be taken into account:

- The Group's remuneration policy and practices shall be consistent with its approach to credit risk management, its credit risk appetite and its strategies, and shall not create a conflict of interest. In addition, these practices shall incorporate measures for the management of conflicts of interest, with a view to protecting consumers against undesirable detriment arising from the remuneration of sales staff.

- Aligning remuneration with shareholder interest and with the creation of long-term value.
- Implementing rigorous risk management, considering measures to prevent conflicts of interest.
- Ensuring an alignment with the Group's long-term business strategy, objectives, values and interest.

- Consistency with the integration of sustainability risks and the publication of this information on the Group's website.
- Remuneration policy and practices shall encourage conduct that is consistent with the Group's approach to climate and environmental risks, as well as with the Group's voluntary commitments. Remuneration policy and practices shall promote a long-term approach to managing climate-related and environmental risks.
- The components of remuneration must contribute towards the promotion of action in environmental, social and good governance (ESG) in order to have a sustainable and socially responsible business strategy.

2. Ensuring a competitive and equitable remuneration system (external competitiveness and internal fairness) based on the equal remuneration of female and male employees for a given job or a job of equal value

- The ability to attract and retain the best talent.
- Rewards professional experience and responsibility, irrespective of the employee's gender.
- Is aligned with market standards and flexible, so that it can be adapted to changes in the environment and in the sector's requirements.

3. Rewarding performance by aligning remuneration with the results generated by the individuals and the level of risk assumed with the results generated by the individual and the level of risk assumed

- An appropriate balance between the different remuneration components.
- Taking into consideration current and future risks and results, without encouraging employees to take risks that go beyond the level tolerated by the Group.
- A system that is simple, transparent and clear. The Remuneration Policy must be understandable and easy to communicate to the entire workforce.

Strengths of the Remuneration Policy applicable to the Executive Directors

- **A reasonable balance between (per annum and multi-year) fixed and variable elements**, reflecting appropriate risk-taking combined with the fulfilment of defined short and long-term objectives.
- **Consideration of multiple metrics** linked to results, return, risk management and control, solvency, capital and strategic non-financial objectives linked to sustainability.
- **Long-term remuneration** with a three-year target measurement period linked to TSR, liquidity, solvency and ROTE targets.
- **There is no guaranteed variable remuneration.**
- Prudential mechanisms for **adjustment to fulfilment of objectives** and other **ex-ante adjustments**.
- **Deferral** of 60% of the per annum variable remuneration over five years for any variable remuneration element.
- Payment of more than 50% of the **variable remuneration in shares** (50% for the up-front part and 55% for the deferred part).
- **Permanent holding of shares.** Executive Directors may not transfer the delivered shares until at least three years have elapsed since the time of their delivery, unless they own an amount equivalent to twice their annual fixed remuneration and in any event they have a minimum lock-up of one year.
- **Malus and clawback clauses**, in accordance with the provisions of credit institutions' regulations.
- **Recurrent external advice** to the Board of Directors and the Remuneration Committee with regard to market practices.

Strengths of the Remuneration Policy applicable to the Directors for their functions as members of the Board of Directors

- The remuneration is in accordance with the responsibilities and functions assumed by each Director, without jeopardising their independence.
- They do not participate in variable remuneration schemes.
- They do not receive their remuneration by means of the delivery of shares, options or rights relating to shares or instruments linked to the value of the share.
- They do not participate in long-term savings systems such as pension plans, retirement schemes or other social welfare schemes.

The Policy also complies with the current European Directives and Regulations and other legislation, in particular Law 10/2014 of 26 June on the regulation, supervision and solvency of credit institutions, Royal Decree 84/2015 of 13 February implementing Law 10/2014 of 26 June on the regulation, supervision and solvency of credit institutions and Bank of Spain Notice 2/2016 of 2 February to credit institutions on supervision and solvency, complementing the adaptation of the Spanish legal system to Directive 2013/36/EU and Regulation (EU) 575/2013, as well as the EBA Guidelines on Internal Governance (EBA/GL/2021/05) of 2 July 2021, the EBA Guidelines EBA/GL/2021/04 of 2 July 2021 on adequate remuneration policies in accordance with Directive 2013/36/EU and Delegated Regulation (EU) 923/2021 or the regulation that replaces it.

2. Directors Remuneration Policy applicable to 2022

Banco Sabadell regularly carries out a process to reflect on the current Directors Remuneration Policy that takes into account the following factors:

The Bank's own reality

- **Strategic Plan:** aligning the remuneration package with the short and long-term objectives set out in the 2021-2023 strategic plan.
- **Commitment to sustainability:** this is an essential element of the Group's remuneration. The components of the remuneration must contribute to the promotion of action in environmental, social and good governance (ESG) in order to ensure a sustainable and socially responsible business strategy.
- **Prudent risk management:** discouraging the taking of present and future risks that go beyond the level tolerated by the Group while taking into account the customers' interests.
- **The Group's general Remuneration Policy:** particularly the one applied to members of the members of the Group Identified Staff and the senior management.

External factors

- **Regulations:** strict compliance with the regulatory requirements on remuneration.
- **Approval of Report of the last financial year:** This report was approved by a significant majority at the General Meeting of Shareholders (89.74% of the votes cast).
- **Stakeholders:** the recommendations received during the process of engagement with investors, shareholders and proxy advisors that Banco Sabadell regularly carries out.
- **Market practices:** credit institutions that may be competitors for business or talent.
- **Good governance:** the general national and international corporate governance recommendations.

The Board of Directors, on the motion of the Remuneration Committee, applies the measures it deems appropriate to the Directors' remuneration system during the year, within the limits established in the Policy. However, if the Board of Directors considers that the measures to be implemented require an amendment or a new Remuneration Policy, it shall propose such an amendment or new Policy to the General Meeting of Shareholders.

The Remuneration Policy referred to in this section is the Remuneration Policy of the Directors of Banco Sabadell, S.A. for years 2021, 2022 and 2023, which was approved at the Bank's General Meeting of Shareholders held on 26 March 2021.

The Board of Directors, on 17 February 2022, following a report by the Remuneration Committee has considered appropriate to submit for approval by the General Meeting of Shareholders an informative supplement to the Directors' Remuneration Policy for the years 2021, 2022 and 2023. The Remuneration Committee report is available to shareholders at the time notice was given of the General Meeting of Shareholders. This informative supplement develops and expands the information available on current Remuneration Policy of Banco Sabadell, S. A. (Banco Sabadell, the Bank or the Entity), approved by the General Meeting of Shareholders on 26 March 2021.

For further details the Remuneration Policy can be viewed via the following link:

<https://www.grupbancsabadell.com/corp/es/gobierno-corporativo-y-politica-de-remuneraciones/politica-de-remuneraciones-de-consejeros.html>

2.1. Remuneration of the Executive Directors

2.1.1. Executive summary and remuneration mix

The Executive Directors, in addition to their remuneration due to their capacity as members of the Board of Directors, receive the remuneration corresponding for the performance of their executive functions, pursuant to the provisions of the Articles of Association of Banco Sabadell, whose concepts coincide with those of the Senior Management of Banco Sabadell and the rest of the members of the Group Identified Staff.

The remuneration of the Executive Directors for each financial year is set by the Board of Directors, within the overall maximum limit established by the General Meeting of Shareholders in this Directors Remuneration Policy for each of the items comprising their remuneration. The Board of Directors shall comply with the provisions of the applicable legal regulations, taking into account its special consideration as a financial institution in accordance with the concepts, terms and conditions established in the Directors Remuneration Policy, which considers a vision of total remuneration, taking into account all the elements of remuneration and the relationships between them, establishing an appropriate balance between the fixed and variable remuneration and between the distribution of short and long-term payments and safeguarding the rights and interests of the shareholders, investors and customers.

In this respect, while the remuneration packages of the Chief Executive Officer and the CRO Director are quite similar, there exist the following differences:

- The CRO Director's remuneration is predominantly fixed in order to reflect the nature of his activities and not to jeopardise his independence with respect to the business units he oversees.
- The methods used to set the objectives and determine the variable remuneration of each of the Directors take into account the particularities of each of them and they must not jeopardise their objectivity and independence, in particular that of the Chief Risk Officer. In this respect, 80% of the Chief Executive Officer's short-term variable remuneration is linked to the Group's objectives and the remaining 20% is based on an individual qualitative appraisal approved by the Remuneration Committee on the motion of the Chairman. For the CRO Director, given the nature of his functions (control function), the percentage linked to the Group's objectives is limited to 20% and the remaining 80% are objectives specific to his functions.
- In relation to the pension benefits, the Chief Executive Officer only participates in the pension plan in which the other employees of Banco Sabadell, S.A. are included.

The Chief Executive Officer's remuneration has been kept without variation since their hiring. The established conditions were fixed taking into account the comparative market references, detailed in section 4.2 of this report, which establish the total remuneration of the CEO at the 60th percentile of the group of international comparison and at the 63rd percentile of the group of national comparison, as well as the situation of the Entity at the moment of hiring.

The remuneration items for the Executive Directors set out in the Directors Remuneration Policy, as well as the amounts estimated for 2022, are summarised below:

Item	Purpose	2022 amounts	
		Chief Executive Officer	CRO Director: Officer
Fixed salary	To remunerate the set of functions and the responsibilities of the position held, acknowledging the contribution of the Executive Director in that position for as long as he remains in it.	€2,000,000	€450,000
Social benefits and remuneration in kind	To complement the monetary and non-monetary remuneration with other items that increase the loyalty and commitment of the Executive Directors. The Executive Directors are entitled to the social benefits under the same conditions as the rest of the workforce.	Similar to 2021 ⁽¹⁾	Similar to 2021 ⁽¹⁾
Social welfare plans	To cover retirement and other contingencies appropriate to the nature of the functions performed by the Executive Directors.	€870 approximate	€ 100,500 approximate
Discretionary pension benefits*	In accordance with the current regulations, 15% of the contributions to the pension benefits are regarded as discretionary pension benefits and are therefore linked to the percentage of fulfilment of the short-term objectives of the short-term variable remuneration, and they may not in any event exceed 100% of the amount.		
Short-term variable remuneration*	To reflect the performance during the year measured by annual objectives aligned with the risk incurred. Each Executive Director is allocated certain objectives, which include metrics related to risk control and management, solvency and capital and strategic objectives with weightings allocated to each indicator and a scale of achievement. The objectives set for the Executive Directors for 2022 can be viewed in section 2.1.2.b).	Target**: €600,000	Target**: €100,000
		Maximum: €870,000	Maximum: €117,500
Long-term remuneration*	To measure the performance of the Group and the Executive Director within a multi-year framework. The annual objectives determine the amount allocated, to the same extent as the short-term variable remuneration. Upon the basis of that amount, the multi-year objectives determine the final amount to be received, which may be reduced, but never but never increased the long term remuneration amount. The objectives set for the Executive Directors in the different cycles in force in 2022 can be viewed in section 2.1.2.c).	Target**: €600,000	Target**: €112,500
		Maximum: €870,000	Maximum: €132,188

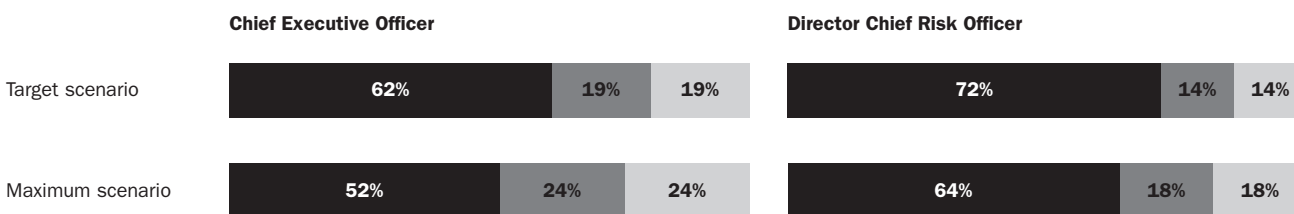
* The payment of any item of variable remuneration is subject to the requirements regarding ex-ante adjustments, deferral periods, payments in capital instruments, malus and clawback clauses outlined in this Report.

In addition, the target and maximum amounts of the variable remuneration are indicated at the time of allocation, without prejudice to the fact that the value actually received may be lower, equal or higher, depending on (i) the evolution of the value of the capital instruments during the deferral period and (ii) the application, as appropriate, of malus clauses.

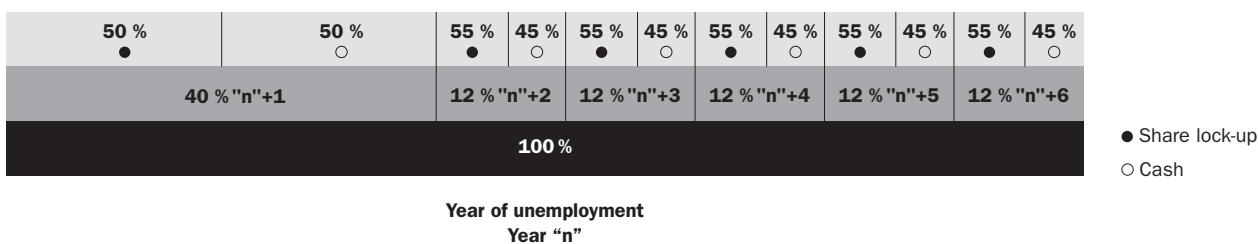
**Target: remuneration to be allocated in the event that 100% of the objectives are achieved.

Maximum: maximum amount of the variable remuneration to be allocated in the event of over-fulfilment of the objectives.

In view of the above, the remuneration mix of the Executive Directors is presented upon the basis of a target scenario for the fulfilment of the objectives:



- Fixed Salary + Social Benefits + Pension Benefits
- Short-term variable remuneration + discretionary pension benefits
- Long-term remuneration



⁽¹⁾ The amounts are detailed in section 7. Statistical appendix, table i).

2.1.2. Details of the items of remuneration

The items that comprise the remuneration package of the Executive Directors for the performance of their executive functions are similar to those for the 2021 financial year:

A) Fixed remuneration

In accordance with the Directors Remuneration Policy, the overall maximum limit of the fixed remuneration of the Executive Directors is six million euros per annum. Within the above-mentioned limit, which includes both the cash remuneration and the social benefits, pension benefits and welfare plans in the envisaged contractual terms, the Board of Directors, subject to a favourable report from the Remuneration Committee, determines the individual amounts of the remuneration.

The individual remuneration amounts comprising the fixed remuneration of the Executive Directors in 2022 are listed below:

Item	Additional information	Amount
Fixed salary	This is paid in cash on a monthly basis. This remuneration is established by the Board of Directors on the motion of the Remuneration Committee. The amount established in 2021 for both Executive Directors has been maintained.	— Chief Executive Officer/ CEO: €2,000,000 — CRO Director: €525,000
Benefits and Remuneration in kind	The Executive Directors are the beneficiaries in 2022 of a Collective Life Insurance, School allowance, and Christmas basket in the same terms as the rest of the institution's employees. In addition, they are beneficiaries of an Absolute Permanent Disability Insurance in the same terms as the rest of the institution's executives, as well as the assignment of use of a vehicle, in the same terms as the rest of the members of the Bank's senior management.	— Chief Executive Officer/ CEO: Amounts similar to 2021 ⁽⁴⁾ — CRO Director: Amounts similar to 2021 ⁽⁴⁾
Social welfare plans*	Like all the other employees, the Executive Directors participate in the defined contribution "Group B company pension plan", which shall materialise upon their effective retirement as employees. The CRO Director is also a beneficiary of the defined-contribution "Executive Group insurance policy" indexed to his annual fixed salary, which shall be paid out upon the date of his effective retirement, death or permanent and absolute disability, providing for the possibility of collection of the benefit in the form of a lump sum, rent or a combination of the two, in accordance with the current legislation, except in the event that, in the absence of any express interest on the part of Banco Sabadell, he continues to work at Banco Sabadell beyond the age defined by law for collecting the retirement benefit, in which case all the economic rights to which he is entitled shall be forfeited. It is compatible with potential dismissal indemnities.	It is calculated that the following contributions shall be made in 2022: — Group B company pension plan: Chief Executive Officer/ CEO: €831.27 and CRO Director: €831.27 — Executive Group insurance policy: CRO Director: €99,750

Note:

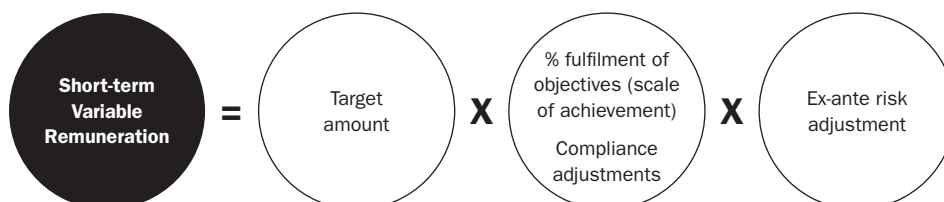
Discretionary pension benefits: Since the entry into force of Bank of Spain Notice 2/2016 of 2 February to credit institutions on supervision and solvency, complementing the adaptation of the Spanish legal system to Directive 2013/36/EU and Regulation (EU) 575/2013, 15% of the contributions are regarded as discretionary pension benefits and, consequently, they are linked to the percentage of fulfilment of the beneficiary's short-term objectives and on no account may they exceed 100% of the amount.

In this regard, 15% of the contributions to be made in 2022 in relation to the "Executive Group insurance policy" shall be made in keeping with the percentage of fulfilment of the short-term variable remuneration objectives.

⁽⁴⁾ The amounts are detailed in section 7. Statistical appendix, table i).

B) Short-term variable remuneration 2022

At its meeting held on 26 January 2022, the Board of Directors, on the motion of the Remuneration Committee, established that the short-term variable remuneration for 2022 shall be as follows:



Target and maximum amounts:

Target amount (reached in the event that 100% of the pre-set objectives are fulfilled):

- Chief Executive Officer/ CEO: € 600,000 (30% of the fixed salary).
- CRO Director: € 100,000 (22.22% of the fixed salary).

Maximum amount (reached in the event of maximum fulfilment of the pre-established objectives):

- Chief Executive Officer/ CEO: € 870,000 (145% of the target amount).
- CRO Director: € 110,000 (117.5% of the target amount).

Objectives and metrics

The Chief Executive Officer has 80% of his objectives linked to the Group's objectives and the remaining 20% to an individual qualitative appraisal set by the Remuneration Committee on the motion of the Chairman. In the case of the CRO Director, the percentage of the Group's objectives fell to 20%, taking into account the control functions he performs. The metrics selected for the Group's objectives are described below:

Metric	Definition	Weighting
ROTE	Return on Tangible Equity	20%
Net Profit of the Group		20%
Margin interest plus commissions	Banco Sabadell's consolidated net interest income plus net fees and commissions forecast in the 2022 budget	10%
Group expenses	Budget for the sum of consolidated personnel and general expenses and those derived from real estate activities not included in the first two (personnel and general)	10%
Asset Quality	Cost of Risk (12%) + Volume NPAs (8%)	20%
Quality of Services	Aggregate availability metrics of the Group's customer services	10%
Sustainability	A synthesis with grade improvements in the main ESG indices of the credit ratings agencies - Thematic Review Result, Diversity (% female managers) Environment (sustainable finance)	10%

Scales of achievement

In the case of the Group's Objectives, attainment parameters of between 50% and 150% were established for each of the objectives, based on a non-linear scale of attainment pre-established by the Remuneration Committee for each of the objectives. Attainment of under 50% is regarded as 0% for the purposes of the calculation of the overall attainment.

In the case of the functional objectives of the CRO Director, the attainment parameters are set at between 50% and 100%.

In order to be entitled to receive the variable remuneration, the overall attainment of the objectives must exceed 60%. No variable remuneration shall be received under 60% and no additional variable remuneration shall be generated above 150%

Prudential adjustments to the fulfilment of the objectives

The real amount to be received shall be determined by the degree of attainment of the Group's established objectives, to which a correction factor shall be applied, based on the relationship between the Institution's levels of capital (CET1) and liquidity (*Liquidity Coverage Ratio*) with respect to the limits set in the RAS (Risk Appetite Statement). Non-attainment of any of these indicators shall entail a reduction in the variable remuneration; a breach of the tolerance thresholds of the RAS of these indicators shall count as zero attainment of the Group's objectives for 2021.

Ex ante risk adjustments

In addition, the amount of the short-term variable remuneration is subject to a possible disposal adjustment, as determined by the Board of Directors on the motion of the Remuneration Committee, which may indeed prove to be zero depending on the following parameters:

- A variable remuneration adjustment based on the evolution of the risk profile and the evolution of the results. The adjustment may be applied at Group, unit, country or even individual level, to reflect the various types of risk. This variable remuneration adjustment, which can reduce the initial amount of available remuneration to zero, ensures that the variable remuneration is fully aligned with the risks assumed. This variable remuneration adjustment shall cover all the events and situations that might have an impact on the Group's risk and which have not been fully factored into the assessment of the objectives set at the beginning of the year and shall be related to risk and control factors such as breaches of standards and regulations, breaches of risk limits (e.g. RAS, (solvency, liquidity) and breaches of expected loss thresholds in terms of operational risk) and/or internal control indicators (e.g. results of internal audits) and similar items.

- The possibility of reduction to zero if the Bank's capital is less than the Maximum Distributable Amount (MDA) determined by the regulations at any given time.

Malus and Clawback clauses

The short-term variable remuneration and long-term remuneration that has not yet been collected (up to 100% of the amount) shall be subject to malus (reduction or cancellation of the deferred amounts) and clawback (recovery of the received amounts) clauses in the event of a poor financial performance by the Bank as a whole or a specific division or area or the exposures generated by the member of the members of the Group Identified Staff that are applicable. These clauses do not require malice or negligence. For these purposes, the performance assessment will be compared with subsequent performance of the variables that contributed to achieving the objectives.

The following factors will be considered:

- Significant failures in the risk management by the Institution or a unit.
- An increase in the capital requirements of the Institution or a business unit level not envisaged at the moment at which the exposures are generated.
- Regulatory penalties or legal convictions for events that can be attributed to the unit or its managers. Similarly, failure to comply with the Institution's internal codes of conduct.
- Individual or collective improper conduct. Particular consideration shall be given to the negative effects deriving from marketing unsuitable products and the liability of the persons or bodies making such decisions.

The malus clause may be triggered during the period in which variable remuneration is deferred. The clawback clauses may be applied from the delivery of the remuneration until the conclusion of the last lock-up period. The application of the clawback clauses may be supplementary to the application of malus causes, in such a way that, in addition to forfeiting the amounts not yet received, the member of the Identified Staff shall be required to return part or all of the amounts already received as short-term variable remuneration and long-term remuneration.

The Remuneration Committee must review the situation each year in order to make a proposal to the Board of Directors, if necessary, based on a report by the Human Resources Division, and after seeking the opinion of the Internal Control Division, the Finance Division and the Compliance Division as to whether circumstances have arisen to reduce or cancel the deferred remuneration or trigger clawback of variable remuneration already collected by a member of the Identified Staff, depending on the characteristics and circumstances of each particular case.

Payment procedure

The payment of this variable remuneration is subject to the criteria of deferral and payment in capital instruments, in accordance with the applicable regulations. Taking into account the foregoing, the effective receipt of the short-term variable remuneration of the Executive Directors corresponding to 2022 will be subject to the following scheme:

Variable remuneration 2022



40% of the variable remuneration for 2022 shall be received in 2023. 50% of the resulting amount shall be paid in cash and the other 50% in Banco Sabadell shares (valued at the closing price of the last meeting of the month in 2023 in which the non-deferred part is paid) and the shares shall be subject to a one-year lock-up*.

60% of the variable remuneration for 2022 shall be deferred over a five-year period, with one-fifth being paid in each of the years 2024, 2025, 2026, 2027 and 2028. 45% of the resulting amount shall be paid in cash and the other 55% in Banco Sabadell shares (whose number shall be determined in accordance with the closing price of the last meeting of the month in 2023 in which the non-deferred part is paid) and the shares shall be subject to a one-year lock-up*.

* The variable remuneration paid in shares is subject to one-year lock-up. In line with recommendation 62 of the Good Governance Code, unless the Executive Directors own shares amounting to the equivalent of twice their annual fixed remuneration, they may not transfer the shares they receive until at least three years have elapsed from the time of their delivery. The above condition shall not apply to any shares that must be disposed of, as appropriate, to cover the tax obligations arising from their delivery.

The use of personal hedges with financial products or any other mechanism that guarantees collection of part or all of the variable remuneration is not permitted.

C) Long-term remuneration

The Executive Directors, as well as the other members of the Bank's senior management and the Group Identified Staff, receive long-term remuneration whose overlapped cycles are granted on an annual basis.

General framework

The long-term remuneration scheme is based on the fulfilment of annual and multi-year (three-year) objectives, whereby a reference long-term remuneration amount (the amount to be received in the event of 100% fulfilment of both the annual and the multi-year objectives) is established at the beginning of the cycle. This reference amount totals 30% of the fixed salary for the Chief Executive Officer and 25% for the CRO Director.

After the end of the first year of the cycle, the reference amount is adjusted during the first quarter upon the basis of the following factors:

- Degree of fulfilment with the short-term variable remuneration objectives corresponding to the first year of the cycle.
- Potential ex-ante adjustments.

This adjustment may result in the reference amount being zero or, at most, in the event of the over-fulfilment of the annual objectives, 145% of the reference amount in the

Accordingly, the actual receipt of the Executive Directors' short-term variable remuneration corresponding to 2022 shall be subject to the following schedule:

case of the Chief Executive Officer and 117.5% in the case of the CRO Director.

The payment of the adjusted reference amount, determined as a cash amount (45%) and a number of shares (55%), shall depend on the degree of fulfilment of the three-year multi-year objectives. The final amount to be paid shall be, at most, the adjusted reference amount (on no account may it be increased).

In addition, as in the case of the annual objectives, a risk correction factor shall be applied with indicators relating to capital (CET1) and liquidity (Liquidity Coverage Ratio) and an attainment adjustment. Any breach of the tolerance thresholds of the RAS for Liquidity or Solvency shall entail zero remuneration for this long-term remuneration.

In view of the above, the following table summarises the main features of each of the long-term remuneration cycles whose measurement period includes 2022:

Objectives and metrics

In relation to the annual objectives that determine the adjusted reference amount, the same objectives as those established for the short-term variable remuneration apply.

Regarding the multi-annual objectives, the metrics applicable to the 2020 and 2021 long-term remunerations are as follows:

Objective	Weighting
Shareholder profitability (Relative Total Shareholder Return)	25%
Liquidity (Liquidity Coverage Ratio)	25%
Solvency (CET 1)	25%
Return on Risk Adjusted Capital (RoRAC)	25%

In relation to the multi-year objectives, the metrics applicable to the long-term remuneration in 2022 are as follows:

Objective	Weighting
Shareholder profitability (Relative Total Shareholder Return)	25%
Liquidity (Liquidity Coverage Ratio)	25%
Solvency (CET 1)	25%
ROTE	25%

The main features of each of the above metrics are outlined below:

Shareholder profitability (relative TSR)

Definition:

The TSR shall be regarded as the sum of the dividends paid and the variation in the share value shall be regarded as the difference between the arithmetic mean of the closing share price, rounded up to the third decimal, of the first 20 sessions prior to the beginning and end of the multi-year objective measurement period. In this respect, the start and end dates are as follows:

Long-term remuneration	2020	2021	2022
Start Date	01/01/2020	01/01/2021	01/01/2022
Completion date	31/12/2022	31/12/2023	31/12/2024

The TSR of Banco Sabadell shall be compared with the TSR of the following companies (peer group):

Long-term remuneration 2020

ABN AMRO Group NV	Unione di Banche Italiane, SpA
Bankia, S.A.	Caixabank S.A.
Banco Santander, S.A.	Natixis, S.A.
Mediobanca Banca di Credito Finanziario SpA	Banco Bpm SpA
Bankinter S.A.	Nordea Bank AB
BBVA, S.A.	KBC Groep NV
Skandinaviska Enskilda Banken AB	Intesa Sanpaolo SpA
Swedbank AB	Société Générale, S.A.
Crédit Agricole, S.A.	

Long-term remuneration 2021

ABN AMRO Group NV	Unione di Banche Italiane, SpA
Bankia, S.A.	Caixabank S.A.
Erste Group	Natixis, S.A.
Mediobanca Banca di Credito Finanziario SpA	Banco Bpm SpA
Bankinter S.A.	Raiffeisen
BBVA, S.A.	KBC Groep NV
Skandinaviska Enskilda Banken AB	Intesa Sanpaolo SpA
Swedbank AB	Virgin Money
Standard Chartered Bank	

Long-term remuneration 2022

ABN AMRO Group NV	Caixabank S.A.
BPER Banking, SpA	Banco Bpm SpA
Erste Group	Raiffeisen
Mediobanca Banca di Credito Finanziario SpA	KBC Groep NV
Bankinter S.A.	Intesa Sanpaolo SpA
BBVA, S.A.	Virgin Money
Skandinaviska Enskilda Banken AB	Standard Chartered Bank
Swedbank AB	

Upon the basis of a proposal by the Remuneration Committee, the Board of Directors shall have the power to adapt, as appropriate, the composition of the sample of entities in the event of unforeseen circumstances affecting the above-mentioned companies (e.g. mergers, spin-offs, exclusions from stock market trading, etc.) and

to adapt the TSR calculation to any potential operations (e.g. capital increases with the accolade of the preference right) performed by said entities that affect the value of the shares to ensure that the comparison is made on a like-for-like basis.

Scale of achievement

Position of Banco Sabadell's TSR within the peer group		% of achievement
Long-term remuneration 2020 and 2021	Long-term remuneration 2022	
Between the 1st and the 8th	Between the 1st and the 8th	100%
Between the 9th and the 11th	Between the 9th and the 10th	75%
Between the 12th and the 14th	Between the 10th and the 13th	50%
Between the 15th and the 18th	Between the 14th and the 16th	0%

Liquidity (Liquidity Coverage Ratio)

Definition:

the level established in the Bank's RAS (Risk Appetite Statement) shall be taken into account for the calculation of the fulfilment of the Liquidity Coverage Ratio indicator. The measurement of this indicator shall be based on the average of the last three months of the last financial year of the multi-year measurement period.

Scale of achievement:

If the LCR is higher than the early warning indicator (EWI), the objective shall be deemed to have been achieved in full; if it lies below that threshold, the attainment shall be rated 0%.

Long-term remuneration	2020	2021	2022
Average LCR	01/10/2022 – 31/12/2022	01/10/2022 – 31/12/2023	01/10/2024 – 31/12/2024

Solvency (CET1)

Definition:

the level established in the Bank's RAS (Risk Appetite Statement) shall be taken into account for the calculation of the fulfilment of the Solvency CET1 indicator. The measurement of this indicator shall be based on the average of the last three months of the last financial year of the multi-year measurement period.

Scale of achievement:

If the Solvency is higher than the early warning indicator (EWI), the objective shall be deemed to have been achieved in full; if it lies below that threshold, the attainment shall be rated 0%.

Long-term remuneration	2020	2021	2022
CET 1 average	01/10/2022 – 31/12/2022	01/10/2022 – 31/12/2023	01/10/2024 – 31/12/2024

Return on Risk Adjusted Capital (RoRAC) (set for 2020-2022 and 2021-2023)

Definition:

the level of the cost of equity shall be taken into account for the calculation of the fulfilment of the RoRAC indicator. The measurement of this indicator shall be based on the average of the last three months of the last financial year of the multi-year measurement period.

Long-term remuneration	2020	2021
Average RORAC	01/10/2022 – 31/12/2022	01/10/2022 – 31/12/2023

Scale of achievement:

If the Cost of Equity is exceeded, the fulfilment of the indicator shall be deemed to be 100%. If it is not reached, the fulfilment of the indicator shall be deemed to be 0%.

Return on Tangible Equity (ROTE) (set for 2022-2024)

Definition:

The ROTE value obtained at the end of the measurement period (2024) shall be taken.

0%	50%	75%	100%
<5%	5%	6%	>7.5%

Scale of achievement:

the following fulfilment scale is defined with a position at the end of the December 2024 period.

Prudential adjustments to the fulfilment of the objectives

A risk correction factor shall be applied with indicators relating to capital (CET1) and liquidity (Liquidity Coverage Ratio) and an attainment adjustment. Any breach of the tolerance thresholds of the RAS for Liquidity or Solvency shall entail zero remuneration for this long-term remuneration.

Payment procedure

The payment of this variable remuneration is subject to the criteria of deferral and payment in capital instruments, in accordance with the applicable regulations. Taking into account the foregoing, the effective receipt of the short-term variable remuneration of the Executive Directors corresponding to 2022 will be subject to the following scheme:

Ex ante risk adjustments

The ex-ante adjustments outlined in the section corresponding to the short-term variable remuneration shall also apply to the long-term remuneration .

	Year annual measurement	Multi-year measurement period	1st payment* (60%)	2nd payment* (20%)	3rd payment* (20%)
Long-term remuneration 2020	2020	2020-2022	2024	2025	2026
Long-term remuneration 2021	2021	2021-2023	2025	2026	2027
Long-term remuneration 2022	2022	2022-2024	2026	2027	2028

* Taking into account that the adjusted reference amount is determined as 45% in cash and the remaining 55% in Banco Sabadell shares, each payment of the long-term remuneration shall abide by the same proportion. The shares that are received are subject to the lock-up requirements outlined in the section on long-term remuneration .

2.1.3. Terms and conditions of the Executive Directors' contracts, including potential payments in the event of termination of employment

The contracts of the Executive Directors are in keeping with the usual parameters for the Bank's Senior Management contracts and comply with the requirements of the law for these types of contracts, based on the following terms and conditions:

- **Duration:** the contracts are indefinite.
- **Fixed remuneration:** The contracts incorporate the payment of the fixed amounts of the remuneration of the Executive Directors under the terms and conditions outlined above.
- **Variable remuneration:** The contracts incorporate the payment of the variable amounts of the remuneration of the Executive Directors under the terms and conditions outlined above.
- **Social welfare benefits:** The contracts incorporate the holding of the Executive Directors in the social welfare systems under the terms and conditions outlined above.
- **Benefits:** The contracts of the Executive Directors incorporate social benefits and flexible remuneration programmes that the Bank has established for the company's other employees, under the same terms as the other beneficiaries.
- **Confidentiality:** The contracts include a confidentiality clause that binds the Executive Directors not to disclose, either during the term of the contract or thereafter, any confidential data, procedures, methods, information or commercial or industrial data referring to the Bank's business or finances.
- **Use and return of company assets:** all the material goods, information media, files, documentation, manuals, etc. in the possession of the Executive Directors must be returned to the Bank upon the termination of the contract.
- **Clawback and Malus clauses:** These two types of clauses are included in the eventualities defined in the Directors Remuneration Policy which are outlined in section 1.1.4 of this Report.
- **Early termination and no-compete clause:** The Chief Executive Officer's contract has a non-compete clause for a period of two years from the date of unfair dismissal or change of control, and for one year in all other cases. The Director General Manager contract contains a post-contractual non-compete clause lasting two years, which would be applied at most until the first date of ordinary retirement in the amount of two years' salary of fixed remuneration.

They do not contain any of the other clauses specified in Article 529.1 eighteenth of the Capital Companies Law.

2.2. Directors' remuneration for their functions as members of the Board of Directors

2.2.1. Remuneration Policy

In accordance with the Directors Remuneration Policy in force in 2022, the overall maximum limit of the remuneration of the Directors for their functions as members of the Board of Directors, pursuant to the provisions of the Articles of Association of Banco Sabadell, is five million EUR per annum. This maximum limit includes the additional remuneration corresponding to the Chairman for his non-executive functions. The remuneration is set on an annual basis within this limit by the Board of Directors following a favourable report from the Remuneration Committee.

In order to determine the remuneration of the Board of Directors, the Reports on the Remuneration of Directors in Spain published by KPMG and Spencer Stuart have been taken into account for financial year 2022.

The Directors' remuneration for their functions as members of the Board of Directors in 2022 is broken down as follows:

- Fixed remuneration for membership of the Board of Directors.
- Attendance fees, with a maximum of 11 fees corresponding to ordinary meetings and the possibility of delegating the representation without the loss of the fee for justified reasons at most twice a year. No amounts are payable for attendance at the extraordinary meetings of the Board of Directors.
- Additional remuneration is collected for performing the functions of Deputy Chairman, Lead Independent Director and chairmanship or membership of the different Committees of the Board of Directors, as well as, as appropriate, membership of any of Banco Sabadell's Advisory Boards.
- Additional fixed remuneration for the Chairman to remunerate the functions he performs as Chairman of the Bank and the Board of Directors, as Chairman of the General Meeting of Shareholders and as the highest representative of the Bank and for the special engagement involved in exercising the function of Chairman under the terms established in the Capital Companies Law and the Articles of Association and by the Board of Directors in a group such as Banco Sabadell.

These functions, due to their organic or representative nature, cannot be regarded as executive, but, nevertheless, from a quantitative point of view they entail a great deal of dedication with much higher intensity than the other non-executive members of the Board of Directors.

The non-executive Directors do not qualify for the remuneration items or benefits that apply to the Bank's employees, the Group's Identified Staff or the Bank's Senior Management, nor are they included in the social welfare plans or the long-term incentive programmes approved by the General Meeting of Shareholders, nor the long-term remuneration.

2.2.2. Expected remuneration

The following table summarises the remuneration expected to be paid in 2022 for their functions as members of the Board of Directors:

	remuneration 2022 (in euros)	Attendance fees 2022 (euros per meeting)
Members	75,000	2,272
In addition:		
— Chairman	1,500,000	
— Deputy Chairman	107,000	
— Lead Independent Director	22,000	

In addition, the non-executive Directors receive certain amounts for chairing or being members of the different Board Committees.

Committee	Position	Amount (in euros)
Strategy and Sustainability Committee	Chairman	—
	Member	40,000
Credit Delegated Committee	Chairman	70,000
	Member	40,000
Audit and Control Committee	Chairman	40,000
	Member	20,000
Appointments and Corporate Governance Committee	Chairman	40,000
	Member	20,000
Remuneration Committee	Chairman	40,000
	Member	20,000
Risk Committee	Chairman	70,000
	Member	20,000

For the position of members of the Board of Directors of Sabadell Information Systems, S.A., Mr Manel Valls Morató and Ms Aurora Catá Sala will receive a maximum of €30,000.

It is not envisaged that the non-executive Directors shall collect any supplementary remuneration from the Institution or any other Group institution in 2022 as consideration for services rendered other than those inherent to their position, or any other remuneration items such as those resulting from the awarding of advances, loans or guarantees, or any other additional remuneration not included in this Report.

Finally, it is hereby stated that both the Chairman Mr Josep Olliu Creus and the Director Ms María José García Beato may continue to receive the deferred amounts of the short and long-term variable remuneration generated in whole or in part while they performed their executive functions.

2.2.3. Conditions of the contracts

With the exception of the Chairman, the non-executive Directors are not under contract to the Bank by virtue of their status as members of the Board of Directors and no indemnities have been agreed upon in the event of the termination of their positions as Directors.

As established in the Articles of Association of Banco de Sabadell, S.A., the Chairman is the Bank's highest representative and he has the rights and obligations inherent to such representation, including the power to sign on behalf of the company. In the discharging of his functions the Chairman is the person with principal responsibility for the effectiveness of the Board of Directors and, as such, in any event, he represents the Bank, holds the power to sign on behalf of the company and convenes and chairs the meetings of the Board of Directors, setting the agenda, directing the debates and deliberations during the meetings of the Board of Directors and being responsible for ensuring compliance with the decisions reached by the Board of Directors.

Due to the scope and particular nature of the assigned functions, the contract of the Chairman in his non-executive capacity provides for fixed remuneration in addition to that corresponding to his membership of the Board, as explained above, and it incorporates an early termination clause of two years' salary in non-voluntary cases, linked to non-competition.

3. Directors Remuneration Policy applicable to 2021

The remuneration accrued in 2021 has abided by the terms of the Remuneration Policy for Directors of Banco Sabadell, S.A. approved as binding by the General Meeting of Shareholders held on 26 March 2021, in accordance with the provisions of article 529 nineteenth of the Capital Companies Law.

It is hereby stated that there has been no deviation from the procedure for the application of the remuneration policy, nor have any temporary exceptions to it been applied.

In this respect, the remuneration accrued in 2021 by the Executive Directors and Non-Executive Directors has been made up of the same items as those outlined in relation to the Remuneration Policy currently in force in 2022.

A detailed description of the Directors' remuneration system in 2021 was included in sections 3.2, 4.2, 5.2 and 5.3 of the Directors' Remuneration Report corresponding to 2020.

This report obtained the following results at the General Meeting of Shareholders held on 26 March 2021:

- the number of shares for which valid votes were cast was 3,440,374,631, which were distributed as indicated below:
- 5,663 abstentions, corresponding to 5,665,497 shares owned by 32 shareholders representing 0.16% of the total share capital present and represented with voting rights;
- 347,535 votes against, corresponding to 347,541,567 shares owned by 142 shareholders representing 10.10% of the total share capital present and represented with voting rights and,
- 3,087,152 votes in favour, corresponding to 3,087,167,567 shares owned by 108,793 shareholders representing 89.74% of the total share capital present and represented with voting rights.

It has been considered appropriate to introduce improvements to the structure of the Annual Report Directors' Remuneration corresponding to 2021 and to incorporate the new features introduced in Notice 3/2021 of 28 September of the CNMV (National Securities Market Commission).

The Remuneration Policy approved by the General Meeting of Shareholders on March 28, 2019, applied to those members of the Board of Directors who performed executive functions until March 26, 2021. In this respect, in addition to the current Chief Executive Officer and the CRO Director, the following persons performed executive functions as members of the Board of Directors in 2021:

- The Chairman, Mr Josep Oliu Creus performed executive functions until 26 March 2021.
- The Director Ms María José García Beato performed executive functions until 31 March 2021.
- Mr Jaime Guardiola Romojaro resigned as CEO on 18 March 2021. His remuneration was the same as in 2020 until the date of the termination.

This section includes the payments for 2021 of everyone who has been a member of the Board of Directors during this year. Some of the amounts correspond to the extraordinary events that happened during 2021 concerning the Executive Directors who make the bases non comparable to 2020 and present significant differences. These events are the consolidation of economic rights of long-term savings plans whose contributions have been made during

the previous years and the severance pay amounts for the Executive Directors, in the terms of this section 3. If these events did not happen and only the amounts arising from the regular activity were considered, the amount of the remuneration accrued in companies of the group in 2021 would amount to 7,179 thousand of euros instead of the 44,604 thousand euros contained in table c.i) of section 7. Statistical annex.

Additionally, in 2020, as a responsibility measure against the crisis brought by COVID-19, the Chairman and the Executive Directors voluntarily waived their variable annual remuneration for 2020. If this had not happened, the amount of the remuneration accrued in companies of the group in 2020 would amount to 7,644 thousand of euros.

3.1. Remuneration of the Executive Directors

3.1.1. Details of the items of remuneration

The individual remuneration comprising the remuneration for 2021 for the Executive Directors is detailed below:

Position	Fixed salary	Benefits and remuneration in kind	Contributions to social welfare plans	Short-term variable remuneration	Long-term variable remuneration
Chief Executive Officer César González-Bueno Mayer ⁽¹⁾	€1,576,921	€20,506	—	€ 557,777 (fulfilment of objectives 117.41%)	€ 557,777 (fulfilment of objectives 117.41%)
CRO Director	€493,749	€41,043	€94,631	€ 99,680 (fulfilment of objectives 99.68%)	€ 112,138 (fulfilment of objectives 99.68%)

⁽¹⁾ Corresponds to the remuneration allocated since 18 March 2021, the date from which he has held the position of Chief Executive Officer.

Position	Fixed salary	Benefits and remuneration in kind	Contributions to social welfare plans	Short-term variable remuneration	Long-term variable remuneration
Chairman Mr Josep Oliu Creus ⁽¹⁾	€451,948	€15,698	€819	€ 355,447 (fulfilment of objectives 117.41%)	€ 139,526 (fulfilment of objectives 117.41%)
Outgoing Chief Executive Officer Jaime Guardiola Romojaro ⁽²⁾	€300,358	€3,193	€1,342,421	€ 264,375 (fulfilment of objectives 113.93%)	€ 97,337 (fulfilment of objectives 113.93%)
Other external Director Ms María José García Beato ⁽³⁾	€135,268	€9,926	€2,943,597		

⁽¹⁾ Remuneration in respect of 1 January 2021 until 26 March 2021.

⁽²⁾ Remuneration in respect of 1 January 2021 until 18 March 2021.

⁽³⁾ Remuneration in respect of 1 January 2021 until 31 March 2021.

A) Fixed remuneration

Fixed salary

- The fixed salary is intended to remunerate the full range of functions and responsibilities of the positions held and acknowledges the contribution of the Executive Directors within those positions for as long as they remain in them.

Social benefits and remuneration in kind

- Social benefits and remuneration in kind: In 2021 the Executive Directors have been beneficiaries of Group Life Insurance and Absolute Permanent Disability Insurance (both applicable to all the Entity's employees), as well as the assignment of use of a vehicle.

Chairman

Mr Josep Oliu Creus

- A defined contribution Group insurance policy for the Board of Directors, which shall pay out in the form of a lump sum from the moment at which each of the beneficiaries cease to be Directors, except in the event that they provide services to any other bank as an advisor or member of the Board of Directors, in which case all the economic rights they are entitled to would be lost. It is compatible with potential termination indemnities and is currently applicable only to the Chairman. The cumulative amount is €1,484,612.
- Executive Group insurance policy, with a fixed contribution, which materialised in 2021 due to a retirement contingency. The consolidated rights as of the retirement date were in the amount of €7,462,000.
- Group B company pension plan with a fixed contribution, which materialised due to a retirement contingency. The consolidated rights on the retirement date were €26,724; the contribution in 2021 was €818.95.

Outgoing Chief Executive Officer Mr Jaime Guardiola Romojaro

- Executive insurance carried out in two policies, whose beneficiary was the outgoing Chief Executive Officer, Mr Jaime Guardiola Romojaro.
- The first was a defined-benefit policy with 50% spousal reversion. The contribution in 2021 due to the adjustment of variables and the rent base was €1,341,599. This policy materialised in 2021 due to a retirement contingency. Consolidated rights at retirement amounted to €23,867,882. Additionally, €1,072,474 in respect of the contributions made considered discretionary pension benefits, have been retained in Banco de Sabadell, S.A. shares for a period of 5 years from the date of retirement.
- The second was a defined contribution insurance policy which paid out in some of the contingencies of retirement, death or total permanent disability in the form of a lump sum, except in the event of resignation from the position of Chief Executive Officer of the Bank before the age of 63, a breach of the no-compete condition within one year of stepping down as the Bank's Chief Executive Officer and or breach of fiduciary duty until the date of expiry of the period of the no-compete condition, in which case all the economic rights to which he was entitled would have been forfeited. The accumulated amount at the retirement date amounted to €2,616,439 and will only be consolidated when compliance with non-competition is verified during the established period of 1 year.

Contributions to long-term saving systems

- Contributions to social welfare schemes:
 - These amounts include the part regarded as a “discretionary pension benefit”, which, as explained above, is regarded as variable remuneration for regulatory purposes.
 - These amounts include contributions to other policies held by the Executive Directors as is the case with other employees. Specifically, the defined contribution Group B company pension plan, which shall materialise upon their effective retirement as employees.
 - The Chief Executive Officer and the CRO Director have participated in the social welfare plans outlined in section 2.1.2.A) of this Report.
 - The features of the social welfare plans in which the other Directors who performed executive functions in 2021 participated are listed below:

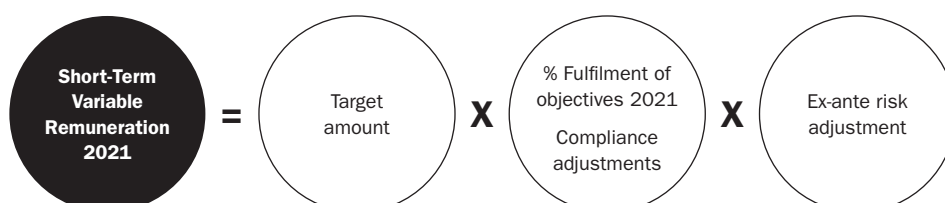
- Group B company pension plan, defined contribution that has materialised due to retirement contingency. The consolidated rights on the retirement date were in the amount of €14,382; the contribution in 2021 was €818.95.

Other external Director
Ms Maria José García Beato

- During 2021, she was the beneficiary of an Executive Collective insurance policy, with a defined benefit indexed to the annual pensionable fixed salary, which could become effective upon reaching 60 years of age, and carried out in two policies:
 - One of early retirement from the age of 60, in which the accumulated amounts are considered variable remuneration, for which they are affected by the maximum limit of 200% of fixed remuneration in variable remuneration, as approved by the General Meeting of Shareholders held on 26 March 2021. No accrual for this item having the employment relationship that occurred on 31 March 2021, proceeding to the cancellation of said policy, allowing the bank to exercise the right of redemption on the accumulated mathematical provision, amounting to 615,839 euros.
 - Another retirement plan from effective retirement, death or permanent and absolute disability, with provision for the possibility of redemption in the form of capital in accordance with current legal regulations. The contributions in respect of 2021 amounted to €2,942,776, of which €2,689,829 have been consolidated on the occasion of the termination of the employment relationship that occurred on 31 March 2021, leaving an amount of €252,947, in respect of the amounts contributed that are considered discretionary pension benefits, in accordance with Circular 2/2016, of 2 February of the Bank of Spain, to credit institutions, on supervision and solvency, retained for a period of five years from the date of termination of the employment relationship, in shares of Banco de Sabadell, S.A. The accumulated amount at the termination date of the work relationship amounted to 4,676,738 euros, which include the contributions for 2021 indicated above. This amount of the mathematical provision corresponding to the amounts that are considered discretionary pension benefits amounted to 726,693 euros at 31 december 2021, which include the 525,947 euro mentioned above, and which have been retained in shares of Banco de Sabadell, S.A. for a period of five years from the date of termination.
- Group B company pension plan, with a defined contribution that has materialised due to the contingency of termination of the employment relationship that occurred on 31 March 2021. The consolidated rights on the retirement date were in the amount of €16,503; the contribution in 2021 was €818.95.

B) Short-term variable remuneration 2021

The short-term variable remuneration relating to 2021 was as follows:



% Fulfilment of objectives

On 26 January 2022 the Board of Directors determined the degree of fulfilment of the following Group objectives in accordance with the weightings established at the beginning of the year:

Metric	Definition	Weighting	% Compliance
ROE (Return on Equity)	Banco Sabadell's ROE (excluding corporate operations) forecast in the 2021 budget	20%	125.61
Core revenue	Banco Sabadell's consolidated net interest income plus net fees and commissions forecast in the 2021 budget	17.5%	125.92
Group expenses	Budget for the sum of consolidated personnel and general expenses and those derived from real estate activities not included in the first two (personnel and general)	17.5%	126.63
Cost of Risk	Budget for loan-loss provisions and other financial assets / Gross customer loans + Non-performing properties, ex portfolio sales	25%	100.05
NPS (synthesis of Group)	A synthetic indicator of customers' appraisal of the Entity, distinguishing between business units (Commercial Banking, Private Banking, Corporate Banking EMEA and TSB), weighted by the strategic focus of each segment	10%	105.21
Sustainability (Synthetic Group)	A synthetic appraisal indicator comprising environmental, social, diversity and gender equality indicators	10%	125.60
TOTAL			117.41 %

The Chief Executive Officer had 100% of his objectives linked to the Group's objectives. In the case of the CRO Director, this percentage fell to 20%, taking into account the control functions he performs.

In relation to the level of fulfilment of objectives of the CRO Director, which includes both the fulfilment of group objectives and the fulfilment of its functional objectives, the Board of Directors set it at 99.68%.

The information used to calculate the financial indicators is derived from audited data in the Annual Accounts, maintaining the definition established when they were first set.

Assessment methods were established consisting of defining attainment parameters between 50% and 150% for each of the objectives, based on a non-linear scale of attainment pre-established by the Remuneration Committee. Attainment of under 50% was regarded as 0% for the purposes of the calculation of the general attainment.

In order to qualify for the variable remuneration, the overall attainment of the objectives had to exceed 60%. No variable remuneration was received under 60% and no additional variable remuneration would have been generated above 150%.

Compliance adjustments

The Board of Directors did not regard it as necessary to make any adjustments to the level of fulfilment of the objectives outlined above, as the Bank's capital (CET1) and liquidity (*Liquidity Coverage Ratio*) levels complied with the limits set in the *Risk Appetite Statement* (RAS).

In this regard, at its meeting held on 24 January 2022, the Risk Committee of Banco Sabadell analysed the applicability of the Risk Correction Factor ("RCF"). In accordance with the capital and liquidity objectives,

metrics, scales of achievement and payment curves of the RCF approved by the Board of Directors on 26 January 2022, the Risk Committee determined that the thresholds required in the RAS to generate the right to the full variable remuneration corresponding to the fulfilment of the objectives set in this respect have been met.

Ex ante risk adjustments

Upon the basis of the information provided by Internal Control, the Remuneration Committee has not considered proposing any additional individual or collective ex-ante adjustments for 2021 insofar as:

- The Group and/or the credit institution subsidiaries have reached the MDA (Maximum Distributable Amount) level determined by the current regulations.
- According to the reports received by Regulatory Compliance, Internal Audit, Finance and the Internal Control management itself, the short-term remuneration for 2021 is aligned with the risk and control levels such as regulatory and normative non-compliance, breaches of risk limits (e.g., RAS (solvency, liquidity) and breaches of expected loss thresholds in terms of operational risk) and/or internal control indicators (e.g. results of internal audits) and similar items.

Short-term variable remuneration generated in 2021

Once the fulfilment of the objectives at Group, unit or country and individual levels has been calculated and ex-ante adjustments have not been deemed necessary, the variable remuneration to be granted individually to each of the members of the Identified Staff has been determined, based on the individual target bonus figure allocated to the evaluation of the fulfilment of individual performance objectives, as approved by the Remuneration Committee at its meeting held on 25 January 2022 and by the Board of Directors on the motion of the Remuneration Committee at its meeting held on 26 January 2022, the variable remuneration in respect of the Executive Directors and the members of the Bank's Senior Management.

In accordance with the applicable regulations, these amounts are paid in the following manner:

- 40% shall be received in 2022, with 50% of the resulting amount being paid in cash and the other 50% in Banco Sabadell shares (valued at the closing price of the last meeting of the month in 2022 in which the non-deferred part is paid) and the shares shall be subject to a one-year lock-up.
- 60% shall be deferred over a five-year period, with one-fifth being paid in each of the years 2023, 2024, 2025, 2026 and 2027. 45% of the resulting amount shall be paid in cash and the other 55% in Banco Sabadell shares (whose number shall be determined in accordance with the closing price of the last meeting of the month in 2022 in which the non-deferred part is paid) and the shares shall be subject to a one-year lock-up.

Director	Up-front payment		Deferred payment			
	2022	2023	2024	2025	2026	2027
Chief Executive Officer	€111,555	€30,120	€30,120	€30,120	€30,120	€30,120
Mr César González-Bueno	190,043 shares	62,714 shares	62,714 shares	62,714 shares	62,714 shares	62,714 shares
CRO Director	€19,936	€5,383	€5,383	€5,383	€5,383	€5,383
Mr David Vegara Figueras	33,962 shares	11,207 shares	11,207 shares	11,207 shares	11,207 shares	11,207 shares

Director	Up-front payment		Deferred payment			
	2022	2023	2024	2025	2026	2027
Chairman	€71,089	€19,194	€19,194	€19,194	€19,194	€19,194
Mr Josep Olliu Creus	121,106 shares	39,965 shares	39,965 shares	39,965 shares	39,965 shares	39,965 shares
(remuneration in respect of the period as Executive Director)						
Outgoing Chief Executive Officer	€52,875	€14,276	€14,276	€14,276	€14,276	€14,276
Mr Jaime Guardiola Romojaró (remuneration until the date of his resignation)	90,076 shares	29,725 shares	29,725 shares	29,725 shares	29,725 shares	29,725 shares

The external Director Ms M^a José García Beato did not accrue any short-term variable remuneration in 2021 as she has reached the maximum threshold of the variable remuneration, limited to two annuities of fixed remuneration, as detailed in section 3.1.2.

The amounts and deferred shares are subject to the malus and clawback clauses outlined in section 2.1.4 of this Report.

In accordance with the instructions of Notice 4/2013 of 12 June of the CNMV (Spanish National Securities Market Commission), Statistical Schedule C.1.a.i) includes the non-deferred amount paid in 2022. Table C.1.a.ii) includes both the delivered shares (“financial instruments accrued in 2021”) and the deferred shares (“financial instruments at 2021 year-end”).

C) Long-term remuneration

This section includes the information on long-term remuneration schemes whose objective measurement periods have ended in 2021.

Complementary Long-Term Incentive (SLTI) 2018- 2021 based on the share price appreciation, which takes into account attainment of multi-year objectives, as approved by the General Meeting of Shareholders on 19 April 2018.

The 2018 SLTI consisted of the allocation of a certain number of rights to the beneficiaries for participation in the increase in value of the same number of Banco Sabadell shares.

The number of rights was subsequently adjusted in the first quarter of 2019 upon the basis of the individual achievement of the annual objectives allocated for 2018.

Position	Number of initial rights	Number of adjusted rights
Chairman	1,700,000	1,250,000
Outgoing Chief Executive Officer	1,500,000	1,125,000
Other external Director	800,000	720,000

The multi-year period for measuring the increase in the value of the Bank's share that would determine the value of the allocated rights covered the years 2018, 2019 and 2020. During this period, objectives related to Shareholder profitability (25%), Liquidity (25%), Solvency CET1 (25%) and RoRAC (25%) were also measured on whose achievement the final number of rights to be received depended.

However, the incentive would have value insofar as there was a revaluation of the Bank's share price over the 2018-2020 period. In this respect:

- The arithmetic mean rounded up to the third decimal point of the closing prices of the Banco Sabadell share in the first 20 trading sessions of 2018 was taken as the initial reference value, resulting in a value of €1.841.
- The arithmetic mean rounded up to the third decimal point of the closing prices of the Banco Sabadell share in the first 20 trading sessions of March 2021 was taken as the final value, resulting in a value of €0.456.

The value of the 2018 SLTI has therefore been zero, as the final value of the Bank's share has been lower than the reference value.

Long-term remuneration 2019-2021

The 2019-2021 long-term remuneration scheme is similar to that outlined for the 2020, 2021 and 2022 long-term variable remuneration (see section 2.1.2.c).

This is an incentive based on the fulfilment of annual and multi-year (three-year) objectives, whereby a reference long-term remuneration amount (the amount to be received in the event of 100% fulfilment of both the annual and the multi-year objectives) is established at the beginning of the cycle.

After the end of 2019, the reference amount was adjusted in the first quarter of 2020 upon the basis on the degree of fulfilment of the 2019 short-term variable remuneration objectives. When it came to determining the adjusted reference amount, the applicability of the ex-ante adjustments established in the variable remuneration, which have already been outlined in this Report, was also analysed.

Director	Initial reference amount	Adjusted reference amount (EUR)
Chairman	€510,300	€442,323
Outgoing Chief Executive Officer	€405,000	€351,256
Other external Director	€125,000	€115,662
CRO Director	€112,500	€102,751

In accordance with the Directors Remuneration Policy, the adjusted reference amounts have been specified as a cash amount (45%) and a number of shares (55%) which were determined with the weighted average price of the last 20 sessions in December 2019, resulting in the following:

Director	Amount in EUR	Number of shares
Chairman	€ 99,523	11,735
Outgoing Chief Executive Officer	€79,033	91,906
Other external Director	€26,024	30,262
CRO Director	€51,148	26,765

The payment of the adjusted reference amount has been subject to the following multi-year objectives set for the 2019-2021 period:

Objective	Weighting
Shareholder profitability (Relative Total Shareholder Return)	25%
Liquidity (Liquidity Coverage Ratio)	25%
Solvency (CET 1)	25%
Return on Risk Adjusted Capital (RoRAC)	25%

The main features of each of these metrics and the degree of fulfilment of the objectives are outlined below:

Shareholder profitability (relative TSR)

Definition:

The TSR has been taken as the sum of the dividends paid and the increase in the share value has been taken as the difference between the arithmetic mean of the closing share price, rounded up to the third decimal point, of the first 20 sessions later than 1 January 2019 and 31 December 2021.

The TSR of Banco Sabadell has been compared with the TSR of the following companies:

Peer group

ABN AMRO Group NV	Société Générale, S.A.
Caixabank S.A.	Intesa Sanpaolo SpA
Banco Santander, S.A.	KBC Groep NV
Mediobanca Banca di Credito Finanziario SpA	Banco Bpm SpA
Bankinter S.A.	Nordea Bank AB
BBVA, S.A.	Swedbank
Skandinaviska Enskilda Banken AB	
Credit Agricole, S.A.	

Scale of achievement:

Position of Banco Sabadell's TSR within the peer group	% of achievement
Between the 1st and the 8th	100%
Between the 9th and the 10th	75%
Between the 10th and the 13th	50%
Between the 14th and the 15th	0%

Percentage of compliance:

Bearing in mind that Banco Sabadell's position within the peer group is 14th, the percentage of compliance is 0%.

Liquidity (Liquidity Coverage Ratio)

Definition:

The level established in the Bank's RAS (Risk Appetite Statement) has been taken into account for the calculation of the fulfilment of the Liquidity Coverage Ratio indicator. This indicator has been measured by taking into account the average for October, November and December 2021.

Scale of achievement:

If the LCR is higher than the early warning indicator (EWI), the objective shall be deemed to have been achieved in full; if it is below that threshold, the attainment shall be rated 0%.

Percentage of compliance:

Given that the average LCR for October, November and December 2020 was above the early warning indicator (EWI), 100% compliance has been confirmed.

Solvency (CET1)

Definition:

The level established in the Bank's RAS (Risk Appetite Statement) has been taken into account for the calculation of the fulfilment of the Solvency (CET1) indicator. This indicator has been measured by taking into account the average for October, November and December 2021.

Scale of achievement:

If the Solvency is higher than the early warning indicator (EWI), the objective shall be deemed to have been achieved in full; if it is below that threshold, the attainment shall be rated 0%.

Percentage of compliance:

Given that the average Solvency (CET1) indicator for October, November and December 2020 was above the early warning indicator (EWI), 100% compliance has been confirmed.

Return on Risk Adjusted Capital (RoRAC)

Definition:

The level of the cost of equity has been taken into account for the calculation of the fulfilment of the RoRAC risk indicator. This indicator has been measured by taking into account the average for October, November and December 2021.

Scale of achievement:

If the Cost of Equity is exceeded, the fulfilment of the indicator shall be deemed to be 100%. If it is not reached, the fulfilment of the indicator shall be deemed to be 0%.

Percentage of compliance:

Given that the average RoRAC for October, November and December 2021 was below the Cost of Equity threshold, 0% compliance has been confirmed.

Taking into account the percentages of fulfilment of the objectives and their weightings, the final percentage of fulfilment of the 2019-2021 long-term remuneration objectives is 50%. The Remuneration Committee has verified that no adjustments to this percentage are appropriate, resulting in the following distribution:

Director	Final incentive in EUR	Final incentive in shares
Chairman	€121,638	116,401
Outgoing Chief Executive Officer	€96,595	92,436
Other external Director	€31,807	30,437
CRO Director	€28,256	27,040

The calendar for payment of said incentive, in compliance with the corresponding regulatory requirements, is as follows:

	2023 (60%)	2024 (20%)	2025 (20%)
Chairman	€72,983 69,840 shares	€24,327 23,280 shares	€24,327 23,280 shares
Outgoing Chief Executive Officer	€57,957 5,461 shares	€19,319 18,487 shares	€19,319 18,487 shares
Other external Director	€19,084 18,262 shares	€6,361 6,087 shares	€6,361 6,087 shares
CRO Director	€16,953 16,223 shares	€5,651 5,407 shares	€5,651 5,407 shares

Notes:

- These amounts shall be subject to the malus and clawback clauses set out in the Directors Remuneration Policy.
- The shares that are received are subject to the lock-up requirements outlined in the section on long-term remuneration.

Long-term remuneration 2021–2023

The long-term remuneration for 2021 was approved in the same terms as for 2020, based on the fulfilment of annual and multi-year objectives, establishing a reference amount for the long-term remuneration (the amount to be received in the event of fulfilling 100% of the objectives) equivalent to a percentage of the fixed salary (25% or 30%, depending on the case). (see section 2.1.2.c).

After the end of 2021, the reference amount was adjusted in the first quarter of 2022 upon the basis on the degree of fulfilment of the 2021 short-term variable remuneration objectives.

Director	Initial reference amount	Adjusted reference amount (value)
Chairman (for the period as Executive Director)	€118,837	€139,526
Chief Executive Officer	€475,068	€555,777
Outgoing Chief Executive Officer	€85,438	€97,337
CRO Director	€112,500	€112,138

3.1.2. Terms and conditions of the Executive Directors' contracts, including payments in the event of termination of employment

The conditions of the contracts of the current Executive Directors have been included in section 2.1.3 above.

On 31 March 2021, the employment relationship of Ms. María José García Beato was terminated, with the same right to receive the amount of €1,032,038 as legal severance pay.

Additionally, and in accordance with the termination clause included in her contract, Ms. María José García Beato was entitled to receive €1,274,229, an amount considered variable remuneration and which has been reduced to the amount of €816,390, set as a limit of two years of fixed remuneration in variable remuneration, a limit approved at the General Meeting of Shareholders

held on 26 March 2021. The said amount has been paid applying the schedules for deferral, payment in shares and subjection to malus and clawback clauses explained in the section on short-term variable remuneration generated in 2021, in chapter 3.1 B) of this Report.

Taking into account that, in accordance with the applicable regulations, some of these amounts are regarded as variable remuneration, their payment must comply with the requirements regarding, inter alia, payment in shares and deferral.

The following table details the compensation amounts, as well as the deferral schedule established for them.

Director	Up-front payment		Deferred payment			
	2021	2022	2023	2024	2025	2026
Other external Director	€1,195,424	€ 44,114	€ 44,114	€ 44,114	€ 44,114	€ 44,114
	309,795	102,232	102,232	102,232	102,232	102,232
	shares	shares	shares	shares	shares	shares

The shares that are received shall be subject to a one-year lock-up.

The "compensation" column of Statistical Schedule C.1.a.i) includes the cash amount paid in 2021. Section C.1.a.i) includes both the delivered shares and those that have been deferred.

3.1.3. Malus and clawback clauses

As stated in section 3.1.1 in relation to short and long-term variable remuneration, the amounts pending collection (up to 100% of the amount) are subject to malus (reduction or cancellation of the deferred amounts) and clawback (recovery of the received amounts) clauses.

The causes that would activate these clauses are outlined in section 2.1.4 above; none of them occurred in 2021.

3.2 Directors' remuneration for their functions as members of the Board of Directors

The reports on director remuneration in Spain published by KPMG and Spencer Stuart were taken into account to determine the remuneration of the Board of Directors, as well as the remunerations of the Boards and Committees of Spain's main financial institutions.

The Directors' remuneration in 2021, until the approval of the new Directors Remuneration Policy on 26 March 2021, consisted of the following annual amounts:

	remuneration 2021 (in euros)	Attendance fees 2021 (euros per meeting)
Chairman	175,650	5,273
Deputy Chairman	95,250	2,886
Other members	75,000	2,272
Lead Independent Director	22,000 (additional)	

In addition, the non-executive Directors received the following amounts per year for membership of different Board Committees:

Committee	Position	Amount (in euros)
Audit and Control Committee	Chairman	40,000
	Member	20,000
Appointments Committee	Chairman	20,000
	Member	10,000
Remuneration Committee	Chairman	40,000
	Member	20,000
Risk Committee	Chairman	70,000
	Member	20,000
Delegated Committee	Member	80,000

Following the approval of the new Directors Remuneration Policy, the remuneration scheme has been modified to adapt it to the Chairman's new role, in keeping with what has already been mentioned in section 2.2.2 of this Report. Moreover, the remuneration of the Deputy Chairman has been updated and, at the same time, the specific Board attendance fees for this position have been eliminated. The remuneration of the ordinary members and the Lead Independent Director has remained unchanged:

	Remuneration 2021 (in euros)	Attendance fees 2021 (euros per meeting)
Members	75,000	2,272
In addition:		
— Chairman	1,500,000	
— Deputy Chairman	107,000	
— Lead Independent Director	22,000	

In addition, the amounts for chairmanship or membership of the different Board Committees have been adapted, taking into account the changes that took place in the Bank's delegated and consultative committees in 2021:

Committee	Position	Amount (in euros)
Strategy and Sustainability Committee	Chairman	—
	Member	40,000
Credit Delegated Committee	Chairman	70,000
	Member	40,000
Audit and Control Committee	Chairman	40,000
	Member	20,000
Appointments and Corporate Governance Committee	Chairman	40,000
	Member	20,000
Remuneration Committee	Chairman	40,000
	Member	20,000
Risk Committee	Chairman	70,000
	Member	20,000

Taking into account the above, the total amount actually received by the members of the Board of Directors in 2021 has been:

Directors	Director category	Board of Directors	Allowances	Risk Committee	Appointments and Corporate Governance Committee	Remuneration Committee	Audit and Control Committee	Credit Delegated Committee	Delegated Committee	Strategy and Sustainability Committee
Josep Oliu Creus	Chairman	1,225	34	0	0	0	0	0	0	0
Javier Echenique Landiribar	Deputy Chairman	100	23	0	0	0	0	12	35	15
Pedro Fontana Garcia	Deputy Chairman	120	25	0	0	0	20	33	34	25
Jaime Guardiola Romojaro	CEO	12	5	0	0	0	0	0	0	0
César González Bueno Mayer Wittgenstein	CEO	63	20	0	0	0	0	0	0	0
Anthony Frank Elliott Ball	Lead Independent Director	97	25	0	20	20	0	0	0	0
Aurora Catá Sala	Independent Director	75	25	18	20	40	0	0	0	0
Luis Deulofeu Fuguet	Independent Director	18	7	0	0	0	0	7	0	7
María José García Beato	Other External Director	75	25	0	0	0	0	22	14	30
Mireya Giné Torrens	Independent Director	75	25	0	15	0	35	0	0	0
George Donald Johnston	Independent Director	75	25	70	0	18	0	0	0	0
David Martínez Guzmán	Proprietary Director	75	25	0	0	0	0	0	0	0
José Manuel Martínez Martínez	Independent Director	75	25	0	40	0	0	0	0	27
José Ramón Martínez Sufategui	Independent Director	75	25	0	0	15	20	0	0	0
Alicia Reyes Revuelta	Independent Director	75	25	15	0	0	0	23	26	0
Manuel Valls Morató	Independent Director	75	25	20	0	0	25	0	0	0
David Vegara Figueras	Executive director	75	25	0	0	0	0	0	0	0

For the position of Chairman of the Advisory Boards of Sabadell Guipuzcoano, Mr. Javier Echenique Landiribar received €20,400; Mr. Manel Valls Morató, Ms. Aurora Catá Sala for the position of members of the Board of Directors of Sabadell Information Systems, S.A. received an amount of €25,000, with €5,000 euros for the same office for Mr. Luis Deulofeu Fuguet.

The amounts actually received depended on the date of the appointment and the attendance and they are itemised in the statistical schedule of this document.

The Directors have not collected any supplementary remuneration from the Institution or any other Group institution in 2021 as consideration for services rendered other than those inherent to their position, nor any other remuneration items resulting from the awarding of advances, loans or guarantees, nor remunerations by virtue

of payments to a third-party institution made by the Bank or any other additional remuneration items not included in this Report.

4. Procedures and bodies involved in determining and approving the Remuneration Policy

4.1. General framework

The Articles of Association of Banco Sabadell set out the competences of the Board of Directors and its Committees. The Regulation of the Board of Directors set out the principles of action for the Board of Directors and its Committees, establishing their powers and the basic rules of functioning and organisation, in keeping with the applicable regulations to listed companies and credit institutions, as implemented and complemented in the Regulations of the Board of Directors. The Articles of Association and the Regulations of the Board of Directors and its Committees are available on the Banco Sabadell corporate website.

In accordance with the provisions of the Capital Companies Law, the Board of Directors is vested with non-delegable power to determine the company's general policies and strategies and to make decisions regarding the remuneration of the Directors within the statutory framework and, as appropriate, the Directors Remuneration Policy.

The Remuneration Committee is entrusted with making proposals to the Board of Directors regarding the Directors Remuneration Policy and the individual remuneration and other contractual conditions of the Executive Directors while overseeing their compliance, in accordance with the Regulation of the Board of Directors and the Committee itself.

Similarly, the Remuneration Committee has, at least, the following basic responsibilities, as outlined in article 18 of the Regulation of the Board of Directors and further implemented in the Regulations of the Remuneration Committee:

- a) Proposing the Director Remuneration Policy to the Board of Directors.
- b) Proposing to the Board of Directors the remuneration policy for the General Managers or others who perform the bank's senior management functions reporting directly to the Board, the Delegated Committee or the CEOs, as well as the individual remuneration and other contractual conditions of the Executive Directors while overseeing their compliance.
- c) Regularly reviewing the remuneration policy.
- d) Reporting on the share-based and/or option-based remuneration programmes
- d) Periodically reviewing the general principles in terms of remuneration, as well as the compensation programmes of all employees, weighting their compliance with these principles.
- f) Ensuring that the remuneration is transparent.
- g) Ensuring that any potential conflicts of interest do not impair the independence of the external advice

- h) Verifying the information on remuneration contained in the different corporate documents, including the Report on Director Remuneration.

The Remuneration Committee complies with the principles, good practices and criteria for its proper functioning established by Technical Guide 1/2019 on nomination and remuneration committees of 20 February published by the National Securities Market Commission.

In accordance with the provisions of article 62 of the Articles of Association, at the end of 2021 Banco Sabadell's Remuneration Committee comprised four non-executive Directors, all of whom were Independent Directors, as follows:

Composition:

Chairman

Ms Aurora Catá Sala

Members

Mr Anthony Frank Elliott Ball
Mr. George Donald Johnston III
Mr José Ramón Martínez Sufrategui

Non-member Secretary

Mr Gonzalo Baretino Coloma

In accordance with the provisions of article 19 of the Regulation of the Board of Directors and its own Regulations, the Risk Committee is responsible for informing the Remuneration Committee as to whether the employee compensation programmes are consistent with the Group's risk, capital and liquidity.

In accordance with article 16 of the Regulation of the Board of Directors and its own Regulations, the Audit and Control Committee is responsible for supervising the process of drafting and presenting the regulated financial information, including that related to remuneration, verifying compliance with the regulatory requirements and the correct application of the accounting criteria. In particular, an annual audit of the Remuneration Policy is performed, whose conclusions are submitted to the Remuneration Committee.

The proposals by the Remuneration Committee are submitted to the Board of Directors for its consideration and, as appropriate, approval.

In its meeting on 26 January 2022, in accordance with the Directors Remuneration Policy currently in force and within the limits established therein, the Board of Directors determined the amount of the remuneration of the Directors for the current financial year. Specifically, it determined the remuneration corresponding to the Chairman during the year and that of the other Directors in their capacity as members of the Board of Directors. In addition, it determined the remuneration corresponding to the Executive Directors for the performance of their executive functions, as outlined in the corresponding sections above.

Moreover, several divisions of the Bank participate in the application and supervision of the Remuneration

Policy. These include the Human Resources Division, which draws up an annual report on remuneration whose purpose is to provide the Remuneration Committee with the basic elements to enable it to perform the functions entrusted to it in connection with the review of the general principles of the Banco Sabadell Remuneration Policy and the supervision of the remuneration of the Executive Directors, the Bank's senior management and other persons who, due to their level of responsibility, risk-taking capacity and remuneration status, form part of the Group's Identified Staff, in accordance with the provisions of Law 10/2014 and Delegated Regulation 923/2021/EU or any regulation that replaces it.

4.2. Remuneration benchmarking and external advisors

The Remuneration Committee, in addition to relying on the internal advice of the Bank's own services, is advised by the specialist Willis Towers Watson firm, which collaborates with the Remuneration Committee in identifying market trends and regulatory developments in remuneration matters, and by the EY People Advisory Services firm,

which specialises in the implementation of integrated business strategies. Furthermore, specialised consulting firm Mercer Consulting S.L. issued an independent assessment of the implementation of the remuneration policy applicable to the members of the Identified Staff and the remuneration policy of the Directors, whose conclusions confirmed their proper application; the report was submitted to the Risk Committee and the Remuneration Committee in January 2021.

In addition, with a view to establishing a Remuneration Policy consistent with comparable companies, each year Banco Sabadell uses the Spencer Stuart Board Index 2020 and the report titled "The remuneration of the board members of IBEX 35 companies" produced by the KPMG consulting firm, as well as the advice of the Willis Towers Watson consulting firm, to perform comparative analyses of the remuneration of the Board of Directors, the members of the Bank's Senior Management and the members of the Identified Staff with respect to the market.

Two groups of companies have been used as benchmarking to set the remuneration of the Chief Executive Officer in 2022. As outlined in the following table, the first peer group is made up of 17 banks from Spain and other European countries (the European benchmark), while the second peer group is made up of 13 IBEX-35 companies (the domestic benchmark).

Companies used as benchmarks

Banks included in the European benchmark		Companies included in the domestic benchmark	
Raiffeisen	CaixaBank	Santander	Amadeus
Erste Group	KBC Groep	Mapfre	Bankinter
BBVA	Swedbank	CaixaBank	Enagas
Intesa San Paolo	BPER Banca	Abanca	Fluidra
Banco BPM	Mediobanca	Acciona	Grifols
Skandinaviska Enskilda Banken	Bankinter	Endesa	Merlin Properties
ABN Amro Group		Siemens Gamesa	
Standard Chartered Bank		BBVA	
Virgin Money		Ferrovial	

To set the remuneration of the CRO Director, the information comparable to his functions among the group of European and Spanish companies outlined above has been taken into account.

5. Measures to reduce the exposure to excessive risks and contribute to sustainable performance

The Banco Sabadell Remuneration Policy is aligned with the shareholders' interests, the Banco Sabadell Group strategy and the creation of long-term value and promotes appropriate risk management.

Without prejudice to the supervision exercised by the Bank's governing bodies and management (outlined in section 4 of this Report), the directors Remuneration Policy includes several elements that reduce the exposure to excessive risks, many of which have already been outlined in previous sections. These elements also apply to the professionals who have a material impact on the Bank's risk profile (the "members of the Group Identified Staff").

The main elements of the Remuneration Policy that make it possible to reduce the exposure to excessive risk and align the remuneration with the Bank's objectives, values and long-term interests are listed below:

Objectives established in the variable remuneration

The corporate objectives set in the short-term variable remuneration in 2021 and 2022 measure the Bank's prudential performance from financial and non-financial perspectives. In this respect, 80% of the objectives are linked to financial metrics related to profitability (ROE), results (Core Revenue), expense control (Group Expenses) and the cost of risk. The remaining 20% is linked to non-financial metrics which are key to the Group's value creation, such as customer ratings (NPS - Group synthetic) and ESG progress (Sustainability - Group synthetic).

In addition, taking into account the functions performed by the CRO Director, in accordance with the provisions of the applicable regulations to credit institutions, it has been established that the weight of the corporate objectives in this individual case should be limited to 20% and the remaining 80% should be linked to his own objectives.

In the case of long-term remuneration, in addition to the annual objectives set for short-term remuneration, the multi-year objectives linked to the creation of shareholder value (relative TSR) and the main indicators of the Risk Appetite Framework (Liquidity Coverage Ratio, CET 1 and RoRAC) must be fulfilled.

Adjustments to the fulfilment of objectives

As mentioned in previous sections, both the short and the long-term remuneration are subject to a risk correction factor that includes capital (CET1) and liquidity (Liquidity Coverage Ratio) indicators in relation to the limits set in the RAS. Failure to attain any of these indicators shall result in a reduction of the remuneration.

Moreover, no short-term or long-term variable remuneration is accrued if the overall fulfilment of the objectives (mix of Group and individual objectives) is less than 60%.

Ex ante risk adjustments

The amount of any variable remuneration item is subject to a potential disposal adjustment, as determined by the Board of Directors on the motion of the Remuneration Committee, which may reach zero depending on the parameters outlined in section 2.1.2.b) of this Report, including:

- Risk and control factors such as regulatory and normative non-compliance, breaches of risk limits (e.g., RAS (solvency, liquidity) and breaches of expected loss thresholds related to operational risk) and/or internal control indicators (e.g. results of internal audits) and similar items.
- Maximum Distributable Amount (MDA) lower than that required by the regulations.

Taking the above into account, the final amount of the short-term variable remuneration accrued on an annual basis (subject to ex post adjustments) shall be determined by the Board of Directors, following a recommendation by the Remuneration Committee, based on the individual assigned short and/or long-term variable remuneration figure, the evaluation of the degree of fulfilment of the individual performance objectives allocated to the Executive Directors and the application of the variable remuneration adjustment.

Deferral and payment

The short-term variable remuneration is subject to a deferral scheme, the main features of which are as follows:

- A timeline for the deferral of at least five years for the Executive Directors and the other members of the Bank's senior management and at least three years for the other members of the Identified Staff.
- Deferral of at least 60% in the case of the Executive Directors and the members of the Identified Staff whose variable remuneration exceeds 1,500,000 EUR and 40% for the other members of the Identified Staff.
- The deferred remuneration shall be paid in the form of Banco Sabadell shares in a proportion of 55% to the Executive Directors and the other members of the Bank's senior management and at least 50% to the rest of the Identified Staff.
- The variable remuneration paid in shares is subject to one-year lock-up. In line with recommendation 62 of the Good Governance Code, unless the Executive Directors own shares amounting to the equivalent of twice their annual fixed remuneration, they may not transfer the shares they receive until at least three years have elapsed from the time of their delivery. The above condition shall not apply to any shares that must be disposed of, as appropriate, to cover the tax obligations arising from their delivery.

- The use of personal hedges with financial products or any mechanism that guarantees collection of part or all of the variable remuneration is not permitted.

The specific payment schedule of the short-term variable remuneration for 2021 and 2022 can be viewed in sections 3.1.1.b) and 2.1.2.b) respectively.

The long-term remuneration shall also be paid in the form of Banco Sabadell shares in a proportion of 55% to the Executive Directors and the other members of the Bank's senior management and at least 50% to the rest of the Identified Staff. The time horizon from the measurement of the annual objectives determining the adjusted reference amount until the last payment date is five years, excluding the lock-up period applicable to any shares that are delivered. Information on the payment schedules for the long-term remuneration in force in 2021 and 2022 is included in sections 3.1.1.c) and 2.1.2.c).

Malus and clawback clauses

The short-term variable remuneration and long-term remuneration that has not yet been collected (up to 100% of the amount) shall be subject to malus (reduction or cancellation of the deferred amounts) and clawback (recovery of the received amounts) clauses in the event of a poor financial performance by the Bank as a whole or a specific division or area or the exposures generated by the member of the members of the Group Identified Staff that are applicable. These clauses do not require malice or negligence. For these purposes the performance assessment shall be compared with the subsequent performance of the variables that contribute to achieving the objectives. The factors outlined in section 2.1.4 shall be taken into account.

Control by certain bodies and divisions of the Institution

Without prejudice to the functions mentioned above and those corresponding to the Institution's Remuneration Committee and Board of Directors, the functions of other governing bodies and divisions of the Institution entrusted with control over the remuneration are listed below:

- The Risk Committee checks to ensure that the employee remuneration programmes are consistent with the Bank's risk, capital and liquidity and provides advice in this respect to the Remuneration Committee.
- The Audit and Control Committee supervises the process of drafting and presenting the regulated financial information, including that relating to remuneration, and reviews compliance with the regulatory requirements and proper application of accounting criteria.
- The Internal Audit Division, within the framework of its functions, carries out an independent examination, at least once per annum, of the definition and application of the institution's Remuneration Policy and its effects on its risk profile and the way in which these effects are managed. In addition, the report on the Prudential Evaluation of the Remuneration drawn up

by the specialised Mercer Consulting, S.L. firm for the Remuneration Committee assesses and guarantees that the delimitation of the Group's Identified Staff and the remuneration practices and policies conform to the requirements established in the regulations and interpretations of the EBA and the Bank of Spain.

- Each year the Risk Regulation and Control Division (CRO) submits to the Remuneration Committee a proposal for the adjustment of the variable remuneration, which may be at a Group, unit, country or even individual level, to be applied at year-end, depending on the risk profile and the evolution of the results.

This Annual Report on Directors' Remuneration was approved by Banco Sabadell's Board of Directors at its meeting held on:

17/02/2022

No Directors who voted abstained or voted against the approval of this Report.

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.

6. Reconciliation with the CNMV Annual Report on Remuneration of Directors of Listed Limited Liability Companies

Below is a table of equivalences detailing the location, in this Report, of the content established in the official form of the CNMV's Report on Remuneration of Directors of Listed Limited Companies, approved by Notice 3/2021.

**Report on
Remuneration
of the Directors
of Banco Sabadell**

Content of the form per Notice 3/2021

A. Company's remuneration policy for the current financial year

A.1.

Describe the current Directors Remuneration Policy applicable to the current year. To the extent relevant, include disclosures relating to the remuneration policy approved by the General Meeting of Shareholders, provided that these references are clear, specific and concrete. Describe the specific decisions taken by the Board that apply to this financial year, relating to both directors' remuneration for their functions as such and for executive functions, as provided in the contracts signed with the executive directors, and to the general remuneration policy approved by the General Meeting of Shareholders. In any event, the following aspects must be disclosed:

- Description of the company's procedures and the bodies involved in determining and approving the remuneration policy and its terms and conditions.
- Indicate, where applicable, whether the company's remuneration policy was benchmarked against other companies and give details.
- Information as to whether any external advisors were involved in this process and, if so, their institution.
- Procedures set out in the current remuneration policy for directors to apply temporary exceptions to the policy, conditions under which these exceptions can be used and components that may be subject to exception according to the policy.

Sections 1 & 4.

Relative importance of variable remuneration and fixed remuneration items (remuneration mix) and the criteria and objectives used to determine and ensure an appropriate balance between the fixed and variable components of remuneration. In particular, state the actions taken by the company in relation to the remuneration system to reduce exposure to excessive risks and adjust it to the company's long-term objectives, values and interests, including references to any measures to guarantee that the company's long-term results are taken into account in the remuneration policy, the measures taken in relation to those categories of staff whose work has a material impact on the company's risk profile and any measures to avoid conflicts of interest. Also disclose if the company has established a period for the accrual or vesting of certain variable remuneration items, whether in cash, shares or other financial instruments, any period of deferral of the payment of amounts or the delivery of accrued or vested financial instruments, any clause that reduces the invested deferred remuneration or that obliges the director to refund remuneration already received, where such remuneration was based on figures that have subsequently been clearly shown to be inaccurate.

Sections 2.1 & 5.

- Amount and nature of fixed components that are expected to be accrued by directors during the financial year for membership of the Board of Directors as such. **Section 2.2.**

- Amount and nature of fixed components that are to be accrued during the financial year for the performance of the Bank's senior management functions by executive directors. **Section 4.2.**

- Amount and nature of any component of remuneration in kind that will accrue during the year, including, but not limited to, insurance premiums paid in favour of the director. **Section 2.1.**

- Amount and nature of variable components, differentiating between short and long term. Financial and non-financial parameters, including social, environmental and climate change, selected to determine variable remuneration in the current year, describing the extent to which these parameters are related to performance, both of the director and of the company, together with their risk profile, and the methodology, necessary period and the techniques established to determine the degree of fulfilment of the parameters used in the design of the variable remuneration at the end of the year, and describe in detail the criteria and factors applied in terms of the time required and methods for verifying that the performance conditions or any other type of conditions to which the accrual and vesting of each component of variable remuneration was linked were actually fulfilled. State the range, in monetary terms, of the variable components according to the degree of fulfilment of the objectives and established parameters, and whether there is any absolute cap in monetary terms. **Sections 2.1 & 5.**

- Main characteristics of long-term savings systems. Among other information, state the contingencies covered by the system, whether it is defined-contribution or defined-benefit, the annual contribution to be made to the defined-contribution system, the benefits directors are entitled to under defined-benefit systems, the conditions under which economic rights vest for directors and their compatibility with any other type of payment or severance pay as resolution for the early termination or dismissal of the director or deriving from the termination of the contractual relation, in the terms provided, between the company and the director. **Section 2.1.**

State if the accrual or vesting of any of the long-term savings plans is linked to achieving certain objectives or parameters related to the director's short- or long-term performance.

- Any type of payment or severance pay for resolution or early termination or dismissal of the director, or deriving from the termination of the contractual relationship between the company and the director, in the terms provided, whether by voluntary resignation by the director or dismissal of the director by the company, as well as any type of agreement, such as exclusivity, post-contractual non-competition, permanence or loyalty, which entitle the director to any type of remuneration. **Sections 2.1 and 3.1.**

- State the conditions that contracts for executive directors' bank senior management functions must comply with. Among other aspects, give information on the term, limits to the amounts of severance pay, permanence clauses, notice periods and payment in lieu of notice, and any other clauses regarding hiring bonuses, as well as severance payments or golden handshakes for early resolution or termination of the contractual relationship between the company and the executive director. Include, among others, any no-compete, exclusivity, permanence and loyalty, and post-contractual non-competition pacts or agreements, except where they have already been explained in the previous section. **Section 2.1.**

- The nature and estimated amount of any other supplementary remuneration accrued by directors in the year as consideration for services rendered other than those inherent to their position as directors. **Sections 2.1 & 3.1.**

- Other remuneration items, such as those arising from the company granting the director advance payments, loans, guarantees or any other remuneration **Sections 2.1 & 3.1.**

— The nature and estimated amount of any other planned supplementary remuneration that is not included in the preceding sections, whether paid by the institution or by another institution in the Group, which will be earned by directors during the current financial year. **Sections 2.1 & 3.1.**

A.2.

Describe any material change in the remuneration policy applicable in the current financial year resulting from: **Section 2.**

- A new policy or an amendment of the policy already approved by the General Meeting.
- Material changes in the specific determinations established by the board for the current year regarding the remuneration policy in force, in comparison with those applied in the previous financial year.
- Proposals that the board of directors has resolved to submit to the General Meeting of Shareholders to which this annual report will be submitted and which are proposed to be applicable to the current financial year.

A.3.

Identify the direct link to the document where the current company remuneration policy is posted, which must be available on the company's website. **Section 2.**

A.4.

Explain, considering the data provided in Section B.4, how the outcome of the consultative vote at the General Meeting of Shareholders on the previous year's annual report on remuneration was taken into account. **Section 3.**

B. Overall summary of how the remuneration policy was applied during the reporting year

B.1.

Explain the process used to apply the remuneration policy and to determine the individual remuneration set out in Section C of this report. This information must include the role played by the remuneration committee, the decisions taken by the Board of Directors and, where applicable, the institution and the role of any external advisers engaged for the process of applying the remuneration policy in the reporting year. **Section 3.**

B.1.2.

Explain any deviation from the established procedure for the application of the remuneration policy that has occurred during the financial year. **Section 3.**

B.1.3.

Indicate whether any temporary exception to the remuneration policy has been applied and, if applied, explain the exceptional circumstances that led to the application of these exceptions, the specific components of the remuneration policy affected and the reasons why the institution considers that those exceptions were necessary to serve the long-term interests and sustainability of the company as a whole or to ensure its viability. Furthermore, quantify the impact that the application of these exceptions has had on the remuneration of each director in the financial year. **Section 3.**

B.2.

Explain the actions taken by the company in relation to the remuneration system and how they contributed to reducing exposure to excessive risks and adapting it to the company's long-term objectives, values and interests, including a reference to any measures that have been adopted to ensure that the company's long-term results were taken into consideration in setting the remuneration actually earned and that a suitable balance was attained between the fixed and variable components of remuneration, any measures adopted in relation to those categories of staff whose professional activities have a material repercussion on the company's risk profile and any measures that have been adopted to avoid conflicts of interest. **Section 3.1.**

— The nature and estimated amount of any other planned supplementary remuneration that is not included in the preceding sections, whether paid by the institution or by another institution in the Group, which will be earned by directors during the current financial year. **Sections 2.1 & 3.1.**

B.3.

Explain how the remuneration accrued and consolidated in the year complies with the provisions of the current remuneration policy and, in particular, how it contributes to the sustainable and long-term performance of the company. Also, report on the relationship between the remuneration obtained by the directors and the company's results or other performance metrics, in the short and long term, detailing how any variations in the company's performance influenced changes in director remuneration, including remuneration accrued but payment deferred, and how they contribute to the company's short- and long-term results. **Sections 1, 2.1 & 5.**

B.4.

Describe the outcome of the consultative vote at the general meeting on the Annual Remuneration Report for the previous year, indicating the number of votes cast for, against, and abstentions if any. Number % of votes cast Number % of negative votes compared with votes cast
Votes in favour Blank votes Abstentions Remarks **Sections 2 & 3.**

B.5.

Describe how the fixed components of remuneration earned and vested during the year by the directors in their capacity as such were determined, their relative proportion for each director, and how they changed with respect to the previous financial year. **Section 3.2.**

B.6.

Describe how the salaries earned and vested by each of the executive directors in the last year for performing executive functions were determined, and how they changed with respect to the previous financial year. **Section 3.1.**

Explain the nature and give the main features of the variable components of the remuneration systems earned and vested in the reporting year. In particular:

a) Identify each of the remuneration plans that determined the various types of variable remuneration earned by each of the directors in the reporting year, including information on their scope, approval date, implementation date, any vesting conditions, the periods of accrual and validity, the criteria used to assess performance and how this affected the establishment of the variable amount that accrued, as well as the measurement criteria that were applied and the period that must elapse in order to be in a position to suitably measure all the applicable conditions and criteria, and describe in detail the criteria and factors applied in terms of the time required and methods for verifying that the performance conditions or any other type of conditions to which the accrual and vesting of each component of variable remuneration was linked were actually fulfilled.

b) In the case of stock options and other financial instruments, the general characteristics of each plan must contain information on the conditions required both to achieve unconditional ownership (vesting) and to exercise such options or financial instruments, including the strike price and exercise period.

c) Name and category (executive director, proprietary external director, independent external director and other external director) of each of the directors who are beneficiaries of remunerations systems or plans that include variable remuneration.

d) Where applicable, disclose any accrual, vesting or deferral periods that were applied to the payment of vested amounts and/or any periods of lock-up/non-provision for shares or other financial instruments.

Explain the short-term variable components of the remuneration systems.
Explain the components.

B.7.

Explain the nature and give the main features of the variable components of the remuneration systems earned and vested in the reporting year. In particular:

Sections 3.1 & 5.

- Identify each of the remuneration plans that determined the various types of variable remuneration earned by each of the directors in the reporting year, including information on their scope, approval date, implementation date, any vesting conditions, the periods of accrual and validity, the criteria used to assess performance and how this affected the establishment of the variable amount that accrued, as well as the measurement criteria that were applied and the period that must elapse in order to be in a position to suitably measure all the applicable conditions and criteria, and describe in detail the criteria and factors applied in terms of the time required and methods for verifying that the performance conditions or any other type of conditions to which the accrual and vesting of each component of variable remuneration was linked that were actually fulfilled.
- In the case of stock options and other financial instruments, the general characteristics of each plan must contain information on the conditions required both to achieve unconditional ownership (vesting) and to be able to exercise such options or financial instruments, including the strike price and exercise period.
- Each of the directors and their category (executive directors, proprietary external directors, independent external directors and other external directors) who are beneficiaries of remunerations systems or plans that include variable remuneration.
- Where applicable, disclose any accrual, vesting or deferral periods that were applied to the payment of vested amounts and/or any periods of lock-up/non-provision for shares or other financial instruments.

B.8.

Indicate whether any accrued variable components were reduced or clawed back after deferral of unvested amounts (in the former case) or vesting and payment (in the latter case) on the basis of data which were subsequently shown to be manifestly inaccurate. Describe the amounts reduced or clawed back through the application of the malus or clawback clauses, why they were implemented and the financial years to which they refer.

Section 3.1.**B.9.**

Describe the main characteristics of the long-term savings systems where the amount or equivalent per annum cost appears in the tables in Section C, including retirement and any other survivorship benefits that are financed, totally or partially, by the company, whether through internal or external contributions, indicating the type of plan, whether it is defined-contribution or defined-benefit, the contingencies covered, the conditions for the economic rights to vest for directors, and their compatibility with any type of severance pay for early resolution or termination of the contractual relationship between the company and the director.

Section 3.1.**B.10.**

Describe any termination indemnities or other payment arising from early dismissal or early resignation, or from the termination of the contract, in its own terms, that were accrued and/or received by directors during the reporting year.

Section 3.1.**B.11.**

Indicate whether there were any significant changes in the contracts of persons performing bank senior management functions, such as executive directors, and, if applicable, describe them. Additionally, describe the main conditions of new contracts signed with executive directors during the financial year, unless already described in Section A.1.

Section 3.1.**B.12.**

Describe any additional remuneration paid to directors like consideration for services rendered other than those inherent to their directorship.

Sections 3.1 and 3.2.

B.13.

Describe any remuneration deriving from advance payments, loans or guarantees granted, indicating the interest rate, the main features and any amounts that were repaid, as well as any collateral obligations assumed on their behalf as a guarantee.

Sections 3.1 and 3.2.**B.14.**

Detail any remuneration in kind earned by the directors in the financial year, briefly indicating the nature of the various salary components.

Section 3.1.**B.15.**

Describe any remuneration accrued by directors in the form of payments settled by the listed company with third parties where the director renders services, where such payments are intended to compensate the director's services to the company.

Sections 3.1 and 3.2.**B.16.**

Explain and detail the amounts accrued in the financial year in relation to any other remuneration item other than the above, whatever its nature or the group entity that pays it, including all benefits in any of their forms, such as when considered a related party transaction or, especially, when it significantly affects the true and fair view of the total remuneration accrued by the director, and the amount granted or pending payment must be explained, the nature of the consideration received and the reasons why it would have been considered, if applicable, that it does not constitute remuneration to the director for his/her status as such or in consideration for the performance of his/her executive functions, and whether or not it has been considered appropriate to include it among the amounts accrued in the "other concepts" section of section C.

Sections 3.1 and 3.2.

C. Itemised individual remuneration in respect of each director

Statistical annex

Section 7

7. Statistical annex



**ANNUAL REPORT ON THE REMUNERATION OF
DIRECTORS OF LISTED PUBLIC LIMITED COMPANIES**

ISSUER IDENTIFICATION DATA

Date of end of reference year:

[31/12/2021]

Tax ID Number (CIF):

[A-08000143]

Company name:

[**BANCO DE SABADELL, S.A.**]

Registered office:

[AV. ÓSCAR ESPLÁ No.37 (ALICANTE)]

B. OVERALL SUMMARY OF HOW THE REMUNERATION POLICY WAS APPLIED DURING THE REPORTING YEAR

B.4. Describe the outcome of the consultative vote at the general meeting on the Annual Remuneration Report for the previous year, indicating the number of votes cast for, against, and abstentions if any:

	Number	% of total
Votes cast	3,440,350	62.00

	Number	% of votes cast
Votes against	347,535	10.10
Votes in favour	3,087,152	89.74
Blank votes		0.00
Abstentions	5,663	0.16

C. ITEMISED INDIVIDUAL REMUNERATION IN RESPECT BY EACH DIRECTOR

Name	Type	Accrual period in 2021
Mr JOSEP OLIU CREUS	Other External Chairman	From 01/01/2021 to 31/12/2021
Mr JOSE JAVIER ECHENIQUE LANDIRIBAR	Independent Deputy Chairman	From 01/01/2021 to 28/07/2021
Mr PEDRO FONTANA GARCIA	Independent Deputy Chairman	From 01/01/2021 to 31/12/2021
Mr JAIME GUARDIOLA ROMOJARO	CEO	From 01/01/2021 to 18/03/2021
Mr CESAR GONZALEZ BUENO MAYER WITTGENSTEIN	CEO	From 18/03/2021 to 31/12/2021
Mr ANTHONY FRANK ELLIOTT BALL	Lead Director	From 01/01/2021 to 31/12/2021
Ms AURORA CATA SALA	Independent Director	From 01/01/2021 to 31/12/2021
Mr LUIS DEULOFEU FUGUET	Independent Director	From 26/10/2021 to 31/12/2021
Ms MARIA JOSE GARCIA BEATO	Other External Director	From 01/01/2021 to 31/12/2021
Ms MIREYA GINE TORRENS	Independent Director	From 01/01/2021 to 31/12/2021
Mr GEORGE DONALD JOHNSTON III	Independent Director	From 01/01/2021 to 31/01/2021
Mr DAVID MARTÍNEZ GUZMAN	Proprietary Director	From 01/01/2021 to 31/12/2021
Mr JOSE MANUEL MARTÍNEZ MARTÍNEZ	Independent Director	From 01/01/2021 to 31/12/2021
Mr JOSE RAMON MARTÍNEZ SUFRATEGUI	Independent Director	From 01/01/2021 to 31/12/2021
Ms ALICIA REYES REVUELTA	Independent Director	From 01/01/2021 to 31/12/2021
Mr MANUEL VALLS MORATO	Independent Director	From 01/01/2021 to 31/12/2021
Mr DAVID VEGARA FIGUERAS	Executive Director	From 01/01/2021 to 31/12/2021

C.1. Complete the following tables with data on the individual remuneration accrued during the year by each of the directors (including remuneration for performing executive functions).

a) Remuneration from the reporting company:

i) Remuneration in cash (thousand euro)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Severance pay	Other items	2021 Total	2020 Total
Mr JOSEP OLIU CREUS	1,225	34		452	71			16	1,798	1,986
Mr JOSE JAVIER ECHENIQUE LANDIRIBAR	100	23	62					20	205	227
Mr PEDRO FONTANA GARCIA	120	25	112						257	198
Mr JAIME GUARDIOLA ROMOJARO	12	5		301	53			3	374	1,463
Mr CESAR GONZALEZ BUENO MAYER WITTGENSTEIN	63	20		1,577	112			20	1,792	
Mr ANTHONY FRANK ELLIOTT BALL	97	25	40						162	150
Ms AURORA CATA SALA	75	25	78						178	166
Mr LUIS DEULOFEU FUGUET	18	7	14						39	
Ms MARIA JOSE GARCIA BEATO	75	25	66	135			1,196	10	1,507	610
Ms MIREYA GINE TORRENS	75	25	50						150	39
Mr GEORGE DONALD JOHNSTON III	75	25	88						188	188
Mr DAVID MARTÍNEZ GUZMAN	75	25							100	100
Mr JOSE MANUEL MARTÍNEZ MARTÍNEZ	75	25	67						167	138
Mr JOSE RAMON MARTÍNEZ SUFRATEGUI	75	25	35						135	140
Ms ALICIA REYES REVUELTA	75	25	64						164	
Mr MANUEL VALLS MORATO	75	25	45						145	160
Mr DAVID VEGARA FIGUERAS	75	25		494	19			41	654	555

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments.

Name	Plan	Financial instruments at the beginning of 2021		Financial instruments granted during the year 2021		Financial instruments accrued in the year				Instruments vested but not exercised	Financial instruments at the end of 2021	
		No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent shares	No. of instruments	No. of equivalent/vested shares	Price of vested shares	Gross profit on vested shares or financial instruments (thousand euro)	No. of instruments	No. of instruments	No. Equivalent shares
Mr JOSEP OLIU CREUS	ICLP 2018-2021	1,275,000	461,550					0.00		1,275,000		
Mr JOSEP OLIU CREUS	RLP 2019-2021	231,472	231,472					0.00		115,736	115,736	115,736
Mr JOSEP OLIU CREUS	RLP 2020-2022							0.00				
Mr JOSEP OLIU CREUS	RLP 2021-2023			130,731	130,731			0.00			130,731	130,731
Mr JOSEP OLIU CREUS	RV 2021			320,931	320,931	121,106	121,106	0.58	71		199,825	199,825
Mr JAIME GUARDIOLA ROMOJARO	ICLP 2018-2021	1,125,000	407,250					0.00		1,125,000		
Mr JAIME GUARDIOLA ROMOJARO	RLP 2019-2021	183,816	183,816					0.00		91,908	91,908	91,908
Mr JAIME GUARDIOLA ROMOJARO	RLP 2020-2022	288,819	288,819					0.00			288,819	288,819
Mr JAIME GUARDIOLA ROMOJARO	RLP 2021-2023			91,202	91,202			0.00			91,202	91,202
Mr JAIME GUARDIOLA ROMOJARO	RV 2021			238,701	238,701	90,076	90,076	0.58	53		148,625	148,625
Mr CESAR GONZALEZ-	RLP 2021-2023			522,619	522,619			0.00			522,619	522,619

Name	Plan	Financial instruments at the beginning of 2021		Financial instruments granted during the year 2021		Financial instruments accrued in the year				Instruments vested but not exercised	Financial instruments at the end of 2021	
		No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent shares	No. of instruments	No. of equivalent/vested shares	Price of vested shares	Gross profit on vested shares or financial instruments (thousand euro)	No. of instruments	No. of instruments	No. Equivalent shares
BUENO MAYER WITTGENSTEIN												
MR CESAR GONZALEZ-BUENO MAYER WITTGENSTEIN	RV 2021			503,613	503,613	190,043	190,043	0.58	112		313,570	313,570
Ms MARIA JOSE GARCIA BEATO	ICLP 2018-2021	720,000	260,640					0.00		720,000		
Ms MARIA JOSE GARCIA BEATO	RLP 2019-2021	60,527	60,527					0.00		30,264	30,263	30,263
Ms MARIA JOSE GARCIA BEATO	RLP 2020-2022	95,983	95,983					0.00			95,983	95,983
Ms MARIA JOSE GARCIA BEATO	Severance pay			820,955	820,955	309,755	309,755	0.52	163		511,160	511,160
Mr DAVID VEGARA FIGUERAS	RLP 2019-2021	53,770	53,770					0.00		27,004	26,766	26,766
Mr DAVID VEGARA FIGUERAS	RLP 2020-2022	120,553	120,553					0.00			120,553	120,553
Mr DAVID VEGARA FIGUERAS	RLP 2021-2023			105,070	105,070			0.00			105,070	105,070
Mr DAVID VEGARA FIGUERAS	RV 2021			89,997	89,997	33,962	33,962	0.58	20		56,035	56,035

iii) Long-term savings systems.

Name	Remuneration from vesting of rights within savings systems
Mr JOSEP OLIU CREUS	7,489
Mr JOSE JAVIER ECHENIQUE LANDIRIBAR	
Mr PEDRO FONTANA GARCIA	
Mr JAIME GUARDIOLA ROMOJARO	23,882
Mr CESAR GONZALEZ BUENO MAYER WITTGENSTEIN	
Mr ANTHONY FRANK ELLIOTT BALL	
Ms AURORA CATA SALA	
Mr LUIS DEULOFEU FUGUET	
Ms MARIA JOSE GARCIA BEATO	4,693
Ms MIREYA GINE TORRENS	
Mr GEORGE DONALD JOHNSTON III	
Mr DAVID MARTÍNEZ GUZMAN	
Mr JOSE MANUEL MARTÍNEZ MARTÍNEZ	
Mr JOSE RAMON MARTÍNEZ SUFRATEGUI	
Ms ALICIA REYES REVUELTA	
Mr MANUEL VALLS MORATO	
Mr DAVID VEGARA FIGUERAS	2

Name	Company's contribution for the year (thousand euro)				Amount of accumulated funds (thousand euro)			
	Saving plans with vested economic rights		Saving plans with unvested economic rights		Saving plans with vested economic rights		Saving plans with unvested economic rights	
	Year 2021	Year 2020	Year 2021	Year 2020	Year 2021	Year 2020	Year 2021	Year 2020
Mr JOSEP OLIU CREUS	1			36	7,489		1,485	8,720
Mr JAIME GUARDIOLA ROMOJARO	1,240		102	1,225	23,882		3,689	25,516
MR CESAR GONZALEZ-BUENO MAYER WITTGENSTEIN								
Ms MARIA JOSE GARCIA BEATO	2,691		253	796	4,693		727	2,685
Mr DAVID VEGARA FIGUERAS	1		94	118	2		260	163

iv) Details of other items

Name	Item	Remuneration amount
Mr JOSEP OLIU CREUS		
Mr JOSE JAVIER ECHENIQUE LANDIRIBAR		
Mr PEDRO FONTANA GARCIA		
Mr JAIME GUARDIOLA ROMOJARO		
Mr CESAR GONZALEZ BUENO MAYER WITTGENSTEIN		
Mr ANTHONY FRANK ELLIOTT BALL		
Ms AURORA CATA SALA		

Name	Item	Remuneration amount
Mr LUIS DEULOFEU FUGUET		
Ms MARIA JOSE GARCIA BEATO		
Ms MIREYA GINE TORRENS		
Mr GEORGE DONALD JOHNSTON III		
Mr DAVID MARTÍNEZ GUZMAN		
Mr JOSE MANUEL MARTÍNEZ MARTÍNEZ		
Mr JOSE RAMON MARTÍNEZ SUFRATEGUI		
Ms ALICIA REYES REVUELTA		
Mr MANUEL VALLS MORATO		
Mr DAVID VEGARA FIGUERAS		

b) Remuneration of directors of the listed company for their membership of the administrative bodies of its subsidiaries:

i) Remuneration in cash (thousand euro)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Severance pay	Other items	2021 Total	2020 Total
Mr JOSEP OLIU CREUS										
Mr JOSE JAVIER ECHENIQUE LANDIRIBAR										
Mr PEDRO FONTANA GARCIA										
Mr JAIME GUARDIOLA ROMOJARO										
Mr CESAR GONZALEZ BUENO MAYER WITTGENSTEIN										

Name	Fixed remuneration	Attendance fees	Remuneration for membership of Board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Severance pay	Other items	2021 Total	2020 Total
Mr ANTHONY FRANK ELLIOTT BALL										
Ms AURORA CATA SALA		25							25	
Mr LUIS DEULOFEU FUGUET		5							5	
Ms MARIA JOSE GARCIA BEATO										
Ms MIREYA GINE TORRENS										
Mr GEORGE DONALD JOHNSTON III										
Mr DAVID MARTÍNEZ GUZMAN										
Mr JOSE MANUEL MARTÍNEZ MARTÍNEZ										
Mr JOSE RAMON MARTÍNEZ SUFRATEGUI										
Ms ALICIA REYES REVUELTA	49								49	
Mr MANUEL VALLS MORATO		25							25	
Mr DAVID VEGARA FIGUERAS										

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments.

Name	Plan	Financial instruments at the beginning of 2021		Financial instruments granted during the year 2021		Financial instruments accrued in the year				Instruments vested but not exercised	Financial instruments at the end of 2021	
		No. of instruments	No. Equivalent shares	No. of instruments	No. Equivalent shares	No. of instruments	No. of equivalent/vested shares	Price of vested shares	Gross profit on vested shares or financial instruments (thousand euro)	No. of instruments	No. of instruments	No. Equivalent shares
Mr JOSEP OLIU CREUS												
Mr JAIME GUARDIOLA ROMOJARO												
Ms MARIA JOSE GARCIA BEATO												
Mr DAVID VEGARA FIGUERAS												

iii) Long-term savings systems.

Name	Remuneration from vesting of rights within savings systems
Mr JOSEP OLIU CREUS	
Mr JOSE JAVIER ECHENIQUE LANDIRIBAR	

Name	Remuneration from vesting of rights within savings systems
Mr PEDRO FONTANA GARCIA	
Mr JAIME GUARDIOLA ROMOJARO	
Mr CESAR GONZALEZ BUENO MAYER WITTGENSTEIN	
Mr ANTHONY FRANK ELLIOTT BALL	
Ms AURORA CATA SALA	
Mr LUIS DEULOFEU FUGUET	
Ms MARIA JOSE GARCIA BEATO	
Ms MIREYA GINE TORRENS	
Mr GEORGE DONALD JOHNSTON III	
Mr DAVID MARTÍNEZ GUZMAN	
Mr JOSE MANUEL MARTÍNEZ MARTÍNEZ	
Mr JOSE RAMON MARTÍNEZ SUFRATEGUI	
Ms ALICIA REYES REVUELTA	
Mr MANUEL VALLS MORATO	
Mr DAVID VEGARA FIGUERAS	

Name	Company's contribution for the year (thousand euro)				Amount of accumulated funds (thousand of euro)			
	Saving plans with vested economic rights		Saving plans with unvested economic rights		Saving plans with vested economic rights		Saving plans with unvested economic rights	
	Year 2021	Year 2020	Year 2021	Year 2020	Year 2021	Year 2020	Year 2021	Year 2020
Mr JOSEP OLIU CREUS								

Name	Company's contribution for the year (thousand euro)				Amount of accumulated funds (thousand euro)			
	Saving plans with vested economic rights		Saving plans with unvested economic rights		Saving plans with vested economic rights		Saving plans with unvested economic rights	
	Year 2021	Year 2020	Year 2021	Year 2020	Year 2021	Year 2020	Year 2021	Year 2020
Mr JAIME GUARDIOLA ROMOJARO								
Ms MARIA JOSE GARCIA BEATO								
Mr DAVID VEGARA FIGUERAS								

iv) Details of other items

Name	Item	Remuneration amount
Mr JOSEP OLIU CREUS		
Mr JOSE JAVIER ECHENIQUE LANDIRIBAR		
Mr PEDRO FONTANA GARCIA		
Mr JAIME GUARDIOLA ROMOJARO		
Mr CESAR GONZALEZ BUENO MAYER WITTGENSTEIN		
Mr ANTHONY FRANK ELLIOTT BALL		
Ms AURORA CATA SALA		
Mr LUIS DEULOFEU FUGUET		
Ms MARIA JOSE GARCIA BEATO		
Ms MIREYA GINE TORRENS		

Name	Item	Remuneration amount
Mr GEORGE DONALD JOHNSTON III		
Mr DAVID MARTÍNEZ GUZMAN		
Mr JOSE MANUEL MARTÍNEZ MARTÍNEZ		
Mr JOSE RAMON MARTÍNEZ SUFRATEGUI		
Ms ALICIA REYES REVUELTA		
Mr MANUEL VALLS MORATO		
Mr DAVID VEGARA FIGUERAS		

c) Summary of remuneration (thousand euro):

Summarise the amounts corresponding to all the remuneration items included in this report that have accrued to the director, in thousand euro.

Name	Remuneration accrued in the company					Remuneration accrued in group companies					2021 total Company + Group
	Total cash remuneration	Gross profit on vested shares or financial instruments	Remuneration under savings systems	Remuneration under other headings	2021 total Company	Total cash remuneration	Gross profit on vested shares or financial instruments	Remuneration under savings systems	Remuneration under other headings	2021 total Group	
Mr JOSEP OLIU CREUS	1,798	71	7,489		9,358						9,358
Mr JOSE JAVIER ECHENIQUE LANDIRIBAR	205				205						205
Mr PEDRO FONTANA GARCIA	257				257						257

Name	Remuneration accrued in the company					Remuneration accrued in group companies					2021 total Company + Group
	Total cash remuneration	Gross profit on vested shares or financial instruments	Remuneration under savings systems	Remuneration under other headings	2021 total Company	Total cash remuneration	Gross profit on vested shares or financial instruments	Remuneration under savings systems	Remuneration under other headings	2021 total Group	
Mr JAIME GUARDIOLA ROMOJARO	374	53	23,882		24,309						24,309
MR CESAR GONZALEZ-BUENO MAYER WITGENSTEIN	1,792	112			1,904						1,904
Mr ANTHONY FRANK ELLIOTT BALL	162				162						162
Ms AURORA CATA SALA	178				178	25				25	203
Mr LUIS DEULOFEU FUGUET	39				39	5				5	44
Ms MARIA JOSE GARCIA BEATO	1,507	163	4,693		6,363						6,363
Ms MIREYA GINE TORRENS	150				150						150
Mr GEORGE DONALD JOHNSTON III	188				188						188
Mr DAVID MARTÍNEZ GUZMAN	100				100						100
Mr JOSE MANUEL MARTÍNEZ MARTÍNEZ	167				167						167

Name	Remuneration accrued in the company					Remuneration accrued in group companies					2021 total Company + Group
	Total cash remuneration	Gross profit on vested shares or financial instruments	Remuneration under savings systems	Remuneration under other headings	2021 total Company	Total cash remuneration	Gross profit on vested shares or financial instruments	Remuneration under savings systems	Remuneration under other headings	2021 total Group	
Mr JOSE RAMON MARTÍNEZ SUFRATEGUI	135				135						135
Ms ALICIA REYES REVUELTA	164				164	49				49	213
Mr MANUEL VALLS MORATO	145				145	25				25	170
Mr DAVID VEGARA FIGUERAS	654	20	2		676						676
TOTAL	8,015	419	36,066		44,500	104				104	44,604

C.2. Indicate the changes over the last five years in the amount and percentage change in the remuneration accrued by each of the listed company's directors during the year, in the consolidated results of the company and in the average remuneration on a full-time equivalent basis of the employees of the company and its subsidiaries who are not directors of the listed company.

	Total amounts accrued and % of change per annum								
	Year 2021	% Change 2021/2020	Year 2020	% Change 2020/2019	Year 2019	% Change 2019/2018	Year 2018	% Change 2018/2017	Year 2017
Executive Directors									
Mr JAIME GUARDIOLA ROMOJARO	427	-70.81	1,463	-39.34	2,412	64.64	1,465	-42.86	2,564

Total amounts accrued and % of change per annum									
	Year 2021	% Change 2021/2020	Year 2020	% Change 2020/2019	Year 2019	% Change 2019/2018	Year 2018	% Change 2018/2017	Year 2017
Mr CESAR GONZALEZ BUENO MAYER WITTGENSTEIN	1,904	-	0	-	0	-	0	-	0
Mr DAVID VEGARA FIGUERAS	674	21.44	555	-6.41	593	220.54	185	7.56	172
External directors									
Mr JOSEP OLIU CREUS	1,869	-5.89	1,986	-35.81	3,094	56.82	1,973	-45.99	3,653
Ms MARIA JOSE GARCIA BEATO	311	-49.02	610	-25.06	814	206.02	266	-	0
Mr JOSE JAVIER ECHENIQUE LANDIRIBAR	205	-9.69	227	-3.81	236	0.00	236	14.56	206
Mr PEDRO FONTANA GARCIA	257	29.80	198	1.54	195	52.34	128	n.k.	8
Mr ANTHONY FRANK ELLIOTT BALL	162	8.00	150	7.14	140	10.24	127	252.78	36
Ms AURORA CATA SALA	203	9.14	186	16.25	160	0.00	160	15.94	138
Mr LUIS DEULOFEU FUGUET	44	-	0	-	0	-	0	-	0
Ms MIREYA GINE TORRENS	150	284.62	39	-	0	-	0	-	0
Mr GEORGE DONALD JOHNSTON III	188	0.00	188	1.08	186	35.77	137	552.38	21
Mr DAVID MARTÍNEZ GUZMAN	100	0.00	100	0.00	100	0.00	100	49.25	67
Mr JOSE MANUEL MARTÍNEZ MARTÍNEZ	167	21.01	138	-25.41	185	2.78	180	16.13	155
Mr JOSE RAMON MARTÍNEZ SUFRATEGUI	135	-3.57	140	8.53	129	7.50	120	16.50	103
Ms ALICIA REYES REVUELTA	213	-	0	-	0	-	0	-	0

	Total amounts accrued and % of change per annum								
	Year 2021	% Change 2021/2020	Year 2020	% Change 2020/2019	Year 2019	% Change 2019/2018	Year 2018	% Change 2018/2017	Year 2017
Mr MANUEL VALLS MORATO	170	-5.56	180	12.50	160	0.00	160	31.15	122
Consolidated results of the company									
	619,990	-	-120,830	-	951,076	127.06	418,865	-50.62	848,255
Average employee remuneration									
	59	9.26	54	-1.82	55	5.77	52	0.00	52

D. OTHER USEFUL INFORMATION

This Annual Remuneration Report was approved by the company's Board of Directors at a meeting on:

[17/02/2022]

Indicate whether any board members voted against or abstained with respect to the approval of this report.

[] Yes
[] No